



2017
NATIONAL ASSOCIATION OF
REALTORS®

MLS Commercial Handbook

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Part 1

Board Bylaw Provisions Authorizing a Commercial/Industrial Multiple Listing Service as a Committee of the Board (Adopted 11/88)

Article _____

Section 1—Authority: The Board of REALTORS® shall maintain for the use of its members a Commercial/Industrial Multiple Listing Service, which shall be subject to the bylaws of the Board of REALTORS® and such rules and regulations as may be hereinafter adopted. **M**

Section 2—Purpose: A C/I Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale (or lease). (Amended 11/04) **M**

Section 3—Participation: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as stipulated otherwise in these bylaws*, shall be eligible to participate in the C/I MLS upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to C/I MLS "participation" or "membership" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a “Virtual Office Website” (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Optional Provision for Establishing Nonmember Participatory Rights (“Open MLS”)

A nonmember applicant for MLS participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS rules and regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the MLS fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or membership unless they hold a current, valid real estate broker’s license and offer or accept compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 11/08)

Mere possession of a broker’s license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and ongoing basis during the operation of the participant’s real estate business. The “actively” requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny

participation to a participant or potential participant that operates a “Virtual Office Website” (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

**Optional qualifications which may be adopted at the local Board’s discretion: Any applicant for C/I MLS participation and any licensee (including licensed or certified appraisers) affiliated with a C/I MLS Participant who has access to and use of the C/I MLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the C/I MLS rules and regulations and computer training related to MLS information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for C/I MLS Participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for C/I MLS Participation or access to C/I MLS-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

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

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the MLS rules and regulations and computer training related to MLS information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the MLS of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association’s Membership Qualification Criteria. However, in states where non-Board member access to the MLS is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the MLS. (Amended 11/96)

Note 2: A Board may also choose to have the Membership Committee consider the following when determining a nonmember applicant’s qualifications for MLS participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. pending ethics complaints (or hearings)
3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)
5. unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association MLS **M**

Section 4—Supervision: The Service shall be operated under the supervision of the C/I MLS Committee in accordance with the rules and regulations, subject to the approval of the Board of Directors of the Board of REALTORS®. R

Section 5 - Appointment of Committee: The President shall appoint, subject to confirmation by the Board of Directors, a C/I MLS Committee of _____ REALTOR® members. All members of the Committee shall be Participants in the C/I MLS except, at the option of the local Board, REALTORS® or REALTOR-ASSOCIATE®s licensed with Participants may be appointed to serve in such numbers as determined by the local Board. The Committee members so named shall serve two (2) year staggered terms.* The Committee shall select its Chairperson from among the members thereof. (Optional provision: A Board may choose to have the appointment of the Chairperson made by the President of the Board of REALTORS®.) R

Section 6—Vacancies: Vacancies and unexpired terms shall be filled as in the case of original appointments. R

Section 7—Attendance: Any Committee member who fails to attend three (3) consecutive regular or special meetings of the Committee, without an excuse acceptable to the Chairperson of the Committee, shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees. R

Section 8—Subscribers: Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. (Optional provision: Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant's licensed designee.) (Adopted 4/92) R

**Boards have the option to establish a longer or shorter term for service on the Committee and need not provide for staggered terms for Committee appointments. (Adopted 11/96)*

Part 2

Suggested Rules and Regulations for a Commercial/Industrial MLS Operated as a Committee of a Board of REALTORS® (Adopted 11/88)

Membership in the C/I MLS: Any REALTOR® (principal) of this or any other Board is eligible to participate in the C/I MLS upon agreeing in writing to conform to these C/I MLS rules and regulations and to pay the Service fees and charges specified in Section 6 of these rules.* However, no individual or firm, regardless of Board membership status, is eligible for C/I MLS membership or participant status unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. Brokers and salespeople other than principals are not "members" or "participants" of the C/I MLS, but have access to and use of the Service through the C/I MLS Participant with whom they are affiliated. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Optional Provision for Establishing Nonmember Participatory Rights ("Open MLS")

A nonmember applicant for MLS participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the

Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS rules and regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the MLS fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or membership unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 11/08)

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The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the MLS rules and regulations and computer training related to MLS information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the MLS of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However,

in states where non-Board member access to the MLS is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the MLS. (Amended 11/96)

**Optional qualifications which may be adopted at the local Board's discretion: Any applicant for C/I MLS participation and any licensee (including licensed or certified appraisers) affiliated with a C/I MLS Participant who has access to and use of the C/I MLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the C/I MLS rules and regulations and computer training related to MLS information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for C/I participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for C/I MLS Participation or access to the C/I MLS-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

Note 2: A Board may also choose to have the Membership Committee consider the following in determining a nonmember applicant's qualifications for MLS participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. pending ethics complaints (or hearings)
3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)
5. unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association MLS

Responsibility for Conformance with Rules and Regulations: The C/I MLS Participant is responsible to the Service for compliance with the rules and regulations by all of the firm's licensees (including licensed or certified appraisers) who have access to and use of the Service.

Access to Current Listing Information: Only Participants and their affiliated licensees (including licensed or certified appraisers) may have access to and use of the current listing information generated by the C/I MLS.

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 (indicate form[s] of listing[s] accepted by the Service—See Notes 1 and 2) shall be delivered to the C/I Multiple Listing Service within _____ (usually 48) hours after all necessary signatures of seller(s) or lessor(s) have been obtained: (Amended 11/01)

- (a) subdivided vacant land
- (b) land and ranch
- (c) business opportunity including some interest in real property
- (d) motel/hotel

- (e) mobile home parks
- (f) commercial income
- (g) industrial
- (h) investment
- (i) office space

(Additional categories of commercial, industrial, investment property may be added by the Service.)

Note 1: The C/I 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 C/I Multiple Listing Service. However, the C/I 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 C/I MLS establishes, directly or indirectly, any contractual relationship between the Service and the client (buyer or seller, lessee or lessor)

The Service shall accept exclusive right to sell or lease 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 C/I Multiple Listing Service acting as subagents, buyer agents, or both. (Amended 11/96)

The listing agreement must include the seller's written authorization to submit the agreement to the C/I Multiple Listing Service. (Amended 11/96)

The different types of listing agreements include:

- (a) exclusive right to sell or lease
- (b) exclusive agency
- (c) open
- (d) net

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 and compensate other brokers and inherently provides a distinctive for cooperation. (Amended 4/92)

The exclusive right to sell or lease listing is the conventional form of listing submitted to the C/I MLS in that the seller or lessor authorizes the listing broker to cooperate with and to compensate other brokers. (Amended 4/92)

The exclusive agency listing also 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 or lease the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell or lease listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to sell or lease 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 or lease 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 or lease listings with prospect reservations. (Revised 4/92)

Note 2: The C/I 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 C/I MLS cannot 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 must leave its Members free to accept such listings to be handled outside the 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) **M**

Section 1.1—Listings Subject to Rules and Regulations of the Service: Any listing taken on a contract to be filed with the C/I MLS is subject to the rules and regulations of the Service upon signature of the seller(s) or lessor(s). **R**

Section 1.2—Detail on Listings Filed with the Service: A listing agreement or property data form, when filed with the C/I MLS by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form. **R**

Section 1.2.1—Limited Service Listings: 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) assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property

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. (Adopted 05/01)

Note: Adoption of Section 1.2.1, Limited Service Listings, is optional and a matter to be determined by each MLS. **O**

Section 1.2.2—MLS Entry-only Listings: Listing agreements under which the listing broker will not provide any 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) assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property

will be identified with an appropriate code or symbol (e.g. “EO”) 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.

Note: Adoption of Section 1.2.2, MLS Entry-only Listings, is optional and a matter to be determined by each MLS. (Adopted 05/01) **O**

Section 1.3—Exempt Listings: If the seller or lessor refuses to permit the listing to be disseminated through 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 or lessor that he does not desire the listing to be disseminated by the Service.

Note: Section 1.3 is not required if the Service does not require all (Indicate type[s] of listing[s] accepted by the Service) listings to be submitted by a Participant to the Service. **M**

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 or lessor and shall be filed with the Service within twenty-four (24) hours (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing broker. **R**

Section 1.5—Withdrawal of Listing Prior to Expiration: Listings of property may be withdrawn from the C/I MLS by the listing broker before the expiration date of the listing agreement, provided notice is filed with the Service, including a copy of the agreement between the seller or lessor and the listing broker which authorizes the withdrawal.

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(s) can document that his exclusive relationship with the listing broker has been terminated, the Multiple Listing Service may remove the listing at the request of the seller. (Adopted 11/96) **M**

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. **R**

Section 1.7—Listing Price Specified: The full gross 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. (Amended 11/92) **M**

Section 1.8—Listing Multiple Unit Properties: All properties which are to be sold, leased, or exchanged or which may be marketed separately, must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, leased, or exchanged, the rules related to notifying the Service shall be observed. **O**

Section 1.9—No Control of Commission Rates or Fees Charged by Participants: The Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and nonparticipants. **M**

Section 1.10—Expiration of Listings: Listings filed with the 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)

Any extension must be executed by all appropriate parties prior to the expiration of the current listing.

Any renewal 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 within _____ hours of execution. (Amended 11/01) **M**

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 or lessor. **M**

Section 1.12—Jurisdiction: Only listings of the designated types of property located within the jurisdiction of the MLS are required to be submitted to the Service. Listings of property located outside the MLS's jurisdiction will (or will not) be accepted if submitted voluntarily by a Participant, but cannot be required by the Service. (Amended 11/01)

Note: Boards must choose whether the Service will accept listings from beyond its jurisdiction into the C/I MLS compilation. **M**

Section 1.13—Listings of Suspended Participants: When a Participant of the Service is suspended from the C/I MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board bylaws, C/I MLS bylaws, C/I MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the Service by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, leased, exchanged, withdrawn, or expired, and shall not be renewed or extended by the Service 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 C/I MLS participation without Board Membership is permitted by law) or C/I MLS (or both) for failure to pay appropriate dues, fees, or charges, the Service is not obligated to provide C/I MLS services, including continued inclusion of the suspended Participant's listings in the C/I MLS compilation of current listing information. Prior to any

removal of a suspended Participant's listings from the Service, the suspended Participant should be advised, in writing, of the intended removal so that the suspended Participant may advise his clients. **M**

Section 1.14—Listings of Expelled Participants: When a Participant of the Service is expelled from the C/I MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board bylaws, C/I MLS bylaws, C/I MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the Service shall, at the expelled Participant's option, be retained in the Service until sold, leased, exchanged, withdrawn, or expired, and shall not be renewed or extended by the Service 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 C/I MLS participation without Board Membership is permitted by law) or C/I MLS (or both) for failure to pay appropriate dues, fees, or charges, the Service is not obligated to provide C/I MLS services, including continued inclusion of the expelled Participant's listings in the C/I MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the Service, the expelled Participant should be advised, in writing, of the intended removal so that the expelled Participant may advise his clients. **M**

Section 1.15—Listings of Resigned Participants: When a Participant resigns from the Service, the C/I MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the C/I MLS compilation of current listing information. Prior to any removal of a resigned Participant's listings from the Service, the resigned Participant should be advised, in writing, of the intended removal so that the resigned Participant may advise his clients. **O**

Selling Procedures

Section 2—Showings and Negotiations: Appointments for showings and negotiations with the seller or lessor for the purchase, lease, or exchange of listed property filed with the C/I MLS 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. (Amended 4/92) **M**

Section 2.1—Presentation of Offers: The listing broker, upon receipt of an offer from a cooperating broker, must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so. (Amended 4/92) **M**

Section 2.2—Submission of Written Offers and Counter-offers: The listing broker shall submit to the seller or lessor all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller or lessor 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 or lessor obtain the advice of legal counsel prior to acceptance of the subsequent offer.

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) **M**

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 or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor 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. (Amended 4/92) **M**

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 or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee 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 or lessee's written instructions. (Adopted 11/93) **M**

Section 2.5—Reporting Sales to the Service: Status changes, including final closing of sales and sales prices, shall be reported to the multiple listing service by the listing broker within ___ hours after they have occurred. If negotiations were carried on under Section 2 a. or b. hereof, the cooperating broker shall report accepted offers and sales prices to the listing broker within ___ hours after occurrence and the listing broker shall report them to the MLS within ___ hours after receiving notice from the cooperating broker. (Amended 11/11)

Note 1: 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) **M**

Note 2: In disclosure states, if the sale price of a listed property is recorded, the reporting of the sale price may be required by the MLS.

In states where the actual sale prices of completed transactions are not publicly accessible, failure to report sale prices can result in disciplinary action only if the MLS:

1. categorizes sale price information as confidential and
2. limits use of sale price information to participants and subscribers in providing real estate services, including appraisals and other valuations, to customers and clients; and to governmental bodies and third-party entities only as provided below.

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property) and to confirm the accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing services to participants and subscribers. In any instance where a governmental body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices. *(Adopted 11/11)* **M**

Note 3: As established in the Virtual Office Website (“VOW”) policy, sale prices can only be categorized as confidential in states where the actual sale prices of completed transactions are not accessible from public records. *(Adopted 11/11)* **M**

Section 2.6—Reporting Resolutions of Contingencies: The listing broker shall report to the C/I MLS within twenty-four (24) hours that a contingency on file with the Service has been fulfilled or renewed, or the agreement cancelled. **M**

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. **M**

Section 2.8—Reporting Cancellation of Pending Sale: The listing broker shall report immediately to the Service the cancellation of any pending sale, lease, or exchange and the listing shall be reinstated immediately. **M**

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. *(Amended 11/08)* **O**

Section 2.10—Availability of Listed Property: Listing brokers shall not misrepresent the availability of access to show or inspect listed property. *(Adopted 11/05)* **O**

Refusal to Sell

Section 3—Refusal to Sell, Lease, or Exchange: If the seller or lessor of any listed property filed with the 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. **R**

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 C/I MLS without the prior consent of the listing broker. **M**

Section 4.1—“For Sale” Signs: Only the “For Sale” sign of the listing broker may be placed on a property. (Amended 11/89) **M**

Section 4.2—“Sold” Signs: Prior to closing, only the “Sold” sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign. (Amended 4/96) **M**

Section 4.3—Solicitation of Listing 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: 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 and lessors 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 or lessor could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware through C/I 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 or lessor 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 lessor 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. **M**

Section 4.4—Use of the Terms MLS and Multiple Listing Service: 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 an 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) **O**

Division of Commissions

Section 5—Compensation Specified on Each Listing: The listing broker shall specify, on each listing filed with the Service, the compensation offered to other Participants for their services in the sale or lease 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 C/I MLS of a Board of REALTORS®, the Participant of the Service is making blanket unilateral offers of compensation to the other Participants, and shall therefore specify on each listing filed with the Service, the compensation being offered to the other 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 find a purchaser or lessee.* (Amended 11/96)

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 nonagency capacities defined by law) which may be the same or different. (Amended 11/96)

This shall not preclude the listing broker from offering any Participant compensation other than the compensation indicated on any listing published by the C/I 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 Board C/I MLS shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Board C/I MLS shall not publish the total negotiated commission on a listing which has been submitted to the Service by a Participant. The Board C/I MLS shall not disclose in any way the total commission negotiated between the seller or lessor and the listing broker.

Note 2: The listing broker may, from time to time, adjust the compensation offered to other 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 C/I MLS 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. (Adopted 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) **M**

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, be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers. (Amended 5/09) **M**

**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 05/10)*

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)*

While MLSs are not required to authorize participants to offer cooperative compensation based on net sale prices, those that do permit such offers must define "seller concessions" for purposes other than new construction, unless that term is defined by applicable state law or regulation. The following definition of "seller concessions" is suggested but not required for adoption:

Points paid by seller on behalf of buyer, seller-paid buyer closing costs, cash or cash allowances not escrowed, down payment assistance, additions or alterations not considered deferred maintenance, and personal property not usual and customary to such transactions conveyed from seller to buyer having an agreed upon monetary value. (Adopted 05/12)

Disclosing Potential Short Sales

Section 5.0.1— Note: Select one of the following two options. **M**

Option #1:

Multiple listing services that permit, but do not require, participants to disclose potential short sales should adopt the following rule.

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)

Option #2:

Alternatively, multiple listing services that require participants to disclose potential short sales should adopt the following rule.

Participants must 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) when reasonably known to the listing participants. (Adopted 5/09)

For Options #1 or #2:

As a matter of local discretion, MLSs may, but shall not be required to, adopt the following rule:

When disclosed, participants may, at their discretion, advise other participants whether and 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. (Adopted 5/09) **O**

MLSs that adopt the discretionary provision shown immediately above may, but are not required to, adopt the following rule: Where participants 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 the listing and cooperating participants, listing participants shall disclose to cooperating participants in writing the total reduction in the gross commission and the amount by which the compensation payable to the cooperating broker will be reduced within _____ hours of receipt of notification from the lender. (Adopted 5/10)

Section 5.1—Participant as Principal: If a Participant or any licensee (or licensed or certified appraisers) affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through the C/I MLS, that person shall disclose that interest when the listing is filed with the Service and such information shall be disseminated to all Participants. **M**

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 a 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.

(Adopted 2/92) **M**

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. The 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. (Amended 5/01) **M**

Service Charges

Section 6—Service Fees and Charges: The following service charges for operation of the C/I MLS 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 applicant for participation in the Service shall pay an application fee of \$_____ 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 recurring participation fee of each Participant shall be an amount equal to \$_____ times each salesperson and licensed or certified appraiser engaged in the listing, sale, or appraisal of C/I properties, 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 C/I MLS. Fees shall be prorated on a monthly basis.

Note: A C/I MLS may elect to have such fees payable on an annual, quarterly or even on a monthly basis. However, added administrative services are necessitated by increased frequency of such payments.

(b) (Alternate b) **Recurring Participation Fee:** The recurring participation fee of each Participant shall be \$_____, as determined by the C/I MLS Committee.

(c) **Listing Fee:** A Participant shall pay a monthly fee in an amount equal to the number of listings he filed with the Service during the previous month, multiplied by the listing fee of \$_____ per listing.

Note: An alternative provision for the “listing fee” is: “For filing a new listing or renewal of a listing with the Service, a fee of \$ _____ shall accompany each listing when filed with the Service.”

Optional: It is a matter of agreement between the listing and selling or leasing brokers as to whether or not the cooperating broker shall reimburse the listing broker for the listing fee. The C/I MLS shall not be concerned because this is an arrangement between cooperating brokers, and the C/I MLS rules do not dictate the compensation offered to cooperating brokers by the listing broker. (Amended 4/92)

(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 \$ _____ for each additional set of listings to be supplied to each individual, employed by or affiliated as an independent contractor (and licensed or certified appraisers) with the Participant who is engaged in listing, selling, leasing, appraising, or locating C/I properties.

Note 1: This should be a minimal charge based on actual costs of producing and distributing the information.

Note 2: 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 3: Financing from the C/I MLS should be adequate but not in such amounts as to be the source of financing the Board’s operation. The C/I MLS should pay its own way and allow for a reasonable operating reserve, but it is merely another service of the Board and not the principal activity or reason for the Board’s existence. As long as it is able to restrict its services exclusively or primarily to Board members, the Service is not properly a Board profit center.

Note 4: Recurring dues, fees, and charges of the C/I MLS may not be based on the total number of licensees affiliated with the C/I MLS Participant, but must be based upon those licensees (including licensed or certified appraisers) affiliated with the Participant who are engaged in listing, selling, leasing, appraising, or locating the types of properties filed in the C/I MLS compilation.

Note 5: 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. (Adopted 4/92) **R**

Compliance with Rules

Section 7—Compliance with Rules—Authority to Impose Discipline: By becoming and remaining a participant or subscriber in this C/I MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other C/I MLS governance provision. The C/I MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other C/I 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 C/I 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 C/I MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- f. termination of C/I 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 C/I 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) **M**

Section 7.1—Compliance with Rules: The following action may be taken for noncompliance with the rules:

- (a) for failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days' notice has been given, the Service shall be suspended until service charges or fees are paid in full
- (b) for 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 C/I MLS. 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. If the C/I MLS desires to establish a series of moderate, escalating fines, they should be clearly set forth in the rules and regulations. **R**

Section 7.2—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 Participant's ultimate responsibility and accountability for all users or subscribers affiliated with the Participant. (Adopted 4/92)

Note: Adoption of Section 7.2 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. (Adopted 4/92) **O**

Meetings

Section 8—Meetings of C/I MLS Committee: The C/I MLS 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. **R**

Section 8.1—Meetings of C/I MLS Participants: The Committee may call meetings of the Participants in the Service to be known as meetings of the Commercial/Industrial Multiple Listing Service. **R**

Section 8.2—Conduct of the 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. **R**

Enforcement of Rules or Disputes

Section 9—Consideration of Alleged Violations: The Committee shall give consideration to all written complaints having to do with violations of the rules and regulations. (Amended 2/98) **M**

Section 9.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged unethical conduct or a request for arbitration, it may be administratively considered and determined by the C/I MLS 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 Board in accordance with the bylaws and rules and regulations of the Board of REALTORS® within twenty (20) days following receipt of the Committee's decision. (Amended 11/96)

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 Board of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the Board's Grievance Committee for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board of REALTORS®. (Amended 2/98) **M**

Optional Provision for Establishing Nonmember Participatory Rights ("Open MLS")

Section 9.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged violation of one or more of the provisions of Section 16 of the rules and regulations or a request for arbitration, it may be administratively considered and determined by the MLS Committee and if a violation is

determined, the MLS Committee may direct the imposition of sanction provided that the recipient of such sanction may request a hearing by the Professional Standards Committee of the Board in accordance with the bylaws of the Board of REALTORS®. (Amended 2/98)

If, rather than conducting an administrative review, the MLS Committee has a procedure established to conduct hearings, the decision of the hearing tribunal may be appealed to the Board of Directors of the Board of REALTORS®. Alleged violations of Section 16 of the rules and regulations shall be referred to the Board's Grievance Committee for processing in accordance with the professional standards procedures of the Board/Association, except that if the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board. (Amended 2/98)

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 Board of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Board's bylaws. (Amended 11/88) **M**

Confidentiality of C/I MLS Information

Section 10—Confidentiality of C/I MLS Information: Any information provided by the 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 such 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. (Amended 4/92) **M**

Section 10.1—C/I 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. **R**

Ownership of C/I MLS Compilation* and Copyright

Section 11—By the act of submitting any property listing content to the MLS, the Participant represents that he has been authorized to license and also thereby does license authority for the MLS to include the property listing content in its copyrighted C/I 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. (Amended 5/16) **M**

Note: 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. *(Adopted 11/15)* **I**

Section 11.1—All right, title, and interest in each copy of every C/I MLS compilation created and copyrighted by the _____ Board of REALTORS® and in the copyrights therein, shall at all times remain vested in the _____ Board of REALTORS®. **R**

Section 11.2—Each Participant shall be entitled to lease from the _____ Board of REALTORS® a number of copies of each C/I MLS compilation sufficient to provide the Participant and licensees affiliated with the Participant (including licensed or certified appraisers) engaged in the commercial/industrial activity with one copy of such compilation. The Participant shall pay for each such copy the rental fee set by the Board.**

Participants shall acquire by such lease only the right to use the C/I MLS compilation in accordance with these Rules. **M**

**The term "C/I 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 the Participants, including, but not limited to, bound book, loose-leaf binder, computer database, card file, or any other format whatsoever.*

***This Section should not be construed to require the Participant to lease a copy of the C/I MLS compilation for any licensee (including licensed or certified appraisers) affiliated with the Participant who*

is engaged exclusively in a specialty of the real estate business other than listing, selling, leasing, 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 or use of the C/I MLS information or C/I MLS facility of the Board. Further, the C/I MLS Participant may not purchase or lease more copies of the compilation of current listing information than the number of licensees affiliated with his firm who are engaged in the commercial/industrial activity.

Use of Copyrighted C/I MLS Compilation

Section 12—Distribution: Participants shall, at all times, maintain control over and responsibility for each copy of any C/I MLS compilation leased to them by the Board of REALTORS®, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant’s licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey “Participation” or “Membership” or any right of access to information developed or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 4/92) **R**

Section 12.1—Display: Participants and those persons affiliated as licensees with such Participants shall be permitted to display the C/I MLS compilation to prospective purchasers and lessees only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers or lessees for the properties described in said C/I MLS Compilation. **M**

Option #1

Section 12.2—Reproduction: Participants or their affiliated licensees shall not reproduce any C/I MLS compilation or any portion thereof, except in the following limited circumstances:

Participants or their affiliated licensees may reproduce from the C/I MLS compilation and distribute to prospective purchasers or lessees a reasonable number of single copies of property listing data contained in the C/I MLS compilation which relate to any properties in which the prospective purchasers or lessees 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 or lessee 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 or lease with the participant.

Any C/I 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 particular properties for clients and customers. Any C/I 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. C/I MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. C/I MLSs may require execution of a third-party license agreement where deemed appropriate by the C/I MLS. C/I MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the C/I MLS in adding or enhancing its downloading capacity for this purpose. Information deemed 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 or lessees with listing data relating to properties which the prospective purchaser or lessee has a bona fide interest in purchasing or leasing, 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 or lessee's decision-making process in the consideration of a purchase or lease. 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 C/I MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's or lessee's expressed desires and ability to purchase or lease, 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 or lessee.*

Option #2

Section 12.2—Reproduction: Participants or their affiliated licensees shall not reproduce any C/I MLS compilation or any portion thereof, except in the following limited circumstances:

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

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 or lease with the participant.

Any C/I 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 particular properties for clients and customers. Any C/I 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. C/I

MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. C/I MLSs may require execution of a third-party license agreement where deemed appropriate by the C/I MLS. C/I MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the C/I MLS in adding or enhancing its downloading capacity for this purpose. Information deemed 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) **M**

**It is intended that the Participant be permitted to provide prospective purchasers or lessees with listing data relating to properties which the prospective purchaser or lessee has a bona fide interest in purchasing or leasing, 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 or lessee's decision-making process in the consideration of a purchase or lease. 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 C/I MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's or lessee's expressed desires and ability to purchase or lease, 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 or lessee.*

Use of C/I MLS Information

Option #1

Section 13—Limitations on Use of C/I MLS Information: Use of information from the C/I MLS compilation of current listing information, from the Board's statistical report, or from any sold or comparable report of the Board or C/I MLS for public mass-media advertising by a 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 Board or its C/I MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

Based on information from the Board/Association of REALTORS® (alternatively, from the _____ MLS) for the period (date) through (date). (Amended 11/93)

Option #2

Section 13—Limitations on Use of C/I MLS Information: Information from C/I MLS compilations of current listing information, from statistical reports, and from any sold or comparable report of the Board or MLS may be used by MLS Participants as the basis for aggregated demonstrations of market share or comparisons of firms in public mass-media advertising or in other public representations. This authority does not convey the right to include in any such advertising or representation information about specific properties which are listed with other Participants, or which were sold by other Participants (as either listing or cooperating broker).

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 Board or its C/I MLS must clearly

demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

Based on information from the Board/Association of REALTORS® (alternatively, from the _____ MLS) for the period (date) through (date). (Adopted 11/97) **M**

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 _____ vote of the Members of the C/I MLS Committee, subject to approval by the Board of Directors of the Board of REALTORS®.

Note: Some Boards may prefer to change the rules and regulations by a vote of the Participants, subject to approval by the Board of Directors of the Board of REALTORS®. **M**

Optional Provisions (Sections 15 and 16) for Establishing Nonmember Participatory Rights (“Open MLS”)

Arbitration of Disputes

Section 15—Arbitration of Disputes: By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of 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. (Amended 11/97)

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

Interboard Arbitration Procedures: 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 of REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Board/Association of REALTORS®. (Amended 11/98) **O**

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 or Executive Officer 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. (Adopted 11/15) **O**

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. (Amended 1/04) ○

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. (Amended 1/04) ○

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, the broker 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. (Amended 1/98) ○

Section 16.6—MLS Participants shall not use information obtained from listing brokers through offers to cooperate made through multiple listing services or 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 11/01) ○

Section 16.7—The fact that an 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. (Amended 1/98) ○

Section 16.8—The fact that a prospect has retained an 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. (Amended 1/04) ○

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. (Amended 1/98) ○

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 agreement or, alternatively, may enter into an

agreement which becomes effective upon expiration of any existing exclusive agreement.
(Amended 1/98) ○

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 rule.
(Amended 1/04)

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. (Amended 1/04) ○

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.
(Amended 1/04) ○

Section 16.14—MLS Participants, acting as buyer or tenant 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. (Amended 1/04) ○

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. (Amended 1/04)

MLS Participants shall make any request for anticipated compensation from the seller/landlord at first contact. ○

Section 16.16—MLS Participants, acting as 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. (Amended 1/04) ○

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) or from offering the same type of service for property not subject to other brokers' exclusive agreements. 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.
(Amended 1/04) ○

Section 16.18—MLS Participants, acting as subagents or buyer/tenant representatives 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/tenant representatives 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. (Amended 1/04) ○

Section 16.19—All dealings concerning property exclusively listed or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not with the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client. (Amended 1/04)

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. (Adopted 1/03, Amended 1/04) ○

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 1/10) ○

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. ○

Standard 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 1/12) ○

Standard 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.
(Adopted 11/07) ○

Standard 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 and other content in any way that produces a deceptive or misleading result;
- c. deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic;
- d. present content developed by others without either attribution or without permission; or
- e. otherwise mislead consumers. *(Amended 1/13)* ○

Section 16.25—The services which MLS participants provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

MLS participants shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.
(Adopted 11/09)

Orientation

Section 17—Orientation: Any applicant for MLS Participation and any licensee affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval.
(Amended 11/96) M

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 enhancements and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely. (Adopted 11/09)

Internet Data Exchange (IDX)

Section 18—IDX Defined: IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants. *(Amended 5/12)* M

Section 18.1—Authorization: Note: Select one of the following two options. M

Option #1:

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, 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. *(Amended 05/12)*

Option #2:

Participants' consent for display of their listings by other participants pursuant to these rules and regulations must be established in writing. If a participant withholds consent on a blanket basis to permit the display of that participant's listings, that participant may not download, 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. *(Amended 05/12)*

Section 18.2—Participation: Note: Select one of the following four options. Participation in IDX may be limited to MLS participants engaged in real estate brokerage by adopting Option #3 or Option #4. **M**

Option #1:

Participation in IDX is available to all MLS participants who consent to display of their listings by other participants.

Option #2:

Participation in IDX is available to all MLS participants who are REALTORS® and who consent to display of their listings by other participants.

Option #3:

Participation in IDX is available to all MLS participants engaged in real estate brokerage who consent to display of their listings by other participants. *(Amended 11/09)*

Option #4:

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)* **M**

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)* M

Section 18.2.3—Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker 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). *(Amended 05/12)* M

Section 18.2.4—Participants may select the listings they choose to display on their IDX sites 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 on any IDX site must be independently made by each participant. *(Amended 11/06)* M

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)* M

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)* M

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)* M

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. *(Adopted 05/12)* M

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)* M

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)* M

Section 18.2.11—Participants shall not modify or manipulate information relating to other participants listings. MLS participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by 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 05/15)* M

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

Note: All of the following rules are optional but, if adopted, cannot be modified. Select those rules which apply to your IDX program and number the sections accordingly.

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)* O

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)* O

Section 18.3.2— Deleted May 2015.

Section 18.3.3—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. 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)* O

Section 18.3.4—All listings displayed pursuant to IDX shall identify the listing agent. O

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. O

Section 18.3.6—Deleted November 2006.

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 18.3.9—The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance shall be limited to fewer than one hundred (100) listings or five percent (5%) of the listings available for IDX display, whichever is fewer. *(Amended 11/09)* ○

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. ○

Section 18.3.12—Display of expired, withdrawn, and sold listings* is prohibited. *(Amended 11/15)* ○

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

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. ○

Note: The following Sections 18.3.14 and 18.3.15 may be adopted by MLSs that provide participants with a “persistent” download (i.e., where the MLS database resides on participants’ servers) of the MLS database.

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—Note: Select one of the following two options.

Option #1:

Advertising (including co-branding) on pages displaying IDX-provided listings is prohibited.

Option #2:

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. *(Adopted 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)* ○

Virtual Office Websites (VOWs)

Note: Adoption of the model VOW Rules (Section 19.1 through 19.14) is optional for commercial MLSs. If the Model VOW rules are revised, NAR reserves the right to reject changes inconsistent with National Association policy or that might create liability for MLSs and/or REALTOR® Associations.

Section 19.1—VOW Defined

- 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 Virtual Office Websites, 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 e-mail address for each Registrant. The participant must send an e-mail 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 e-mail 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 e-mail 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, e-mail address, user name, and current password of each Registrant. The participant must keep such records for not less than one hundred eighty (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, e-mail 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' ownership of and the validity of the MLS' 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 uses 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 the 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 e-mail, 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. Check one.
 - a. _____ I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.
 - 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 searches.

Initials of Seller

- c. The participant shall retain such forms for at least one (1) year from the date they are signed or one (1) year from the date the listing goes off the market, whichever is greater. ○

Section 19.7

- a. Subject to Subsection b., below, 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. to 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 forty-eight (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, in the NATIONAL ASSOCIATION OF REALTORS® VOW policy, or in 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. ○

Note: Adoption of Sections 19.15 through 19.19 is at the discretion of the MLS. However, if any of the following sections are adopted, an equivalent requirement must be imposed on participants' use of MLS listing information in providing brokerage service through all other delivery mechanisms.

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.

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. (*Revised 11/15*) ○

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 19.18—A participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data. ○

Section 19.19—A participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than ___ current listings and not more than ___ 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 one hundred (100) listings or five percent (5%) of the listings in the MLS, whichever is less. ○

Note: Adoption of Sections 19.20 through 19.25 is at the discretion of the MLS. It is not required that equivalent requirements be established related to other delivery mechanisms.

Section 19.20—A participant shall require that Registrants' passwords be reconfirmed or changed every ___ 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 ninety (90) days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently. ○

Section 19.21—A participant may display advertising and the identification of other entities ("co-branding") on any VOW the participant operates or that is operated on his or her behalf. However, a participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this section, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information (or that of at least one participant, in the case of a VOW established and operated on behalf of more than one participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party. ○

Section 19.22—A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing. ○

Section 19.23—A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS. ○

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

Section 19.25—Where a seller affirmatively directs his or her listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within forty-eight (48) hours. ○
(Adopted 11/08)

Part 3

Board Bylaw Provisions Authorizing a Commercial/Industrial Multiple Listing Service as a Wholly-Owned Subsidiary Corporation of the Board (Adopted 11/88)

Article _____

Subsidiary Commercial/Industrial Multiple Listing Corporation

Section 1—Authority: The Board of REALTORS® shall maintain for the use of its members a Commercial/Industrial Multiple Listing Service which shall be a lawful corporation of the State of _____, all the stock of which shall be owned by this Board of REALTORS®. **M**

Section 2—Purpose: A C/I Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law); by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of sale (or lease). (Amended 11/04) **M**

Section 3—Governing Documents: The Board of Directors shall cause any C/I Multiple Listing Service established by it pursuant to this Article to conform its corporate charter, constitution, bylaws, rules, regulations, policies, practices, and procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the National Association of REALTORS®. **M**

Section 4—Participation: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as stipulated otherwise in these bylaws, shall be eligible to participate in the C/I MLS upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 11/08) **M**

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant

that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

**Optional qualifications which may be adopted at the local Board's discretion: Any applicant for C/I MLS participation and any licensee (including licensed or certified appraisers) affiliated with a C/I MLS Participant who has access to and use of the C/I MLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the C/I MLS rules and regulations and computer training related to MLS information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for C/I MLS participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for C/I MLS participation or access to C/I MLS-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

***Generally, Boards of REALTORS®, when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS "Participant." Brokers or salespersons other than principals are not considered "Participants" in the Service, but have access to and use of the Service through the principal(s) with whom they are affiliated.*

Optional Provision for Establishing Nonmember Participatory Rights ("Open MLS")

A nonmember applicant for MLS participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS rules and regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the MLS fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or membership unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and

unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the MLS rules and regulations and computer training related to MLS information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the MLS of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However, in states where non-Board member access to the MLS is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the MLS. (Amended 11/96)

Note 2: A Board may also choose to have the Membership Committee consider the following in determining a nonmember applicant's qualifications for MLS participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. pending ethics complaints (or hearings)

3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)
5. unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association MLS

Section 5—Subscribers: Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. (Optional provision: Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant's licensed designee.) (Adopted 4/92) **M**

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

- (a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the Participants or a majority of all Directors of the MLS shall be filed with the President of the MLS, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- (b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the Participants of the MLS shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.
- (c) The special meeting shall be noticed to all Participants at least ten (10) days prior to the meeting, and shall be conducted by the President of the MLS unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting or the hearing by the Participants. Provided a quorum is present, a three-fourths vote of Participants present and voting shall be required for removal from office.
- (d) Any vote taken by the Participants to remove an Officer or Director must ultimately be confirmed by a majority vote of the Directors of the shareholder(s). Notwithstanding the foregoing, the shareholder(s) may remove an Officer or Director by a majority vote of the Directors of the shareholder(s). (Adopted 11/96) **R**

Part 4

Suggested Model Bylaws for a Commercial/Industrial Multiple Listing Service Separately Incorporated but Wholly-Owned by a Board of REALTORS®* (Adopted 11/88)

Article 1: Name

The name of this organization shall be the Commercial/Industrial Multiple Listing Service of the _____ Board of REALTORS®, Inc., hereinafter referred to as the Service, all the shares of stock which are solely and wholly-owned by the _____ Board of REALTORS®. **M**

Article 2: Purposes

A C/I Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law); by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of sale (or lease). (Amended 11/04) **M**

Article 3: Service Area

The area within which the Service shall function shall at all times be coextensive with or within the territorial jurisdiction of the _____ Board of REALTORS®. **M**

Article 4: Participation

A—Participation Defined: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto**. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. The REALTOR® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the "Participant" shall have all rights, benefits, and privileges of the Service, and shall accept all obligations to the Service for the Participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the Service by all persons affiliated with the Participant who utilize the Service. (Amended 11/08) **M**

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

**These Suggested Model Bylaws for a Multiple Listing Service separately incorporated but wholly-owned by a Board of REALTORS® should not be adopted without review and consultation with Board legal counsel to ensure that they comply with applicable state law pertaining to corporations within the state, or are appropriately modified to comply with the law.*

***Optional qualifications which may be adopted at the local Board's discretion: Any applicant for C/I MLS participation and any licensee (including licensed or certified appraisers) affiliated with a C/I MLS Participant who has access to and use of the C/I MLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the C/I MLS rules and regulations and computer training related to MLS information entry and retrieval within thirty (30) days after access has been provided. (Amended 11/96)*

Boards are not required to establish prerequisites for C/I MLS participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for C/I MLS participation or access to C/I MLS-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

Optional Provision for Establishing Nonmember Participatory Rights ("Open MLS")

A1—Nonmember Participation Defined: Participation in the Service is also available to nonmember principals who meet the qualifications established in the Board's bylaws and MLS rules and regulations. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "participation" or "membership" unless they hold a current, valid real estate broker's license and offer or accept compensation to and

from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. The nonmember principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the "Participant" shall have only those rights, benefits, and privileges as specified by the Service, and shall accept all obligations to the Service for the Participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the Service by all persons affiliated with the Participant who utilize the Service. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

B—Application for Participation: Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors of the Service and made available to any REALTOR® (principal) of this or any other Board requesting it. The application form shall contain a signed statement agreeing to abide by these bylaws and any other applicable rules and regulations of the Service as from time to time adopted or amended. (Amended 2/94) **M**

C—Discontinuance of Service: Participants of the Service may discontinue the Service by giving the Service _____ days' written notice and may reapply to the Service after _____ months by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid. **M**

D—Subscribers: Subscribers (or users) of the MLS include nonprincipal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. (Optional provision: Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant's licensed designee.) (Adopted 4/92) **M**

Article 5: Service Charges

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

Article 6: Governing Body

A—Government of the Service: The government of the Service shall be vested in a C/I Board of Directors comprised of the elected Officers and Directors nominated and elected as described in this Article. **M**

B—Officers of the Service: The Officers of the Service, who shall also be Directors, shall be a President, a Vice President, and a Secretary-Treasurer, and shall have such duties as described in this Article. **M**

C—Board of Directors of the C/I MLS: There shall be a total of _____ elected Directors, including the President, Vice President, and Secretary-Treasurer of the Service, to be elected from among the Participants of the Service, except that not more than _____ Directors may be elected from among REALTORS® other than Participants or from REALTOR-ASSOCIATE@s who are affiliated with Participants and serve with consent of the Participants as representatives of the Participants with whom they are affiliated. In addition to the elected Directors, the current President of the _____ Board of REALTORS® or a person appointed by the President, and the Immediate Past President of the C/I MLS shall serve as Directors, ex-officio, with full voting privileges. **M**

D—Nomination and Election of Officers and Directors: The Officers and Directors of the Service shall be nominated by a vote of the Participants in the Service in accordance with the provisions of Article 7, Meetings, of these bylaws and as set forth below.

1. Nominating Committee: The President of the Service shall appoint a Nominating Committee each year which Committee shall be comprised of _____ Participants of the Service. The appointment of the Nominating Committee shall be made by such a date as to enable the Committee to meet and select a proposed slate of Officers and Directors of the Service not more than _____ nor less than _____ days prior to the date of the meeting of the Participants of the Service at which nominees shall be selected by vote of the Participants. The proposed slate of Officers and Directors shall be reported to the President and Secretary of the Service.
2. Notice of Proposed Nominees: The President shall cause a list of the proposed nominees selected by the Nominating Committee to be forwarded to the Participants of the Service, setting forth the time, place, and other pertinent conditions of the meeting to select the final list of nominees by vote of the Participants of the Service. The notice to the Participants of

the Service concerning the meeting to select nominees for Officers and Directors shall be mailed on a date at least _____ days prior to the proposed meeting.

3. Rights of Participants to Select Additional Nominees: The names of additional proposed nominees may be added to the list selected by the Nominating Committee by a petition submitted to the Secretary of the Service by _____% of the Participants of the Service, with said petition received not less than _____ days prior to the date of the meeting of the Participants to select nominees for Officers and Directors. The names contained in such petition, if duly received and certified, shall be presented in writing to the Participants at the meeting to select nominees as additional nominees for consideration for such office as specified in the petition. In addition, nominations may be made from the floor at the duly noticed meeting of the Participants to select nominees for Officers and Directors and, if seconded, shall be added to the list of proposed nominees.
4. Voting by Written Secret Ballot: Voting for selection of nominees, if other than on a motion to cast a unanimous vote for the original proposed slate shall be by secret ballot, and said ballot shall contain blank spaces for writing in additional names proposed by petition or from the floor at the meeting to select nominees.
5. Vote to Select Nominees: Voting shall be in accordance with provisions of Article _____ of these bylaws.
6. Nominees Submitted to Shareholder for Election: When nominees for Officers and Directors of the Service for the forthcoming fiscal year have been selected by vote of the Participants of the Service, such nominees shall be submitted to the Board of Directors of the _____ Board of REALTORS® (shareholder) for election. Upon election by the Board of Directors of the _____ Board of REALTORS® (shareholder), the individuals so elected shall be considered Officers-Elect and Directors-Elect and shall assume their respective offices on (date office is effective).

The term of office for Officers and Directors of the Service shall be on a calendar year basis. In the event one (1) or more nominee(s) is/are not elected by the Board of Directors of the _____ Board of REALTORS® (shareholder), and upon notice of such failure of election, the President of the Service shall select a proposed Participant or Participants, as required, subject to confirmation by the Board of Directors, for submission as nominee(s) to the Board of Directors of the _____ Board of REALTORS® (shareholder) to be considered for election to fill the vacancy or vacancies existing.

In the event that nominees are not duly and timely provided by the Service to the Board of Directors of the _____ Board of REALTORS®, as provided in these bylaws, then the Board of Directors of the _____ Board of REALTORS® shall exercise rights as sole and exclusive shareholder to elect a Participant or Participants of the Service to fill an existing vacancy or vacancies as Officers or Directors of the Service. **M**

E—Term of Office: The Officers shall serve for a one-year term. The elected Directors shall serve for staggered three-year terms with one-third of the terms expiring each year. Officers and Directors shall take office upon the effective date of their offices and shall continue until their successors are elected, qualified, and installed. No Officer or Director shall be nominated and elected to the same office for more than two (2) consecutive terms. **M**

F—Duties of Officers and Directors: The duties of the Officers and Directors follow.

1. The President shall be the chief executive officer of the Service and shall preside at its meetings and those of the Board of Directors, and shall perform all the duties of the President subject to declared policies and, as required, subject to confirmation of the Board of Directors.
2. The Vice President shall, in the absence of the President, perform all of the duties of the President.
3. The Secretary-Treasurer shall be the custodian of the funds of the Service and shall keep an accurate record of all receipts and disbursements. The Secretary-Treasurer shall provide to all members of the Board of Directors a quarterly statement of all accounts and financial affairs for the Service, and shall have charge of the corporate seal and affix the name to all documents properly requiring such seal.
4. The Board of Directors of the Service shall be the governing body of the Service and shall have control of all affairs of the Service and shall authorize all expenditures of funds. The C/I MLS Board of Directors shall, prior to the end of each fiscal year, prepare a budget reflecting projected costs and expenses of the Service for the next fiscal year, indicating projected income from all sources. The budget shall be submitted to the Participants of the Service for approval on a date not less than _____ days prior to the first day of the next fiscal year. The C/I MLS Board of Directors shall not incur an obligation in excess of \$_____ over the total budget without the authorization by vote of a two-thirds majority of REALTOR® Participants of the Service present and voting unless such excess is the result of an increase in the volume of listings processed by the Service over that projected in preparing the annual budget. The C/I MLS Board of Directors shall employ such executive, legal, and office personnel it deems necessary to care for and maintain the properties of the Service and otherwise conduct the administrative business of the Service. The C/I MLS Board of Directors shall have the right to make an audit of all books and accounts at any time without notice. The C/I MLS Board of Directors shall have the power from time-to-time to adopt such rules and regulations that it deems appropriate subject to final approval of the Board of Directors of the _____ Board of REALTORS® (shareholder). Except as otherwise provided in these bylaws and rules and regulations, the action of the C/I MLS Board of Directors shall be final. **M**

G—Removal of Officers and Directors: In the event that an Officer or Director of the Multiple Listing Service is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure. (Adopted 11/96)

1. A petition requiring the removal of an Officer or Director and signed by not less than one-third of the Participants or a majority of all Directors of the MLS shall be filed with the President of the MLS, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service. (Adopted 11/96)
2. Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the Participants of the MLS shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition. (Adopted 11/96)

3. The special meeting shall be noticed to all Participants at least ten (10) days prior to the meeting, and shall be conducted by the President of the MLS unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting or the hearing by the Participants. Provided a quorum is present, a three-fourths vote of Participants present and voting shall be required for removal from office. (Adopted 11/96)
4. Any vote taken by the Participants to remove an Officer or Director must ultimately be confirmed by a majority vote of the Directors of the shareholder(s). Notwithstanding the foregoing, the shareholder(s) may remove an Officer or Director by a majority vote of the Directors of the shareholder(s). (Adopted 11/96) **R**

Article 7: Meetings

A—Annual Meeting: The annual meeting of Participants of the Service shall be held during the month of _____ at the time and place specified by the C/I MLS Board of Directors. **M**

B—Special Meetings of the Service: Special meetings of Participants of the Service may be called from time to time by the President, the C/I MLS Board of Directors, or by _____% of the Participants of the Service. Written notice stating the day, place, and hour of the meeting, the purpose or purposes for which the meeting is called, shall be delivered to all REALTORS® who are Participants in the Service not less than _____ days prior to said meeting. **M**

C—Quorum and Voting at Meetings of the Service: For the transaction of business, _____% of the Participants of the Service shall be considered a quorum. A majority vote by such Participants present and voting at a meeting attended by a quorum shall be required for passage of motions. **M**

D—Meeting of the Board of Directors of the Service: The Board of Directors may meet at any time it deems advisable on the call of the President or any _____ Members of the Board of Directors. _____ Directors shall constitute a quorum. A majority vote by the Directors present and voting at a meeting attended by a quorum shall be required for passage of motions. **M**

E—Presiding Officer: At all meetings of the Participants of the Service, or of the Service Board of Directors, the President or, in the absence of the President, the Vice President shall serve as presiding officer. In the absence of the President and Vice President, the President shall name a temporary Chairperson or, upon the President's failure to do so, the Board of Directors of the Service shall appoint a temporary Chairperson. **M**

Article 8: Committees

The President, with the approval of the C/I MLS Board of Directors, shall create such standing or ad hoc Committees as the President deems desirable and shall appoint their members. Each Committee shall consist of not less than _____ Participants in the Service, but may also include REALTORS® or REALTOR-ASSOCIATE@s, employed by or affiliated as independent contractors with REALTOR® Participants serving as representatives of said REALTOR® Participants and with their consent, and who may serve either as a Chairperson or member of a Committee. **M**

Article 9: Fiscal Year

The fiscal year of the Service shall commence on _____ and shall end on _____.

Article 10: Amendments

A—Amendments to Bylaws: Amendments to these bylaws shall be by the Participants of the Service, and shall be determined at an Annual Meeting or Special Meeting of the Service in accordance with the provisions of Article _____ concerning Meetings of the Service. Amendments to the bylaws of the Service approved by the Participants shall further be subject to approval of the Board of Directors of the _____ Board of REALTORS® (shareholder).

When amendments to the bylaws of the Service have been approved by the Board of Directors of the _____ Board of REALTORS® (shareholder), said amendments shall be effective immediately or as stated in the amending resolution.

If the proposed amendments to the bylaws of the C/I Multiple Listing Service fail approval of the Board of Directors of shareholder, the Board of Directors of the C/I Multiple Listing Service shall be informed, and advised that the proposed amendment or amendments to the bylaws must be further considered and resubmitted to the shareholder as approved by the Participants of the C/I Multiple Listing Service.

B—Amendments to Rules and Regulations: Amendments to the rules and regulations of the Service shall be by consideration and approval of the Board of Directors of the C/I Multiple Listing Service in accordance with the provisions of Article _____, Section _____, concerning meetings of the Board of Directors, subject to final approval by the Board of Directors of the _____ Board of REALTORS® (shareholder).

When approved by the Board of Directors of the _____ Board of REALTORS® (shareholder) as described, the amendments to the rules and regulations of the C/I Multiple Listing Service shall be effective immediately or as stated in the amending resolution.

If the proposed amendments of the C/I Multiple Listing Service rules and regulations fail approval by the Board of Directors of the shareholder, the Board of Directors of the C/I Multiple Listing Service shall be informed, and advised that the proposed amendment or amendments must be further considered and resubmitted as approved by the Board of Directors of the C/I Multiple Listing Service to the Board of Directors of the _____ Board of REALTORS® (shareholder).

Article 11: Dissolution

In the event this Service shall at any time terminate its activities, the Board of Directors of the Service shall consider and adopt a plan of liquidation and dissolution with the approval of the Participants thereof and of the Board of Directors of the _____ Board of REALTORS® (shareholder). Said plan shall provide for the collection of all assets, the payment of all liabilities, and that the remaining portions thereof to be assigned to the parent corporation, namely, _____ Board of REALTORS®. M

Part 5

Suggested Rules and Regulations for a Commercial/Industrial MLS Separately Incorporated but Wholly-Owned by a Board of REALTORS® (Adopted 11/88)

Membership in the C/I MLS: Any REALTOR® (principal) of this or any other Board is eligible to participate in the C/I MLS upon agreeing in writing to conform to these C/I MLS rules and regulations and to pay the Service fees and charges specified in Section 6 of these rules.* However, no individual or firm, regardless of Board membership status, is eligible for C/I MLS membership or participant status unless they hold a current, valid real estate broker's license and offers or accepts compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. Brokers and salespeople other than principals are not "members" or "participants" of the C/I MLS, but have access to and use of the Service through the C/I MLS Participant with whom they are affiliated. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Optional Provision for Establishing Nonmember Participatory Rights ("Open MLS")

A nonmember applicant for MLS participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the

Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS rules and regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the MLS fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or membership unless they hold a current, valid real estate broker's license and offers or accepts compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the MLS rules and regulations and computer training related to MLS information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the MLS of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However,

in states where non-Board member access to the MLS is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the MLS. (Amended 11/96)

**Optional qualifications which may be adopted at the local Board's discretion: Any applicant for C/I MLS participation and any licensee (including licensed or certified appraisers) affiliated with a C/I MLS Participant who has access to and use of the C/I MLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the C/I MLS rules and regulations and computer training related to MLS information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for C/I MLS participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for C/I MLS participation or access to the C/I MLS-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

Note 2: A Board may also choose to have the Membership Committee consider the following in determining a nonmember applicant's qualifications for MLS participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. pending ethics complaints (or hearings)
3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)
5. unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association MLS

Responsibility for Conformance with Rules and Regulations: The C/I MLS Participant is responsible to the Service for compliance with the rules and regulations by all of the firm's licensees (including licensed or certified appraisers) who have access to and use of the Service.

Access to Current Listing Information: Only Participants and their affiliated licensees (including licensed or certified appraisers) may have access to and use of the current listing information generated by the C/I MLS.

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 (indicate form(s) of listing(s) accepted by the Service—See Notes 1 and 2) shall be delivered to the C/I Multiple Listing Service within _____ (usually 48) hours after all necessary signatures of seller(s) or lessor(s) have been obtained: (Amended 11/01)

- (a) subdivided vacant land
- (b) land and ranch
- (c) business opportunity including some interest in real property
- (d) motel/hotel

- (e) mobile home parks
- (f) commercial income
- (g) industrial
- (h) investment
- (i) office space

(Additional categories of commercial, industrial, investment property may be added by the Service.)

Note 1: The C/I 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 C/I Multiple Listing Service. However, the C/I 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 C/I MLS establishes, directly or indirectly, any contractual relationship between the Service and the client (buyer or seller, lessee or lessor)

The Service shall accept exclusive right to sell or lease 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 C/I Multiple Listing Service acting as subagents, buyer agents, or both. (Amended 11/96)

The listing agreement must include the seller's written authorization to submit the agreement to the C/I Multiple Listing Service. (Amended 11/96)

The different types of listing agreements include:

- (a) exclusive right to sell or lease
- (b) exclusive agency
- (c) open
- (d) net

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 and compensate other brokers and inherently provides a disincentive for cooperation. (Amended 4/92)

The exclusive right to sell or lease listing is the conventional form of listing submitted to the C/I MLS in that the seller or lessor authorizes the listing broker to cooperate with and to compensate other brokers. (Amended 4/92)

The exclusive agency listing also 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 or lease the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell or lease listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to

sell or lease 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 or lease 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 or lease listings with prospect reservations. (Revised 4/92)

Note 2: The C/I 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 C/I MLS cannot 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 must leave its Members free to accept such listings to be handled outside the 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) **M**

Section 1.1—Listings Subject to Rules and Regulations of the Service: Any listing taken on a contract to be filed with the C/I MLS is subject to the rules and regulations of the Service upon signature of the seller(s) or lessor(s). **R**

Section 1.2—Detail on Listings Filed with the Service: A listing agreement or property data form, when filed with the C/I MLS by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form. **R**

Section 1.2.1—Limited Service Listings: 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) assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property

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. (Adopted 05/01)

Note: Adoption of Section 1.2.1, Limited Service Listings, is optional and a matter to be determined by each MLS. **O**

Section 1.2.2—MLS Entry-only Listings: Listing agreements under which the listing broker will not provide any 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) assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property

will be identified with an appropriate code or symbol (e.g. “EO”) 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.

Note: Adoption of Section 1.2.2, MLS Entry-only Listings, is optional and a matter to be determined by each MLS. (Adopted 05/01) **O**

Section 1.3—Exempt Listings: If the seller or lessor refuses to permit the listing to be disseminated through 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 or lessor that he does not desire the listing to be disseminated by the Service.

Note: Section 1.3 is not required if the Service does not require all (Indicate type(s) of listing(s) accepted by the Service) listings to be submitted by a Participant to the Service. **M**

Section 1.4—Change of Status 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 or lessor and shall be filed with the Service within twenty-four (24) hours (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing broker. **R**

Section 1.5—Withdrawal of Listing Prior to Expiration: Listings of property may be withdrawn from the C/I MLS by the listing broker before the expiration date of the listing agreement, provided notice is filed with the Service, including a copy of the agreement between the seller or lessor and the listing broker which authorizes the withdrawal.

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(s) 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. (Adopted 11/96) **M**

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. **R**

Section 1.7—Listing Price Specified: The full gross 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. (Amended 11/92) **M**

Section 1.8—Listing Multiple Unit Properties: All properties which are to be sold, leased or exchanged or which may be marketed separately, must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, leased, or exchanged, the rules related to notifying the Service shall be observed. **O**

Section 1.9—No Control of Commission Rates or Fees Charged by Participants: The Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and nonparticipants. **M**

Section 1.10—Expiration of Listings: Listings filed with the 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)

Any extension must be executed by all appropriate parties prior to the expiration of the current listing.

Any renewal 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 within _____ hours of execution. (Amended 11/01) **M**

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 or lessor. **M**

Section 1.12—Jurisdiction: Only listings of the designated types of property located within the jurisdiction of the MLS are required to be submitted to the Service. Listings of property located outside the MLS's jurisdiction will (or will not) be accepted if submitted voluntarily by a Participant, but cannot be required by the Service. (Amended 11/01)

Note: Boards must choose whether the Service will accept listings from beyond its jurisdiction into the C/I MLS compilation. **M**

Section 1.13—Listings of Suspended Participants: When a Participant of the Service is suspended from the C/I MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board bylaws, C/I MLS bylaws, C/I MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the Service by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, leased, exchanged, withdrawn, or expired, and shall not be renewed or extended by the Service 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 C/I MLS participation without Board Membership is permitted by law) or C/I MLS (or both) for failure to pay appropriate dues, fees, or charges, the Service is not obligated to provide C/I MLS services, including continued inclusion of the suspended

Participant's listings in the C/I MLS compilation of current listing information. Prior to any removal of a suspended Participant's listings from the Service, the suspended Participant should be advised in writing of the intended removal so that the suspended Participant may advise his clients. **M**

Section 1.14—Listings of Expelled Participants: When a Participant of the Service is expelled from the C/I MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board bylaws, C/I MLS bylaws, C/I MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the Service shall, at the expelled Participant's option, be retained in the Service until sold, leased, exchanged, withdrawn, or expired, and shall not be renewed or extended by the Service 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 C/I MLS participation without Board Membership is permitted by law) or C/I MLS (or both) for failure to pay appropriate dues, fees, or charges, the Service is not obligated to provide C/I MLS services, including continued inclusion of the expelled Participant's listings in the C/I MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the Service, the expelled Participant should be advised, in writing, of the intended removal so that the expelled Participant may advise his clients. **M**

Section 1.15—Listings of Resigned Participants: When a Participant resigns from the Service, the C/I MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the C/I MLS compilation of current listing information. Prior to any removal of a resigned Participant's listings from the Service, the resigned Participant should be advised, in writing, of the intended removal so that the resigned Participant may advise his clients. **O**

Selling Procedures

Section 2—Showings and Negotiations: Appointments for showings and negotiations with the seller or lessor for the purchase, lease, or exchange of listed property filed with the C/I MLS 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 (Amended 4/92) **M**

Section 2.1—Presentation of Offers: The listing broker, upon receipt of an offer from a cooperating broker, must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so. (Amended 4/92) **M**

Section 2.2—Submission of Written Offers and Counter-offers: The listing broker shall submit to the seller or lessor all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller or lessor 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 or lessor obtain the advice of legal counsel prior to acceptance of the subsequent offer. 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. (Adopted 11/05) **M**

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 or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor 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. (Amended 4/92) **M**

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 or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee 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 or lessee's written instructions. (Adopted 11/93) **M**

Section 2.5—Reporting Sales to the Service: Status changes, including final closing of sales and sales prices, shall be reported to the multiple listing service by the listing broker within ___ hours after they have occurred. If negotiations were carried on under Section 2 a. or b. hereof, the cooperating broker shall report accepted offers and prices to the listing broker within ___ hours after occurrence and the listing broker shall report them to the MLS within ___ hours after receiving notice from the cooperating broker. (Amended 11/11)

Note 1: 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) **M**

Note 2: In disclosure states, if the sale price of a listed property is recorded, the reporting of the sale price may be required by the MLS.

In states where the actual sale prices of completed transactions are not publicly accessible, failure to report sale prices can result in disciplinary action only if the MLS:

1. categorizes sale price information as confidential and
2. limits use of sale price information to participants and subscribers in providing real estate services, including appraisals and other valuations, to customers and clients; and to governmental bodies and third-party entities only as provided below.

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property)

and to confirm the accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing services to participants and subscribers. In any instance where a governmental body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices. (Adopted 11/11) **M**

Note 3: As established in the Virtual Office Website (“VOW”) policy, sale prices can only be categorized as confidential in states where the actual sale prices of completed transactions are not accessible from public records. (Adopted 11/11) **M**

Section 2.6—Reporting Resolutions of Contingencies: The listing broker shall report to the C/I MLS within twenty-four (24) hours that a contingency on file with the Service has been fulfilled or renewed, or the agreement cancelled. **M**

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. **M**

Section 2.8—Reporting Cancellation of Pending Sale: The listing broker shall report immediately to the Service the cancellation of any pending sale, lease, or exchange and the listing shall be reinstated immediately. **M**

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. (Adopted 11/08) **O**

Section 2.10—Availability of Listed Property: Listing brokers shall not misrepresent the availability of access to show or inspect listed property. (Adopted 11/05) **O**

Refusal to Sell

Section 3—Refusal to Sell, Lease, or Exchange: If the seller or lessor of any listed property filed with the 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. **R**

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 C/I MLS without the prior consent of the listing broker. **M**

Section 4.1—“For Sale” Signs: Only the “For Sale” sign of the listing broker may be placed on a property. (Amended 11/89) **M**

Section 4.2—“Sold” Signs: Prior to closing, only the “Sold” sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign. (Amended 4/96) **M**

Section 4.3—Solicitation of Listing 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: 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 and lessors 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 or lessor could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware through C/I 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 or lessor 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 lessor 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. **M**

Section 4.4—Use of the Terms MLS and Multiple Listing Service: 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 an 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) **O**

Division of Commissions

Section 5—Compensation Specified on Each Listing: The listing broker shall specify, on each listing filed with the Service, the compensation offered to other Participants for their services in the sale or lease 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 C/I MLS of a Board of REALTORS®, the Participant of the Service is making a blanket unilateral offers of compensation to the other Participants, and shall therefore specify on each listing filed with the Service, the compensation being offered to the other 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 find a purchaser or lessee.* (Amended 11/96)

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 nonagency capacities defined by law) which may be the same or different. (Amended 11/96)

This shall not preclude the listing broker from offering any Participant compensation other than the compensation indicated on any listing published by the C/I 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 Board C/I MLS shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Board C/I MLS shall not publish the total negotiated commission on a listing which has been submitted to the Service by a Participant. The Board C/I MLS shall not disclose in any way the total commission negotiated between the seller or lessor and the listing broker.

Note 2: The listing broker may, from time to time, adjust the compensation offered to other 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 C/I MLS 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. (Adopted 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) **M**

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) **M**

Disclosing Potential Short Sales

Section 5.0.1—Note: Select one of the following two options. **M**

Option #1:

Multiple listing services that permit, but do not require, participants to disclose potential short sales should adopt the following rule.

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)

Option #2:

Alternatively, multiple listing services that require participants to disclose potential short sales should adopt the following rule.

Participants must 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) when reasonably known to the listing participants. (Adopted 5/09)

For Options #1 or #2:

As a matter of local discretion, MLSs may, but shall not be required to, adopt the following rule:

When disclosed, participants may, at their discretion, advise other participants whether and 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. (Adopted 5/09) **O**

MLSs that adopt the discretionary provision shown immediately above may, but are not required to, adopt the following rule: Where participants 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 the listing and cooperating participants, listing participants shall disclose to cooperating participants in writing the total reduction in the gross commission and the amount by which the compensation payable to the cooperating broker will be reduced within _____ hours of receipt of notification from the lender. (Adopted 5/10)

Section 5.1—Participant as Principal: If a Participant or any licensee (including licensed or certified appraisers) affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through the C/I MLS, that person shall disclose that interest when the listing is filed with the Service and such information shall be disseminated to all 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. (Adopted 2/92) **M**

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. The 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. (Amended 5/01) **M**

**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 05/10)*

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)*

While MLSs are not required to authorize participants to offer cooperative compensation based on net sale prices, those that do permit such offers must define “seller concessions” for purposes other than new construction, unless that term is defined by applicable state law or regulation. The following definition of “seller concessions” is suggested but not required for adoption:

Points paid by seller on behalf of buyer, seller-paid buyer closing costs, cash or cash allowances not escrowed, down payment assistance, additions or alterations not considered deferred maintenance, and personal property not usual and customary to such transactions conveyed from seller to buyer having an agreed upon monetary value. (Adopted 05/12)

Service Charges

Section 6—Service Fees and Charges: The following service charges for operation of the C/I MLS 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 applicant for participation in the Service shall pay an application fee of \$_____ 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 recurring participation fee of each Participant shall be an amount equal to \$_____ times each salesperson and licensed or certified appraiser engaged in the listing, sale, or appraisal of C/I properties, whether licensed as a broker, sales licensee, 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 C/I MLS. Fees shall be prorated on a monthly basis.

(b) (Alternate b) Recurring Participation Fee: The recurring participation fee of each Participant shall be \$_____, as determined by the C/I MLS Board of Directors.

Note: A C/I MLS may elect to have such fees payable on an annual, quarterly, or even on a monthly basis. However, added administrative services are necessitated by increased frequency of such payments.

(c) Listing Fee: A Participant shall pay a monthly fee in an amount equal to the number of listings he filed with the Service during the previous month, multiplied by the listing fee of \$_____ per listing.

Note: An alternative provision for the “listing fee” is: “For filing a new listing or renewal of a listing with the Service, a fee of \$_____ shall accompany each listing when filed with the Service.”

Optional: It is a matter of agreement between the listing and selling or leasing brokers as to whether or not the cooperating broker shall reimburse the listing broker for the listing fee. The C/I MLS shall not be concerned because this is an arrangement between cooperating brokers, and the C/I MLS rules do not dictate the compensation offered to cooperating brokers by the listing broker. (Amended 4/92)

(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 \$_____ for each additional set of listings to be supplied to each individual, employed by or affiliated as an independent contractor (and licensed or certified appraiser) with the Participant who is engaged in listing, selling, leasing, appraising, or locating C/I properties.

Note 1: This should be a minimal charge based on actual costs of producing and distributing the information.

Note 2: 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 3: Financing from the C/I MLS should be adequate but not in such amounts as to be the source of financing the Board's operation. The C/I MLS should pay its own way and allow for a reasonable operating reserve, but it is merely another service of the Board and not the principal activity or reason for the Board's existence. As long as it is able to restrict its services exclusively or primarily to Board members, the Service is not properly a Board profit center.

Note 4: Recurring dues, fees, and charges of the C/I MLS may not be based on the total number of licensees affiliated with the C/I MLS Participant, but must be based upon those licensees (including licensed or certified appraisers) affiliated with the Participant who are engaged in listing, selling, leasing, appraising, or locating the types of properties filed in the C/I MLS compilation.

Note 5: 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. (Adopted 4/92) **R**

Compliance with Rules

Section 7—Compliance with Rules—Authority to Impose Discipline: By becoming and remaining a participant or subscriber in this C/I MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other C/I MLS governance provision. The C/I MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other C/I 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 C/I 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 C/I MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- f. termination of C/I 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 C/I 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) **M**

Section 7.1—Compliance with Rules: The following action may be taken for noncompliance with the rules:

- (a) for failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days' notice has been given, the Service shall be suspended until service charges or fees are paid in full
- (b) for 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 C/I MLS. 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. If the C/I MLS desires to establish a series of moderate, escalating fines, they should be clearly set forth in the rules and regulations. **R**

Section 7.2—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 Participant's ultimate responsibility and accountability for all users or subscribers affiliated with the Participant. (Adopted 4/92)

Note: Adoption of Section 7.2—is optional and 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. (Adopted 4/92) **O**

Meetings

Section 8—Meetings: The meetings of the Participants in the Service or the Board of Directors of the Service for transaction of business of the Service shall be held in accordance with the provisions of Article 7, bylaws of the Service. R

Enforcement of Rules or Disputes

Section 9—Consideration of Alleged Violations: The C/I MLS Board of Directors shall give consideration to all written complaints having to do with violations of the rules and regulations. (Amended 2/98) **M**

Section 9.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged unethical conduct or a request for arbitration, it may be administratively considered and determined by the Board of Directors of the Service, and if a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Board in accordance with the bylaws and rules and regulations of the Board of REALTORS® within twenty (20) days following receipt of the Directors' decision. (Amended 11/96)

If, rather than conducting an administrative review, the MLS has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the Board of Directors of the MLS within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the Board of REALTORS® for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board of REALTORS®. (Amended 2/98) **M**

Optional Provision for Establishing Nonmember Participatory Rights (“Open MLS”)

Section 9.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged violation of one or more of the provisions of Section 16 of the rules and regulations or a request for arbitration, it may be administratively considered and determined by the Board of Directors of the MLS and if a violation is determined, the Board of Directors may direct the imposition of sanction provided that the recipient of such sanction may request a hearing by the Professional Standards Committee of the Board in accordance with the bylaws of the Board of REALTORS®. Alleged violations of Section 16 of the rules and regulations shall be referred to the Board's Grievance Committee for processing in accordance with the professional standards procedures of the Board/Association. (Amended 2/98)

If, rather than conducting an administrative review, the MLS has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the Board of Directors of the MLS within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the Board of REALTORS® for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board of REALTORS®. (Adopted 2/98)

Section 9.2—Complaints of Unethical Conduct: All other complaints of unethical conduct shall be referred by the Board of Directors of the Service to the Professional Standards Administrator of the Board of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Board's bylaws. (Amended 11/88) **M**

Confidentiality of C/I MLS Information

Section 10—Confidentiality of C/I MLS Information: Any information provided by the 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 such 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. (Amended 4/92) **M**

Section 10.1—C/I 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. **R**

Ownership of C/I MLS Compilation* and Copyright

Section 11—By the act of submitting any property listing content to the MLS, the participant represents that he has been authorized to license and also thereby does license authority for the MLS 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. (Amended 5/16) **M**

Note: 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. *(Adopted 11/15)* |

Section 11.1—All right, title, and interest in each copy of every C/I MLS compilation created and copyrighted by the _____ Board of REALTORS® and in the copyrights therein, shall at all times remain vested in the _____ Board of REALTORS®. **R**

Section 11.2—Each Participant shall be entitled to lease from the _____ Board of REALTORS® a number of copies of each C/I MLS compilation sufficient to provide the Participant and licensees affiliated with the Participant (including licensed or certified appraisers) engaged in the commercial/industrial activity with one copy of such compilation. The Participant shall pay, for each such copy, the rental fee set by the Board.**

Participants shall acquire by such lease only the right to use the C/I MLS compilation in accordance with these Rules. **M**

**The term "C/I 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 the Participants, including but not limited to bound book, loose-leaf binder, computer database, card file, or any other format whatsoever.*

***This Section should not be construed to require the Participant to lease a copy of the C/I MLS compilation for any licensee (including licensed or certified appraisers) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, leasing, 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 or use of the C/I MLS information or C/I MLS facility of the Board. Further, the C/I MLS Participant may not purchase or lease more copies of the Compilation of current listing information than the number of licensees affiliated with his firm who are engaged in the commercial/industrial activity.*

Use of Copyrighted C/I MLS Compilation

Section 12—Distribution: Participants shall, at all times, maintain control over and responsibility for each copy of any C/I MLS compilation leased to them by the Board of REALTORS®, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed

by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 4/92) R

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

Option #1

Section 12.2—Reproduction: Participants or their affiliated licensees shall not reproduce any C/I MLS compilation or any portion thereof, except in the following limited circumstances:

Participants or their affiliated licensees may reproduce from the C/I MLS compilation and distribute to prospective purchasers or lessees a reasonable number of single copies of property listing data contained in the C/I MLS compilation which relate to any properties in which the prospective purchasers or lessees 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 or lessee 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 or lease with the participant.

Any C/I 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 particular properties for clients and customers. Any C/I 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. C/I MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. C/I MLSs may require execution of a third-party license agreement where deemed appropriate by the C/I MLS. C/I MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the C/I MLS in adding or enhancing its downloading capacity for this purpose. Information deemed 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 or lessees with listing data relating to properties which the prospective purchaser or lessee has a bona fide interest in purchasing or leasing, 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 or lessee's decision-making process in the consideration of a purchase or lease. 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 C/I MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's or lessee's expressed desires and ability to purchase or lease, 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 or lessee.*

Option #2

Section 12.2—Reproduction: Participants or their affiliated licensees shall not reproduce any C/I MLS compilation or any portion thereof, except in the following limited circumstances:

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

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 or lease with the participant.

Any C/I 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 particular properties for clients and customers. Any C/I 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. C/I MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. C/I MLSs may require execution of a third-party license agreement where deemed appropriate by the C/I MLS. C/I MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the C/I MLS in adding or enhancing its downloading capacity for this purpose. Information deemed 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) **M**

**It is intended that the Participant be permitted to provide purchasers or lessees with listing data relating to properties which the prospective purchaser or lessee has a bona fide interest in purchasing or leasing, 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 or lessee's decision-making process in the consideration of a purchase or lease.*

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 C/I MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's or lessee's expressed desires and ability to purchase or lease, 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 or lessee.

Use of C/I MLS Information

Option #1

Section 13—Limitations on Use of C/I MLS Information: Use of information from the C/I MLS compilation of current listing information, from the Board's statistical report, or from any sold or comparable report of the Board or C/I MLS for public mass-media advertising by a 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 Board or its C/I MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

Based on information from the Board/Association of REALTORS® (alternatively, from the _____ MLS) for the period (date) through (date). (Revised 11/93)

Option #2

Section 13—Limitations on Use of C/I MLS Information: Information from C/I MLS compilations of current listing information, from statistical reports, and from any sold or comparable report of the Board or MLS may be used by MLS Participants as the basis for aggregated demonstrations of market share or comparisons of firms in public mass-media advertising or in other public representations. This authority does not convey the right to include in any such advertising or representation information about specific properties which are listed with other Participants, or which were sold by other Participants (as either listing or cooperating broker).

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 Board or its C/I MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

Based on information from the Board/Association of REALTORS® (alternatively, from the _____ MLS) for the period (date) through (date). (Adopted 11/97) **M**

Changes in Rules and Regulations

Section 14—Changes in Rules and Regulations: Amendments to the rules and regulations of the Service shall be by consideration and approval of the Board of Directors of the C/I Multiple Listing Service, subject to final approval by the Board of Directors of the _____ Board of REALTORS® (shareholder).

Note: Some Boards may prefer to change the rules and regulations by a vote of the Participants of the Service subject to approval of the Board of Directors of the Service, with final approval by the Board of Directors of the Board of REALTORS® which is the sole and exclusive shareholder of the stock of the service corporation. **M**

Optional Provisions (Sections 15 and 16) for Establishing Nonmember Participatory Rights (“Open MLS”)

Arbitration of Disputes

Section 15—Arbitration of Disputes: By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of 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. (Amended 11/97)

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

Interboard Arbitration Procedures: 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 of REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Board/Association of REALTORS®. (Amended 11/98) **O**

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 or Executive Officer 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. (Adopted 11/15) **O**

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. (Amended 1/04) **O**

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. **O**

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. (Amended 1/04) ○

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, the broker 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. (Amended 1/98) ○

Section 16.6—MLS Participants shall not use information obtained from listing brokers through offers to cooperate made through multiple listing services or 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 11/01) ○

Section 16.7—The fact that an 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. (Amended 1/98) ○

Section 16.8—The fact that a prospect has retained an 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. (Amended 1/04) ○

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. (Amended 1/98) ○

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 agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement. (Amended 1/98) ○

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 rule. (Amended 1/04)

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. (Amended 1/04) ○

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. (Amended 1/04) ○

Section 16.14—MLS Participants, acting as buyer or tenant 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. (Amended 1/04) ○

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. (Amended 1/04)

MLS Participants shall make any request for anticipated compensation from the seller/landlord at first contact. ○

Section 16.16—MLS Participants, acting as 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. (Amended 1/04) ○

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) or from offering the same type of service for property not subject to other brokers’ exclusive agreements. 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. (Amended 1/04) ○

Section 16.18—MLS Participants, acting as subagents or buyer/tenant representatives 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/tenant representatives 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. (Amended 1/04) ○

Section 16.19—All dealings concerning property exclusively listed or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not with the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client. (Amended 1/04)

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. (Adopted 1/03, Amended 1/04) ○

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 1/10) ○

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. ○

Standard 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 1/12) ○

Standard 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. (Adopted 11/07) ○

Standard 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 and other content in any way that produces a deceptive or misleading result;
- c. deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic;

- d. present content developed by others without either attribution or without permission; or
- e. otherwise mislead consumers. *(Amended 1/13)* ○

Section 16.25—The services which MLS participants provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

MLS participants shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.
(Adopted 11/09)

Orientation

Section 17—Orientation: Any applicant for MLS Participation and any licensee affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval.
(Amended 11/96) M

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 enhancements and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely. (Adopted 11/09)

Internet Data Exchange (IDX)

Section 18—IDX Defined: IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants. *(Amended 5/12)* M

Section 18.1—Authorization: Note: Select one of the following two options. M

Option #1:

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, 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. *(Amended 05/12)*

Option #2:

Participants' consent for display of their listings by other participants pursuant to these rules and regulations must be established in writing. If a participant withholds consent on a blanket basis to permit the display of that participant's listings, that participant may not download, 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. *(Amended 05/12)*

Section 18.2—Participation: Note: Select one of the following four options. Participation in IDX may be limited to MLS participants engaged in real estate brokerage by adopting Option #3 or Option #4. **M**

Option #1:

Participation in IDX is available to all MLS participants who consent to display of their listings by other participants.

Option #2:

Participation in IDX is available to all MLS participants who are REALTORS® and who consent to display of their listings by other participants.

Option #3:

Participation in IDX is available to all MLS participants engaged in real estate brokerage who consent to display of their listings by other participants. *(Amended 11/09)*

Option #4:

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)* **M**

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)* **M**

Section 18.2.3—Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker 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). *(Amended 05/12)* **M**

Section 18.2.4—Participants may select the listings they choose to display on their IDX sites 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 on any IDX site must be independently made by each participant. *(Amended 11/06)* M

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)* M

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)* M

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)* M

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. *(Adopted 05/12)* M

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)* M

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) M

Section 18.2.11— Participants shall not modify or manipulate information relating to other participants listings. MLS participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by 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 05/15) M

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

Note: All of the following rules are optional but, if adopted, cannot be modified. Select those rules which apply to your IDX program and number the sections accordingly.

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) O

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) O

Section 18.3.2—Deleted May 2015.

Section 18.3.3—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. 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) O

Section 18.3.4—All listings displayed pursuant to IDX shall identify the listing agent. O

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. O

Section 18.3.6—Deleted November 2006.

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) O

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 18.3.9—The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance shall be limited to fewer than one hundred (100) listings or five percent (5%) of the listings available for IDX display, whichever is fewer. *(Amended 11/09)* ○

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. ○

Section 18.3.12—Display of expired, withdrawn, and sold listings* is prohibited. *(Amended 11/15)* ○

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

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. ○

Note: The following Sections 18.3.14 and 18.3.15 may be adopted by MLSs that provide participants with a “persistent” download (i.e., where the MLS database resides on participants’ servers) of the MLS database.

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—Note: Select one of the following two options.

Option #1:

Advertising (including co-branding) on pages displaying IDX-provided listings is prohibited.

Option #2:

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. *(Adopted 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)* ○

Virtual Office Websites (VOWs)

Note: Adoption of the model VOW Rules (Section 19.1 through 19.14) is optional for commercial MLSs. If the Model VOW rules are revised, NAR reserves the right to reject changes inconsistent with National Association policy or that might create liability for MLSs and/or REALTOR® Associations.

Section 19.1—VOW Defined

- 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 Virtual Office Websites, 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 e-mail address for each Registrant. The participant must send an e-mail 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 e-mail 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 e-mail 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, e-mail address, user name, and current password of each Registrant. The

participant must keep such records for not less than one hundred eighty (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, e-mail 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' ownership of and the validity of the MLS' 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 uses 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 the 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 e-mail, 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. Check one.
 - a. _____ I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.
 - 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 searches.

Initials of Seller

- c. The participant shall retain such forms for at least one (1) year from the date they are signed or one (1) year from the date the listing goes off the market, whichever is greater. ○

Section 19.7

- a. Subject to Subsection b., below, 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. to 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 forty-eight (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, in the NATIONAL ASSOCIATION OF REALTORS® VOW policy, or in 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. ○

Note: Adoption of Sections 19.15 through 19.19 is at the discretion of the MLS. However, if any of the following sections are adopted, an equivalent requirement must be imposed on participants' use of MLS listing information in providing brokerage service through all other delivery mechanisms.

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.

- 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. (*Revised 11/15*)

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 19.18—A participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

Section 19.19—A participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than ___ current listings and not more than ___ 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 one hundred (100) listings or five percent (5%) of the listings in the MLS, whichever is less. ○

Note: Adoption of Sections 19.20 through 19.25 is at the discretion of the MLS. It is not required that equivalent requirements be established related to other delivery mechanisms.

Section 19.20—A participant shall require that Registrants' passwords be reconfirmed or changed every ___ 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 ninety (90) days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently. ○

Section 19.21—A participant may display advertising and the identification of other entities ("co-branding") on any VOW the participant operates or that is operated on his or her behalf. However, a participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this section, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information (or that of at least one participant, in the case of a VOW established and operated on behalf of more than one participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party. ○

Section 19.22—A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing. ○

Section 19.23—A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS. ○

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

Section 19.25—Where a seller affirmatively directs his or her listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within forty-eight (48) hours. ○
(Adopted 11/08)

Part 6
Board Bylaw Provisions Authorizing a Commercial Information Exchange as a
Committee of the Board (Adopted 11/88)

Article _____

Section 1—Authority: The Board of REALTORS® shall operate a Commercial Information Exchange for the use of its members, which shall be subject to the bylaws of the Board of REALTORS® and such rules and regulations as may be hereinafter adopted. **M**

Section 2—Purpose: The CIE serves as an information exchange. Participants who have been retained by sellers of commercial or industrial property to market those properties may submit information on those properties to the CIE and Participants who have been retained by buyers of commercial or industrial property may submit information on the type(s) of property sought to the CIE. Any compensation agreements related to property included in the Exchange compilation must be made on an individual basis outside the CIE between the Participants involved.

A Commercial Information Exchange is not a Multiple Listing Service. No offers of cooperation and compensation are communicated by filing information on a property with the CIE.
(Amended 4/92) **M**

Section 3—Participation: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as stipulated otherwise in these bylaws*, shall be eligible to participate in the Commercial Information Exchange upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, no individual or firm, regardless of Board membership status, is eligible for CIE participation or membership status unless they hold a current, valid real estate broker's license and are capable of accepting and offering compensation to and from other Participants or to those individuals who are licensed or certified by a state regulatory agency to engage in the appraisal of real property. Licensees affiliated with CIE Participants are not considered "participants" or "members" of the Exchange, but rather have access to and use of the Exchange information by virtue of their affiliation with the Exchange Participant. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. (Amended 11/97)

Optional Provision for Establishing Nonmember Participatory Rights ("Open Exchange")

A nonmember applicant for CIE participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the CIE rules and regulations and computer training related to CIE information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the CIE; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the CIE fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to CIE participation or membership unless they hold a current, valid real estate broker's license and are capable of offering and accepting compensation to and from other

Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board CIE is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Board CIE where access to such information is prohibited by law. (Amended 11/97)

**Optional qualifications which may be adopted at the local Board's discretion: Any applicant for CIE participation and any licensee (including licensed or certified appraisers) affiliated with a CIE Participant who has access to and use of the CIE-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the CIE rules and regulations and computer training related to CIE information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for CIE participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for CIE Participation or access to the CIE-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the CIE rules and regulations and computer training related to CIE information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the CIE of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However, in states where non-Board member access to the CIE is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the CIE. (Amended 11/96)

Note 2: Boards may also choose to have the Membership Committee consider the following when determining a nonmember applicant's qualifications for CIE participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. pending ethics complaints (or hearings)
3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)
5. unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association CIE **M**

Section 4—Supervision: The Exchange shall be operated under the supervision of the CIE Committee in accordance with the rules and regulations, subject to the approval of the Board of Directors of the Board of REALTORS®. **R**

Section 5—Appointment of Committee: The President shall appoint, subject to confirmation by the Board of Directors, a Commercial Information Exchange Committee of _____ REALTOR® members. All members of the Committee shall be Participants in the Exchange except, at the option of the local Board, REALTORS® or REALTOR-ASSOCIATE®s licensed with Participants may be appointed to serve in such numbers as determined by the local Board. The Committee members so named shall serve staggered two (2) year terms.* The Committee shall select its Chairperson from among the members thereof. (Optional provision: A Board may choose to have the appointment of the Chairperson made by the President of the Board of REALTORS®.) R

Section 6—Vacancies: Vacancies and unexpired terms shall be filled as in the case of original appointments. R

Section 7—Attendance: Any Committee member who fails to attend three (3) consecutive regular or special meetings of the Committee, without an excuse acceptable to the Chairperson of the Committee, shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees. R

Section 8—Subscribers: Subscribers (or users) of the CIE include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. (Optional provision: Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of a CIE Participant or the Participant's licensed designee.) (Adopted 4/92) R

**Boards have the option of establishing a longer or shorter term for service on the Committee and need not provide for staggered terms for Committee appointments.*

Part 7

Suggested Rules and Regulations for a Commercial Information Exchange Operated as a Committee of a Board of REALTORS® (Adopted 11/88)

Membership in the Commercial Information Exchange: Any REALTOR® (principal) of this or any other Board is eligible to participate in the Exchange upon agreeing in writing to conform to these Exchange rules and regulations and to pay the Service fees and charges as specified in Section 4 of these rules.* However, no individual or firm, regardless of Board membership status, is eligible for CIE participation or membership status unless they hold a current, valid real estate broker's license and are capable of accepting and offering compensation to and from other Participants or to those individuals who are licensed or certified by a state regulatory agency to engage in the appraisal of real property. Brokers and salespeople other than principals are not "members" or "participants" of the Exchange but have access to and use of the Exchange through the Participant with whom they are affiliated. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. (Amended 4/98)

Optional Provision for Establishing Nonmember Participatory Rights ("Open Exchange")

A nonmember applicant for CIE participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the CIE rules and regulations and computer training related to CIE information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the CIE; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the CIE fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to CIE participation or membership unless they hold a current, valid real estate broker's license and are capable of offering and accepting compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board CIE is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Board CIE where access to such information is prohibited by law. (Amended 11/97)

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the CIE rules and regulations and computer training related to CIE information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the CIE of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However, in states where non-Board member access to the CIE is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the CIE. (Amended 11/96)

**Optional qualifications which may be adopted at the local Board's discretion: Any applicant for CIE Participation and any licensee affiliated with a CIE Participant who has access to and use of the CIE-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the CIE rules and regulations and computer training related to CIE information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for CIE participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for CIE participation or access to the CIE-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

Note 2: A Board may also choose to have the Membership Committee consider the following in determining a nonmember applicant's qualifications for CIE participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. pending ethics complaints (or hearings)
3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)
5. unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association CIE **M**

Responsibility for Conformance with Rules and Regulations: The Exchange Participant is responsible to the Exchange for compliance with the rules and regulations by all of the firm's licensees (including licensed or certified appraisers) who have access to and use of the CIE. **R**

Access to Current Property Information: Only Participants and their affiliated licensees (including licensed or certified appraisers) may have access to and use of the current property information generated by the CIE. **R**

Filing Procedures

Note: In view of the fact that a Commercial Information Exchange is not a Multiple Listing Service, and no offers of cooperation or compensation can be extended through the Exchange, it is not essential that a Participant retained by a property owner to market the property have an exclusive right to sell, exclusive agency, or open listing. Other forms of agreement through which the Participant agrees to provide certain marketing services may be the basis for authorizing the submission of property information to the Exchange. Where the Participant is acting on behalf of a buyer, the Participant may submit information describing the type of property sought to the CIE even though the Participant may not be the buyer's exclusive agent. Where the Participant is acting on behalf of the seller or lessor, it is essential that there be a written agreement between the Participant and the seller or lessor authorizing the Participant to submit information on the property to the CIE. (Revised 4/92)

Section 1—Filing Procedures: Submission of any property information to the CIE is voluntary on the part of the Participant. Information on property for sale, lease, or exchange of the following

types located within the territorial jurisdiction of the CIE may be submitted by Participants to the Commercial Information Exchange: (Revised 11/01)

- (a) subdivided vacant land
- (b) land and ranch
- (c) business opportunity
- (d) motel/hotel
- (e) mobile home parks
- (f) commercial income
- (g) industrial
- (h) investment
- (i) office space

(Additional categories of commercial, industrial, investment property may be added by the Exchange.)

While the Commercial Information Exchange does not require a Participant acting on behalf of a seller or lessor to utilize a particular listing contract or other form of agreement, the Exchange shall require use of a standardized property information sheet to submit information on properties for sale, lease, or exchange to the CIE. The Commercial Information Exchange does not require a Participant acting on behalf of a buyer to utilize a written buyer's agent agreement, but shall require use of a standardized property information sheet to submit information on properties sought to the CIE.

The Exchange accepts information on properties which are currently listed on an exclusive right to sell or lease basis, exclusive agency basis, or open listing basis as well as other forms of agreement that make it possible for the Participant to market the property. Any property information submitted on properties for sale, lease, or exchange must include the seller's written authorization for the Participant to submit information on the property to the CIE.

The Exchange will not publish information on properties taken on a net listing basis because such listings are considered unethical and, in most states, illegal.

Section 1.1—Filings Subject to Rules and Regulations of the Exchange: Any property information to be filed with the CIE is subject to the rules and regulations upon filing. **R**

Section 1.2—Detail of Information Filed with the Exchange: Any property information sheet submitted to the Exchange should include a description of the type of property and the price, or a description of the property sought, or any pertinent information as determined by the CIE. **R**

Section 1.3—Change of Status: Any change in price or other change in the terms of the information originally filed shall be submitted to the Exchange within seventy-two (72) hours (excepting weekends and holidays). **R**

Section 1.4—Withdrawal of Filing Prior to Termination: Filings may be withdrawn from the Exchange by the filing Participant through the submission of a written withdrawal notice signed by the Participant. **M**

Section 1.5—Specification of Price: The Participant, acting on behalf of a seller or lessor, shall specify the price at which the property is being marketed unless the property is subject to auction. (Amended 11/92) **M**

Section 1.6—Multiple Unit Properties: Any property which is to be sold, leased, or exchanged, or which may be marketed separately must be so indicated on the property information sheet. When any part of a filed property has been sold, leased, or exchanged, the rules related to notifying the Exchange shall be observed. **O**

Section 1.7—Publication of Information: Property information will be published in the Exchange's compilation for the period specified by the filing Participant (not to exceed ninety [90] days) upon payment of the required filing fee. The information will be withdrawn from the compilation on the date specified by the Participant or ninety (90) days after it is first published (whichever comes first) but may be extended for additional periods (not more than ninety [90] days) upon receipt of an extension notice and an additional filing fee from the Participant. **R**

Section 1.8—Filings of Suspended, Expelled, or Resigned Participants: When a Participant is suspended, expelled, or voluntarily resigns from the Exchange, all property information filings submitted by the Participant shall be removed from the compilation of current information by the Exchange. **M**

Negotiations

Section 2—Negotiations: The filing of information with the Exchange by a Participant acting on behalf of a seller or lessor does not, in and of itself, constitute an offer of cooperation. Any Participant, or licensee affiliated with a Participant, wishing to cooperate in the marketing of the property must contact the filing Participant to determine the type of cooperation offered, the compensation offered (if any) to Participants procuring a purchaser or lessee, and the terms and conditions upon which the property being offered may be shown. (Amended 4/92)

Any Participant, or licensee affiliated with a Participant, attempting to locate a property on behalf of a buyer must contact the Participant representing the seller/lessor to determine the terms and conditions of cooperation, the compensation offered (if any), and to arrange showings of prospective properties. **M**

Section 2.1—Presentation of Offers and Counter-offers: A filing Participant acting as the agent of a seller or lessor shall present all offers to the seller or lessor until closing unless precluded by law, government rule, regulation, or unless otherwise agreed in writing between the seller(s) or lessor(s) and filing Participant. Unless a subsequent offer is contingent upon the termination of an existing contract, the filing Participant shall recommend that the seller(s) or lessor(s) obtain the advice of legal counsel prior to accepting a subsequent offer.

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) **M**

Section 2.2—Right of Participant Producing Offer in Presentation of Offer: The Participant producing the offer or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase, lease, or exchange. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the filing Participant. However, if the seller or lessor gives written instructions to the filing Participant that the Participant producing the offer not be present when an offer the broker secured is presented, the Participant producing the offer has the right to a copy of the seller's or lessor's

written instructions. None of the foregoing diminishes the filing Participant's right to control the establishment of appointments for such presentations. (Amended 4/92) **M**

Section 2.3—Right of Seller/Lessor Representative in Presentation of Counter-Offer: The Participant representing the seller or lessor, or his representative, has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except where the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the Participant representing the seller or lessor not be present when a counter-offer is presented, that broker has the right to a copy of the purchaser's or lessee's written instructions. (Adopted 11/93) **M**

Section 2.4—Reporting Sales: Sales, leases, or exchanges shall be reported to the CIE by the Participant making the original information filing within seventy-two (72) hours (excluding weekends and holidays) of acceptance of a contract to purchase, lease, or exchange.

Note: The written agreement authorizing publication of information on properties for sale, lease, or exchange in the CIE should expressly grant the filing Participant authority to advertise; to file the information with the Exchange; to provide timely notice of status changes to the Exchange; and to provide contract information, including selling or rental price, to the Exchange upon sale of the property. If the CIE intends to publish contract information including selling or rental price, prior to closing, the agreement should expressly grant the filing Participant the right to authorize dissemination of this information through the CIE to other Participants and to others who have access, by virtue of their Board membership, to comparables, statistical reports, and other historical data developed or maintained by the Exchange. **M**

Section 2.5—Reporting Cancelled Pending Sales: The Participant making the original filing shall report any cancelled sale, lease, or exchange to the Exchange within seventy-two (72) hours and the property information filing shall be reinstated in the compilation of current information. **M**

Section 2.6—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. (Amended 11/08) **O**

Section 2.7—Availability of Listed Property: Listing brokers shall not misrepresent the availability of access to show or inspect listed property. (Adopted 11/05) **O**

Section 2.8—Use of the Terms CIE and Commercial Information Exchange: No Exchange 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 a CIE, or that they operate a CIE. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to CIE databases, or that consumers or others are able to search CIE databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under CIE rules to provide to clients or customers is available on their websites or otherwise. (Adopted 11/07) **O**

Prohibitions

Section 3—Information for Participants Only: Property information published through the Exchange may not be made available to any broker or firm not participating in the Exchange without the prior express consent of the filing Participant. **M**

Section 3.1—“For Sale” Signs: Only the “For Sale” signs of the filing Participant may be placed on the property. (Revised 11/89) **M**

Section 3.2—“Sold” Signs: Prior to closing, only the “Sold” sign of the Participant filing information on a property for sale may be placed on the property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign. (Amended 4/96) **M**

Fees and Charges

Section 4—Service Fees and Charges: The following service fees and charges are subject to change from time to time in the manner prescribed:

- (a) Initial Participation Fee: An applicant for Participation in the Exchange shall pay an initial participation fee of \$_____ which shall accompany the application. The initial participation fee shall directly approximate the actual start-up costs incurred by the Exchange in initiating service to the office of a new Participant.
- (b) Recurring Participation Fee: The recurring participation fee of each Participant shall be in an amount equal to \$_____ times each salesperson licensed (including licensed or certified appraisers) with the Participant or the Participant’s firm who is engaged in the listing, sale, leasing, or appraising of C/I properties.
- (b) (Alternate b) Recurring Participation Fee: The recurring participation fee of each Participant shall be \$_____, as determined by the CIE Committee.
- (c) For filing information on a property or a renewal, a fee of \$_____ shall accompany the information when submitted.
- (d) Subscription Fees: The Participant may purchase a copy of the compilation of current information for a subscription fee of \$_____. Additional copies of the compilation may be purchased for individuals licensed (including licensed or certified appraisers) with the Participant who are engaged in listing, selling, leasing, appraising, or locating C/I properties, provided, however, that the total number of extra copies of current information purchased shall not exceed the number of licensees and licensed or certified appraisers affiliated with the Participant’s firm who are engaged in commercial/industrial activity.

Note 1: Participation in the Commercial Information Exchange is voluntary and submission of information to the Exchange is also on a voluntary basis. The Exchange may not require a Participant to purchase more than one copy of the current property information compilation.

Note 2: Any combination of the above fees and charges may be utilized to finance the operation of the Exchange.

Note 3: A Commercial Information Exchange that chooses 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 CIE information as “subscribers” may, at their discretion, amend Sections 4(b) and (d) as necessary to include such individuals in the computation of CIE fees and charges. (Adopted 4/92) **R**

Compliance with Rules

Section 5—Compliance with Rules—Authority to Impose Discipline: By becoming and remaining a participant or subscriber in this CIE, each participant and subscriber agrees to be subject to the rules and regulations and any other CIE governance provision. The CIE may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other CIE 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 CIE 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 CIE rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- f. termination of CIE 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 CIE 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) **M**

Section 5.1—Compliance with Rules: The following action may be taken for noncompliance with the rules:

- (a) For failure to pay any service fee or charge within thirty (30) days of the date due, the Exchange shall suspend service until fees or charges are paid in full, provided that at least ten (10) days notice has been given.
- (b) For failure to comply with any other rule, the provisions of Sections 7 and 7.1 shall apply.
Note: Generally, a warning or a moderate fine will be a sufficient deterrent to future

violations of the rules and regulations. Suspension or termination is an extreme sanction to be used only in cases of extreme or repeated violation of the rules and regulations. If the CIE desires to establish a series of moderate, escalating fines, they should be clearly set forth in the rules and regulations. **R**

Section 5.2—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 CIE 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 CIE 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 Participant's ultimate responsibility and accountability for all users and subscribers affiliated with the Participant. (Adopted 4/92)

Note: Adoption of Section 5.2 is optional and it should be adopted by Commercial Information Exchanges wanting to establish authority to impose discipline on non-principal users or subscribers affiliated with CIE Members or Participants. (Adopted 4/92) **O**

Meetings

Section 6—Meetings of Commercial Information Exchange Committee: The Exchange 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. **R**

Section 6.1—Meetings of Participants: The Committee may call meetings of the Participants in the Exchange. **R**

Section 6.2—Conduct of Meetings: The Chairperson or Vice Chairperson shall preside at all meetings. 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. **R**

Enforcement of Rules and Disputes

Section 7—Consideration of Alleged Violations: The CIE Committee shall give consideration to all written complaints alleging violations of the rules and regulations. (Amended 2/98) **M**

Section 7.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Exchange and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the CIE 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 Board in accordance with the bylaws and rules and regulations of the Board of REALTORS® within twenty (20) days following receipt of the Committee's decision. (Amended 11/96)

If, rather than conducting an administrative review, the Exchange Committee has a procedure established to conduct hearings, the decision of the Exchange Committee may be appealed to the Board of Directors of the Board of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the

Board's Grievance Committee for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board of REALTORS®. (Amended 2/98) **M**

Optional Provision for Establishing Nonmember Participatory Rights ("Open Exchange")

Section 7.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Exchange and does not involve a charge of alleged violation of one or more of the provisions of Section 14 of the rules and regulations or a request for arbitration, it may administratively be considered and determined by the CIE Committee of the Exchange and if a violation is determined, the CIE Committee may direct the imposition of sanction provided that the recipient of such sanction may request a hearing by the Professional Standards Committee of the Board in accordance with the bylaws of the Board of REALTORS®. (Amended 2/98)

If, rather than conducting an administrative review, the CIE Committee has a procedure established to conduct hearings, the decision of the hearing tribunal may be appealed to the Board of Directors of the Board of REALTORS®. Alleged violations of Section 14 of the rules and regulations shall be referred to the Board's Grievance Committee for processing in accordance with the professional standards procedures of the Board, except that if the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board. (Amended 2/98)

Section 7.2—Complaints of Unethical Conduct: All complaints of alleged unethical conduct shall be referred by the Exchange Committee to the Professional Standards Administrator of the Board of REALTORS® for appropriate action in accordance with the Board's professional standards procedures. **M**

Confidentiality of Exchange Information

Section 8—Confidentiality of Exchange Information: All information provided by the CIE to Participants shall be considered confidential and is provided exclusively for the use of Participants authorized and qualified to act as agents in the sale, lease, exchange, appraisal, or purchase of property filed with the Exchange and for the use of real estate licensees affiliated with such 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. **M**

Section 8.1—Exchange Not Responsible for Information Submitted by Participants: The information published by the Exchange is communicated without change as filed by the Participants. The Exchange does not verify the information provided and disclaims any liability or responsibility for its accuracy. Each Participant agrees to hold the Exchange harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides. **R**

Ownership of Exchange Compilation* and Copyright

Section 9—By submitting property information to the CIE, the Participant represents that he has been authorized to license and also thereby does license authority for the Board to include the property information in its copyrighted Exchange compilation and also in any comparable report,

sold report, or other historical or statistical report unless expressly indicated otherwise in writing at the time the information is filed with the Exchange. (Amended 5/16) **M**

Note: 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. (Adopted 11/15) **I**

Section 9.1—All right, title, and interest in each copy of every Exchange compilation created and copyrighted by the _____ Board of REALTORS®, and in the copyrights therein, shall at all times remain vested in the _____ Board of REALTORS®. **R**

Section 9.2—Each Participant shall be entitled to lease from the _____ Board of REALTORS® sufficient copies of each Exchange compilation sufficient to provide the Participant and each licensee affiliated with the Participant (including licensed or certified appraisers) engaged in commercial/industrial activity with one copy of such compilation. The Participant shall pay, for each copy requested, the rental fee set by the Board.**

Participants shall acquire by such lease only the right to use the Exchange compilation in accordance with these rules. **M**

**The term "Exchange compilation," as used in Sections 10 and 11 herein, shall be construed to include any format in which property data is collected and disseminated to the 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 more than one copy of the Exchange compilation. The Participant retains the right to determine how many copies he will purchase for his firm, but may not purchase or lease more copies of the current information than the number of licenses (including licensed or certified appraisers) affiliated with his firm who are engaged in commercial/industrial activity.*

Use of Copyrighted Exchange Compilation

Section 10—Distribution: Participants shall at all times maintain control over, and responsibility for, each of the Exchange compilations leased to them by the Board of REALTORS®, and shall not distribute the compilation to anyone other than subscribers affiliated with the Participant. (Amended 4/92) **R**

Section 10.1—Display: Participants, and licensees with affiliated Participants, shall be permitted to display the Exchange compilation to prospective sellers, lessors, and purchasers only in conjunction with their ordinary business activities of attempting to market properties or to identify suitable properties for buyers or lessees. **M**

Option #1

Section 10.2—Reproduction: Participants or their affiliated licensees shall not reproduce any Exchange compilation or any portion thereof, except in the following limited circumstances.

Participants and their affiliated licensees may reproduce from the Exchange compilation, and distribute to prospective sellers, lessors, and purchasers, a reasonable number of single copies of property information contained in the Exchange compilation.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property information of properties other than that in which a buyer has expressed interest, or in which the participant or the affiliated licensees are seeking to promote interest, or which is necessary to assist a seller or lessor in ascertaining a reasonable market price, does not appear on such reproduction.

Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property information sheets or other compilations of data pertaining exclusively to properties submitted to the Exchange by the participant.

Any 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 property information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any Exchange content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. Exchanges must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. Exchanges may require execution of a third-party license agreement where deemed appropriate by the Exchange. Exchanges may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the Exchange in adding or enhancing its downloading capacity for this purpose. Information deemed 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 buyers or lessees with information relating to properties which the buyer or lessee has an interest in, 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 information intended to facilitate the decision-making process in the consideration of a purchase, lease, or exchange. Factors which shall be considered in deciding whether the reproductions are reasonable in number, shall include, but are not limited to, the total number of filings in the compilation; how closely the filings reproduced relate to the purchaser(s) or lessee(s) expressed desires and ability to purchase or lease; whether the reproductions were made on a selective basis; and whether the type of properties are consistent with a normal itinerary of properties which would be shown to the prospective purchaser or lessee.*

Option #2

Section 10.2—Reproduction: Participants or their affiliated licensees shall not reproduce any Exchange compilation or any portion thereof, except in the following limited circumstances.

Participants and their affiliated licensees may reproduce from the Exchange compilation, and distribute to prospective sellers, lessors, and purchasers, a reasonable number of single copies of property information contained in the Exchange compilation.

Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property information sheets or other compilations of data pertaining exclusively to properties submitted to the Exchange by the participant.

Any 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 property information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any Exchange content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. Exchanges must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. Exchanges may require execution of a third-party license agreement where deemed appropriate by the Exchange. Exchanges may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the

Exchange in adding or enhancing its downloading capacity for this purpose. Information deemed 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) **M**

**It is intended that the Participant be permitted to provide buyers or lessees with information relating to properties which the buyer or lessee has an interest in, 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 information intended to facilitate the decision-making process in the consideration of a purchase, lease, or exchange. Factors which shall be considered in deciding whether the reproductions are reasonable in number, shall include, but are not limited to, the total number of filings in the compilation; how closely the filings reproduced relate to the purchaser(s) or lessee(s) expressed desires and ability to purchase or lease; whether the reproductions were made on a selective basis; and whether the type of properties are consistent with a normal itinerary of properties which would be shown to the prospective purchaser or lessee.*

Use of Exchange Information

Section 11—Limitations on Use of Exchange Information: Use of information from the compilation of current property information, from the statistical report, or from any sold or comparable report of the Board or Exchange for public mass media advertising by a 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 Board or the Exchange must clearly demonstrate the period of time over which claims are based and must include the following, or substantially similar, notice:

Based on information from the Board/Association of REALTORS® (alternatively, from the _____ CIE) for the period (date) through (date). (Amended 11/93)**M**

Changes in Rules and Regulations

Section 12—Changes in Rules and Regulations: Amendments to the rules and regulations of the Exchange shall be by a _____ vote of the Members of the Committee, subject to approval by the Board of Directors of the _____ Board of REALTORS®.

Note: Some Boards may prefer to change the rules and regulations by a vote of the Participants subject to approval by the Board of Directors of the Board of REALTORS®. If this is desired, the above rule should be amended accordingly. **M**

Optional Provisions (Sections 13 and 14) for Establishing Nonmember Participatory Rights (“Open Exchange”)

Arbitration of Disputes

Section 13—Arbitration of Disputes: By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the Code of Ethics with

Exchange Participants in different firms arising out of their relationships as Exchange Participants subject to the following qualifications: (Amended 11/97)

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

Interboard Arbitration Procedures: 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 of REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Board/Association of REALTORS®. (Amended 11/98) ○

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 or Executive Officer 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 CIE rules and may subject the participant to disciplinary action at the sole discretion of the CIE. (Adopted 11/15) ○

Standards of Conduct for Exchange Participants

Section 14—Standards of Conduct for Exchange Participants:

Section 14.1—Exchange Participants shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other Exchange Participants have with clients. (Amended 1/04) ○

Section 14.2—Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without the consent of the seller/landlord. ○

Section 14.3—Exchange 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. (Amended 1/04) ○

Section 14.4—Exchange Participants shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the Exchange Participant, the broker 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 Exchange Participant may contact the owner to secure such information and may discuss the terms upon which the Exchange Participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing. ○

Section 14.5—Exchange Participants shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by an

Exchange Participant, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the Exchange Participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the Exchange 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. (Amended 1/98) ○

Section 14.6—Exchange Participants shall not use information obtained from listing brokers through offers to cooperate made through the Commercial Information Exchange or 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 11/01) ○

Section 14.7—The fact that an agreement has been entered into with an Exchange Participant shall not preclude or inhibit any other Exchange Participant from entering into a similar agreement after the expiration of the prior agreement. (Amended 1/98) ○

Section 14.8—The fact that a prospect has retained an Exchange Participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other Exchange Participants from seeking such prospect's future business. (Amended 1/04) ○

Section 14.9—Exchange 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. (Amended 1/98) ○

Section 14.10—When Exchange Participants are contacted by the client of another Exchange Participant regarding the creation of an exclusive relationship to provide the same type of service, and Exchange Participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement. (Amended 1/98) ○

Section 14.11—In cooperative transactions, Exchange Participants shall compensate cooperating Exchange 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 Exchange Participants without the prior express knowledge and consent of the cooperating broker. ○

Section 14.12—Exchange 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 Exchange 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 rule. (Amended 1/04)

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 Exchange Participant; and mail or other forms of written solicitations of prospects whose properties are exclusively listed with another Exchange 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 Exchange Participants. (Amended 1/04) ○

Section 14.13—Exchange 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. (Amended 1/04) ○

Section 14.14—Exchange Participants, acting as buyer or tenant 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. (Amended 1/04) ○

Section 14.15—On unlisted property, Exchange 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. (Amended 1/04)

Exchange Participants shall make any request for anticipated compensation from the seller/landlord at first contact. ○

Section 14.16—Exchange Participants, acting as 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. (Amended 1/04) ○

Section 14.17—Exchange 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) or from offering the same type of service for property not subject to other brokers’ exclusive agreements. However, information received through a CIE may not be used to target clients of other Exchange Participants to whom such offers to provide services may be made. (Amended 1/04) ○

Section 14.18—Exchange Participants, acting as subagents or buyer/tenant representatives 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/tenant representatives or brokers, nor make the submission of an executed offer to purchase/lease contingent on the listing broker’s agreement to modify the offer of compensation. (Amended 1/04) ○

Section 14.19—All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client’s representative or broker, and not with the client, except with the consent of the client’s representative or broker or except where such dealings are initiated by the client. (Amended 1/04)

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, Exchange Participants shall ask prospects whether they are a party to any exclusive representation agreement. Exchange 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. (Adopted 1/03, Amended 1/04) ○

Section 14.20—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. (Amended 1/10) ○

Section 14.21—These rules are not intended to prohibit ethical albeit aggressive or innovative business practices, and do not prohibit disagreements with other Exchange Participants involving commission, fees, compensation or other forms of payment or expenses. ○

Section 14.22—Exchange Participants shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices. (Amended 1/12) ○

Standard 14.23—Exchange 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. (Adopted 11/07) ○

Standard 14.24—Exchange 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 and other content in any way that produces a deceptive or misleading result;
- c. deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic;
- d. present content developed by others without either attribution or without permission; or
- e. otherwise mislead consumers. (Amended 1/13) ○

Section 14.25—The services which CIE participants provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

CIE participants shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are

fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.
(Adopted 11/09)

Orientation

Section 15—Orientation: Any applicant for Exchange Participation and any licensee affiliated with an Exchange Participant who has access to and use of CIE-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the CIE rules and regulations and computer training related to CIE information entry and retrieval.
(Amended 11/96) **M**

Participants and subscribers may be required, at the discretion of the CIE, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the CIE to familiarize participants and subscribers with system changes or enhancements and/or changes to CIE rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely.
(Adopted 11/09)

Part 8

Board Bylaw Provisions Authorizing a Commercial Information Exchange as a Wholly-Owned Subsidiary Corporation of the Board (Adopted 11/88)

Article _____

Section 1—Authority: The Board of REALTORS® shall maintain for the use of its members a Commercial Information Exchange (CIE) which shall be a lawful corporation of the state of _____, all the stock of which shall be owned by this Board of REALTORS®. M

Section 2—Purpose: The CIE serves as an information exchange. Participants who have been retained by sellers of commercial or industrial property to market those properties may submit information on those properties to the CIE and Participants who have been retained by buyers of commercial or industrial property may submit information on the type(s) of property sought to the CIE. Any compensation agreements related to property included in the Exchange compilation must be made on an individual basis outside the CIE between the Participants involved.

A Commercial Information Exchange is not a Multiple Listing Service. No offers of cooperation and compensation are communicated by filing information on a property with the CIE. (Amended 4/92) M

Section 3—Governing Documents: The Board of Directors shall cause any Commercial Information Exchange established by it pursuant to this Article to conform its corporate charter, constitution, bylaws, rules, regulations, policies, practices, and procedures at all times to the Constitution, Bylaws, rules, regulations, and policies of the National Association of REALTORS®. M

Section 4—Participation: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch manager acting on behalf of a principal, without further qualification, except as stipulated otherwise in these bylaws*, shall be eligible to participate in the Commercial Information Exchange upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, no individual or firm, regardless of Board membership status, is eligible for CIE participation or membership status unless they hold a current, valid real estate broker's license and are capable of accepting and offering compensation to and from other Participants or to those individuals who are licensed or certified by a state regulatory agency to engage in the appraisal of real property. Licensees affiliated with CIE Participants are not considered "participants" or "members" of the Exchange, but rather have access to and use of the Exchange information by virtue of their affiliation with the Exchange Participant. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. (Amended 11/97) M

Optional Provision for Establishing Nonmember Participatory Rights ("Open Exchange")

A nonmember applicant for CIE participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the CIE rules and regulations and computer training related to CIE information

entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the CIE; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the CIE fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to CIE participation or membership unless they hold a current, valid real estate broker's license and are capable of offering and accepting compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board CIE is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Board CIE where access to such information is prohibited by law. (Amended 11/97)

**Optional qualifications which may be adopted at the local Board's discretion: Any applicant for CIE participation and any licensee (including licensed or certified appraisers) affiliated with a CIE Participant who has access to and use of the CIE-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the CIE rules and regulations and computer training related to CIE information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for CIE participation beyond holding REALTOR (principal) membership in a Board. However, if the Board wishes to establish prerequisites for CIE participation or access to CIE-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the CIE rules and regulations and computer training related to CIE information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the CIE of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However, in states where non-Board member access to the CIE is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the CIE. (Amended 11/96)

Note 2: A Board may also choose to have the Membership Committee consider the following when determining a nonmember applicant's qualifications for CIE participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. pending ethics complaints (or hearings)
3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)
5. unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association CIE

Section 5—Subscribers: Subscribers (or users) of the CIE include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. (Optional provision: Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of a CIE Participant or the Participant's licensed designee.) (Adopted 4/92) **M**

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

- (a) A petition requiring the removal of an Officer or Director and signed by not less than one-third of the Participants or a majority of all Directors of the CIE shall be filed with the President of the CIE, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service.
- (b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the Participants of the CIE shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition.
- (c) The special meeting shall be noticed to all Participants at least ten (10) days prior to the meeting, and shall be conducted by the President of the CIE unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting or the hearing by the Participants. Provided a quorum is present, a three-fourths vote of Participants present and voting shall be required for removal from office.
- (d) Any vote taken by the Participants to remove an Officer or Director must ultimately be confirmed by a majority vote of the Directors of the shareholder(s). Notwithstanding the foregoing, the shareholder(s) may remove an Officer or Director by a majority vote of the Directors of the shareholder(s). (Adopted 11/96) **R**

Part 9

Suggested Model Bylaws for a Commercial Information Exchange Separately Incorporated but Wholly-Owned by a Board of REALTORS®* (Adopted 11/88)

Article 1: Name

The name of this organization shall be the Commercial Information Exchange of the _____ Board of REALTORS®, Inc., hereinafter referred to as the Exchange or CIE, all the shares of stock which are solely and wholly-owned by the Board of REALTORS®. **M**

Article 2: Purposes

The CIE serves as an information exchange. Participants who have been retained by sellers of commercial or industrial property to market those properties may submit information on those properties to the Exchange and Participants who have been retained by buyers of commercial or industrial property may submit information on the type(s) of property sought to the Exchange. Any compensation agreements related to property included in the Exchange compilation must be made on an individual basis outside the Exchange between the Participants involved.

A Commercial Information Exchange is not a Multiple Listing Service. No offers of cooperation and compensation are communicated through filing information on a property with the CIE. (Amended 4/92) **M**

Article 3: Service Area

The area within which the Exchange shall function shall at all times be coextensive with or within the territorial jurisdiction of the _____ Board of REALTORS®. **M**

Article 4: Participation

A—Participation Defined: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in the Exchange upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.** However, no individual or firm, regardless of Board membership status, is eligible for CIE “participation” or “membership” status unless they hold a current, valid real estate broker’s license and are capable of accepting and offering compensation to and from other Participants or to those individuals who are licensed or certified by a state regulatory agency to engage in the appraisal of real property. The REALTOR® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the “Participant” shall have all rights, benefits, and privileges of the Exchange, and shall accept all obligations to the Exchange for the Participant’s firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the Exchange by all persons affiliated with the Participant who utilize the Exchange. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. (Amended 4/98) **M**

**The Suggested Model Bylaws for a Commercial Information Exchange separately incorporated but wholly-owned by a Board of REALTORS® should not be adopted without review and consultation with Board legal counsel to ensure that they comply with applicable state law pertaining to corporations within the state, or are appropriately modified to comply with the law.*

***Optional qualifications may be adopted at the local Board's discretion: Any applicant for Exchange participation and any licensee (including licensed or certified appraisers) affiliated with an Exchange Participant who has access to and use the CIE-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the Exchange rules and regulations and computer training related to CIE information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for CIE Participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for Exchange Participation or access to Exchange-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

Optional Provision for Establishing Nonmember Participatory Rights ("Open Exchange")

A1—Nonmember Participation Defined: Participation in the Exchange is also available to nonmember principals who meet the qualifications established in the Board's bylaws and CIE rules and regulations. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Commercial Information Exchange "participation" or "membership" unless they hold a current, valid real estate broker's license and are capable of accepting and offering compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board CIE is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board CIE where access to such information is prohibited by law. The nonmember principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the "Participant" shall have only those rights, benefits, and privileges as specified by the Exchange, and shall accept all obligations to the Exchange for the Participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the Exchange by all persons affiliated with the Participant who utilize the Exchange. (Amended 4/98)

B—Application for Participation: Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors of the Exchange and made available to any REALTOR® (principal) of this or any other Board requesting it. The application form shall contain a signed statement agreeing to abide by these bylaws and any other applicable rules and regulations of the Exchange as from time to time adopted or amended. (Amended 2/94) **M**

C—Discontinuance of Exchange: Participants of the Exchange may discontinue the Exchange by giving the Exchange _____ days' written notice and may reapply to the Exchange after _____ months by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid. **M**

D—Subscribers: Subscribers (or users) of the CIE include nonprincipal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. (Optional provision:

Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of a CIE Participant or the Participant's licensed designee.) (Adopted 4/92) **M**

Article 5: Service Charges

The charges made for participation in the Exchange shall be as determined, and as amended from time to time by the Board of Directors of the Exchange, and specified in the rules and regulations of the Exchange. **R**

Article 6: Governing Body

A—Government of the Exchange: The government of the Exchange shall be vested in a Commercial Information Exchange Board of Directors comprised of the elected Officers and Directors nominated and elected as described in this Article. **M**

B—Officers of the Exchange: The Officers of the Exchange, who shall also be Directors, shall be a President, a Vice President, and a Secretary-Treasurer, and shall have such duties as described in this Article. **M**

C—Board of Directors of the Exchange: There shall be a total of _____ elected Directors, including the President, Vice President, and Secretary-Treasurer of the Exchange, to be elected from among the Participants of the Exchange, except that not more than _____ Directors may be elected from among REALTORS® other than Participants or from REALTOR-ASSOCIATE@s who are affiliated with Participants and serve with consent of the Participants as representatives of the Participants with whom they are affiliated. In addition to the elected Directors, the current President of the _____ Board of REALTORS® or a person appointed by the President, and the Immediate Past President of the Exchange shall serve as Directors, ex-officio, with full voting privileges. **M**

D—Nomination and Election of Officers and Directors: The Officers and Directors of the Exchange shall be nominated by a vote of the Participants in the Exchange in accordance with the provisions of Article 7, Meetings, of these bylaws and as set forth below.

1. Nominating Committee: The President of the Exchange shall appoint a Nominating Committee each year which Committee shall be comprised of _____ Participants of the Exchange. The appointment of the Nominating Committee shall be made by such a date as to enable the Committee to meet and select a proposed slate of Officers and Directors of the Exchange not more than _____, nor less than _____, days prior to the date of the meeting of the Participants of the Exchange at which nominees shall be selected by vote of the Participants. The proposed slate of Officers and Directors shall be reported to the President and Secretary of the Exchange.

2. Notice of Proposed Nominees: The President shall cause a list of the proposed nominees selected by the Nominating Committee to be forwarded to the Participants of the Exchange, setting forth the time, place, and other pertinent conditions of the meeting to select the final list of nominees by vote of the Participants of the Exchange. The notice to the Participants of the Exchange concerning the meeting to select nominees for Officers and Directors shall be mailed on a date at least _____ days prior to the proposed meeting.

3. Rights of Participants to Select Additional Nominees: The names of additional proposed nominees may be added to the list selected by the Nominating Committee by a petition submitted to the Secretary of the Exchange by _____% of the Participants of the Exchange, with said petition received not less than _____ days prior to the date of the meeting of the Participants to select nominees for Officers and Directors. The names contained in such petition, if duly received and certified, shall be presented in writing to the Participants at the meeting to select nominees as additional nominees for consideration for such office as specified in the petition. In addition, nominations may be made from the floor at the duly noticed meeting of the Participants to select nominees for Officers and Directors and, if seconded, shall be added to the list of proposed nominees.
4. Voting by Written Secret Ballot: Voting for selection of nominees, if other than on a motion to cast a unanimous vote for the original proposed slate shall be by secret ballot, and said ballot shall contain blank spaces for writing in additional names proposed by petition or from the floor at the meeting to select nominees.
5. Vote to Select Nominees: Voting shall be in accordance with provisions of Article _____ of these bylaws.
6. Nominees Submitted to Shareholder for Election: When nominees for Officers and Directors of the Exchange for the forthcoming fiscal year have been selected by vote of the Participants of the Exchange, such nominees shall be submitted to the Board of Directors of the _____ Board of REALTORS® (shareholder) for election. Upon election by the Board of Directors of the _____ Board of REALTORS® (shareholder), the individuals so elected shall be considered Officers-Elect and Directors-Elect and shall assume their respective offices on (date office is effective).

The term of office for Officers and Directors of the Exchange shall be on a calendar year basis. In the event one (1) or more nominee(s) is/are not elected by the Board of Directors of the _____ Board of REALTORS® (shareholder), and upon notice of such failure of election, the President of the Exchange shall select a proposed Participant or Participants, as required, subject to confirmation by the Board of Directors, for submission as nominee(s) to the Board of Directors of the _____ Board of REALTORS® (shareholder) to be considered for election to fill the vacancy or vacancies existing.

In the event that nominees are not duly and timely provided by the Exchange to the Board of Directors of the _____ Board of REALTORS®, as provided in these bylaws, then the Board of Directors of the _____ Board of REALTORS® shall exercise rights as sole and exclusive shareholder to elect a Participant or Participants of the Exchange to fill an existing vacancy or vacancies as Officers or Directors of the Exchange. **M**

E—Term of Office: The Officers shall serve for a one-year term. The elected Directors shall serve for staggered three-year terms with one-third of the terms expiring each year. Officers and Directors shall take office upon the effective date of their offices and shall continue until their successors are elected, qualified, and installed. No Officer or Director shall be nominated and elected to the same office for more than two (2) consecutive terms. **M**

F—Duties of Officers and Directors: The duties of the Officers and Directors follow.

1. The President shall be the chief executive officer of the Exchange and shall preside at its meetings and those of the Board of Directors, and shall perform all the duties of the

President subject to declared policies and, as required, subject to confirmation of the Board of Directors.

2. The Vice President shall, in the absence of the President, perform all of the duties of the President.
3. The Secretary-Treasurer shall be the custodian of the funds of the Exchange and shall keep an accurate record of all receipts and disbursements. The Secretary-Treasurer shall provide to all members of the Board of Directors a quarterly statement of all accounts and financial affairs for the Exchange, and shall have charge of the corporate seal and affix the name to all documents properly requiring such seal.
4. The Board of Directors of the Exchange shall be the governing body of the Exchange and shall have control of all affairs of the Exchange and shall authorize all expenditures of funds. The Exchange Board of Directors shall, prior to the end of each fiscal year, prepare a budget reflecting projected costs and expenses of the Exchange for the next fiscal year, indicating projected income from all sources. The budget shall be submitted to the Participants of the Exchange for approval on a date not less than _____ days prior to the first day of the next fiscal year. The Exchange Board of Directors shall not incur an obligation in excess of \$_____ over the total budget without the authorization by vote of a two-thirds majority of REALTOR® Participants of the Exchange present and voting unless such excess is the result of an increase in the volume of listings processed by the Exchange over that projected in preparing the annual budget. The Exchange Board of Directors shall employ such executive, legal, and office personnel it deems necessary to care for and maintain the properties of the Exchange and otherwise conduct the administrative business of the Exchange. The Exchange Board of Directors shall have the right to make an audit of all books and accounts at any time without notice. The Exchange Board of Directors shall have the power from time-to-time to adopt such rules and regulations that they may deem appropriate subject to final approval of the Board of Directors of the _____ Board of REALTORS® (shareholder). Except as otherwise provided in these bylaws and rules and regulations, the action of the Exchange Board of Directors shall be final. **M**

G—Removal of Officers and Directors: In the event that an Officer or Director of the Commercial Information Exchange is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure. (Adopted 11/96)

1. A petition requiring the removal of an Officer or Director and signed by not less than one-third of the Participants or a majority of all Directors of the CIE shall be filed with the President of the CIE, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service. (Adopted 11/96)
2. Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the Participants of the CIE shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition. (Adopted 11/96)
3. The special meeting shall be noticed to all Participants at least ten (10) days prior to the meeting, and shall be conducted by the President of the CIE unless the President's

continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting or the hearing by the Participants. Provided a quorum is present, a three-fourths vote of Participants present and voting shall be required for removal from office. (Adopted 11/96)

4. Any vote taken by the Participants to remove an Officer or Director must ultimately be confirmed by a majority vote of the Directors of the shareholder(s). Notwithstanding the foregoing, the shareholder(s) may remove an Officer or Director by a majority vote of the Directors of the shareholder(s). (Adopted 11/96) **R**

Article 7: Meetings

A—Annual Meeting: The annual meeting of Participants of the Exchange shall be held during the month of _____ at the time and place specified by the Exchange Board of Directors. **M**

B—Special Meetings of the Exchange: Special meetings of Participants of the Exchange may be called from time to time by the President, the Exchange Board of Directors, or by _____% of the Participants of the Exchange. Written notice stating the day, place, and hour of the meeting, the purpose or purposes for which the meeting is called, shall be delivered to all REALTORS® who are Participants in the Exchange not less than _____ days prior to said meeting. **M**

C—Quorum and Voting at Meetings of the Exchange: For the transaction of business, _____% of the Participants of the Exchange shall be considered a quorum. A majority vote by such Participants present and voting at a meeting attended by a quorum shall be required for passage of motions. **M**

D—Meeting of the Board of Directors of the Exchange: The Board of Directors may meet at any time it deems advisable on the call of the President or any _____ Members of the Board of Directors. _____ Directors shall constitute a quorum. A majority vote by the Directors present and voting at a meeting attended by a quorum shall be required for passage of motions. **M**

E—Presiding Officer: At all meetings of the Participants of the Exchange, or of the Exchange Board of Directors, the President or, in the absence of the President, the Vice President shall serve as presiding officer. In the absence of the President and Vice President, the President shall name a temporary Chairperson or, upon the President's failure to do so, the Board of Directors of the Exchange shall appoint a temporary Chairperson. **M**

Article 8: Committees

The President, with the approval of the Exchange Board of Directors, shall create such standing or ad hoc Committees as the President deems desirable and shall appoint their members. Each Committee shall consist of not less than _____ Participants in the Exchange, but may also include REALTORS® or REALTOR-ASSOCIATE®s, employed by or affiliated as independent contractors with REALTOR® Participants serving as representatives of said REALTOR® Participants and with their consent, and who may serve either as a Chairperson or member of a Committee. **M**

Article 9: Fiscal Year

The fiscal year of the Exchange shall commence on _____ and shall end on _____. M

Article 10: Amendments

A—Amendments to Bylaws: Amendments to these Bylaws shall be by the Participants of the Exchange, and shall be determined at an Annual Meeting or Special Meeting of the Exchange in accordance with the provisions of Article _____ concerning Meetings of the Exchange. Amendments to the Bylaws of the Exchange approved by the Participants shall further be subject to approval of the Board of Directors of the _____ Board of REALTORS® (shareholder).

When amendments to the Bylaws of the Exchange have been approved by the Board of Directors of the _____ Board of REALTORS® (shareholder), said amendments shall be effective immediately or as stated in the amending resolution.

If the proposed amendments to the Bylaws of the Exchange fail approval of the Board of Directors of shareholder, the Board of Directors of the Exchange shall be informed, and advised that the proposed amendment or amendments to the bylaws must be further considered and resubmitted to the shareholder as approved by the Participants of the Exchange. M

B—Amendments to Rules and Regulations: Amendments to the rules and regulations of the Exchange shall be by consideration and approval of the Board of Directors of the Exchange in accordance with the provisions of Article _____, Section _____, concerning meetings of the Board of Directors, subject to final approval by the Board of Directors of the _____ Board of REALTORS® (shareholder).

When approved by the Board of Directors of the _____ Board of REALTORS® (shareholder) as described, the amendments to the rules and regulations of the Exchange shall be effective immediately or as stated in the amending resolution.

If the proposed amendments of the Exchange rules and regulations fail approval by the Board of Directors of the shareholder, the Board of Directors of the Exchange shall be informed, and advised that the proposed amendment or amendments must be further considered and resubmitted as approved by the Board of Directors of the Exchange to the Board of Directors of the _____ Board of REALTORS® (shareholder). M

Article 11: Dissolution

In the event this Exchange shall at any time terminate its activities, the Board of Directors of the Exchange shall consider and adopt a plan of liquidation and dissolution with the approval of the Participants thereof and of the Board of Directors of the _____ Board of REALTORS® (shareholder). Said plan shall provide for the collection of all assets, the payment of all liabilities, and that the remaining portions thereof to be assigned to the parent corporation, namely, _____ Board of REALTORS®. M

Part 10

Suggested Rules and Regulations for a Commercial Information Exchange Separately Incorporated but Wholly-Owned by a Board of REALTORS® (Adopted 11/88)

Membership in the Commercial Information Exchange: Any REALTOR® (principal) of this or any other Board is eligible to participate in the Exchange upon agreeing in writing to conform to these Exchange rules and regulations and to pay the Service fees and charges as specified in Section 4 of these rules.* However, no individual or firm, regardless of Board membership status, is eligible for CIE participation or membership status unless they hold a current, valid real estate broker's license and are capable of accepting and offering compensation to and from other Participants or to those individuals who are licensed or certified by a state regulatory agency to engage in the appraisal of real property. Brokers and salespeople other than principals are not "members" or "participants" of the Exchange but have access to and use of the Exchange through the Participant with whom they are affiliated. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. (Amended 4/98)

Optional Provision for Establishing Nonmember Participatory Rights ("Open Exchange")

A nonmember applicant for CIE participation who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the CIE rules and regulations and computer training related to CIE information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the CIE; and shall agree that if elected as a Participant, he will abide by such rules and regulations and pay the CIE fees and dues, including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to CIE participation or membership unless they hold a current, valid real estate broker's license and are capable of offering and accepting compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board CIE is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of Boards or to others engaged in recognized fields of real estate practice or in related fields. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by a Board CIE where access to such information is prohibited by law. (Amended 11/97)

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the CIE rules and regulations and computer training related to CIE information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the CIE of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However, in states where non-Board member access to the CIE is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the CIE. (Amended 11/96)

**Optional qualifications which may be adopted at the local Board's discretion: Any applicant for CIE participation and any licensee affiliated with a CIE Participant who has access to and use of the CIE-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the CIE rules and regulations and computer training related to CIE information entry and retrieval. (Amended 11/96)*

Boards are not required to establish prerequisites for CIE participation beyond holding REALTOR® (principal) membership in a Board. However, if the Board wishes to establish prerequisites for CIE participation or access to the CIE-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required. (Amended 2/94)

Note 2: A Board may also choose to have the Membership Committee consider the following in determining a nonmember applicant's qualifications for CIE participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years
2. pending ethics complaints (or hearings)
3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)
5. unpaid arbitration awards or unpaid financial obligations to this or any other Association or Association CIE **M**

Responsibility for Conformance with Rules and Regulations: The Exchange Participant is responsible to the Exchange for compliance with the rules and regulations by all of the firm's licensees (including licensed or certified appraisers) who have access to and use of the CIE. **R**

Access to Current Property Information: Only Participants and their affiliated licensees (including licensed or certified appraisers) may have access to and use of the current property information generated by the CIE. **R**

Filing Procedures

Note: In view of the fact that a Commercial Information Exchange is not a Multiple Listing Service, and no offers of cooperation or compensation can be extended through the Exchange, it is not essential that a Participant retained by a property owner to market the property have an exclusive right to sell, exclusive agency, or open listing. Other forms of agreement through which the Participant agrees to provide certain marketing services may be the basis for authorizing the submission of property information to the Exchange. Where the Participant is acting on behalf of a buyer, the Participant may submit information describing the type of property sought to the CIE even though the Participant may not be the buyer's exclusive agent. Where the Participant is acting on behalf of the seller or lessor, it is essential that there be a written agreement between the Participant and the seller or lessor authorizing the Participant to submit information on the property to the CIE. (Revised 4/92)

Section 1—Filing Procedures: Submission of any property information to the CIE is voluntary on the part of the Participant. Information on property for sale, lease, or exchange of the following

types located within the territorial jurisdiction of the CIE may be submitted by Participants to the Commercial Information Exchange: (Revised 11/01)

- (a) subdivided vacant land
- (b) land and ranch
- (c) business opportunity
- (d) motel/hotel
- (e) mobile home parks
- (f) commercial income
- (g) industrial
- (h) investment
- (i) office space

(Additional categories of commercial, industrial, investment property may be added by the Exchange.)

While the Commercial Information Exchange does not require a Participant acting on behalf of a seller or lessor to utilize a particular listing contract or other form of agreement, the Exchange shall require use of a standardized property information sheet to submit information on properties for sale, lease, or exchange to the CIE. The Commercial Information Exchange does not require a Participant acting on behalf of a buyer to utilize a written buyer's agent agreement, but shall require use of a standardized property information sheet to submit information on properties sought to the CIE.

The Exchange accepts information on properties which are currently listed on an exclusive right to sell or lease basis, exclusive agency basis, or open listing basis as well as other forms of agreement that make it possible for the Participant to market the property. Any property information submitted on properties for sale, lease, or exchange must include the seller's written authorization for the Participant to submit information on the property to the CIE.

The Exchange will not publish information on properties taken on a net listing basis because such listings are considered unethical and, in most states, illegal.

Section 1.1—Filings Subject to Rules and Regulations of the Exchange: Any property information to be filed with the CIE is subject to the rules and regulations upon filing. **R**

Section 1.2—Detail of Information Filed with the Exchange: Any property information sheet submitted to the Exchange should include a description of the type of property and the price, or a description of the property sought, or any pertinent information as determined by the CIE. **R**

Section 1.3—Change of Status: Any change in price or other change in the terms of the information originally filed shall be submitted to the Exchange within seventy-two (72) hours (excepting weekends and holidays). **R**

Section 1.4—Withdrawal of Filing Prior to Termination: Filings may be withdrawn from the Exchange by the filing Participant through the submission of a written withdrawal notice signed by the Participant. **M**

Section 1.5—Specification of Price: The Participant, acting on behalf of a seller or lessor, shall specify the price at which the property is being marketed unless the property is subject to auction. (Amended 11/92) **M**

Section 1.6—Multiple Unit Properties: Any property which is to be sold, leased, or exchanged, or which may be marketed separately must be so indicated on the property information sheet. When any part of a filed property has been sold, leased, or exchanged, the rules related to notifying the Exchange shall be observed. **O**

Section 1.7—Publication of Information: Property information will be published in the Exchange's compilation for the period specified by the filing Participant (not to exceed ninety [90] days) upon payment of the required filing fee. The information will be withdrawn from the compilation on the date specified by the Participant or ninety (90) days after it is first published (whichever comes first) but may be extended for additional periods (not more than ninety [90] days) upon receipt of an extension notice and an additional filing fee from the Participant. **R**

Section 1.8—Filings of Suspended, Expelled, or Resigned Participants: When a Participant is suspended, expelled, or voluntarily resigns from the Exchange, all property information filings submitted by the Participant shall be removed from the compilation of current information by the Exchange. **M**

Negotiations

Section 2—Negotiations: The filing of information with the Exchange by a Participant acting on behalf of a seller or lessor does not, in and of itself, constitute an offer of cooperation. Any Participant, or licensee affiliated with a Participant, wishing to cooperate in the marketing of the property must contact the filing Participant to determine the type of cooperation offered, the compensation offered (if any) to Participants procuring a purchaser or lessee, and the terms and conditions upon which the property being offered may be shown. (Amended 4/92)

Any Participant, or licensee affiliated with a Participant, attempting to locate a property on behalf of a buyer must contact the Participant representing the seller/lessor to determine the terms and conditions of cooperation, the compensation offered (if any), and to arrange showings of prospective properties. **M**

Section 2.1—Presentation of Offers and Counter-offers: A filing Participant acting as the agent of a seller or lessor shall present all offers to the seller or lessor until closing unless precluded by law, government rule, regulation, or unless otherwise agreed in writing between the seller(s) or lessor(s) and filing Participant. Unless a subsequent offer is contingent upon the termination of an existing contract, the filing Participant shall recommend that the seller(s) or lessor(s) obtain the advice of legal counsel prior to accepting a subsequent offer.

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) **M**

Section 2.2—Right of Participant Producing Offer in Presentation of Offer: The Participant producing the offer or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase, lease, or exchange. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the filing Participant. However, if the seller or lessor gives written instructions to the filing Participant that the Participant producing the offer not be present when an offer the broker secured is presented, the Participant producing the offer has the right to a copy of the seller's or lessor's

written instructions. None of the foregoing diminishes the filing Participant's right to control the establishment of appointments for such presentations. (Amended 4/92) **M**

Section 2.3—Right of Seller/Lessor Representative in Presentation of Counter-Offer: The Participant representing the seller or lessor, or his representative, has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except where the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the Participant representing the seller or lessor not be present when a counter-offer is presented, that broker has the right to a copy of the purchaser's or lessee's written instructions. (Adopted 11/93) **M**

Section 2.4—Reporting Sales: Sales, leases, or exchanges shall be reported to the CIE by the Participant making the original information filing within seventy-two (72) hours (excluding weekends and holidays) of acceptance of a contract to purchase, lease, or exchange.

Note: The written agreement authorizing publication of information on properties for sale, lease, or exchange in the CIE should expressly grant the filing Participant authority to advertise; to file the information with the Exchange; to provide timely notice of status changes to the Exchange; and to provide contract information, including selling or rental price, to the Exchange upon sale of the property. If the CIE intends to publish contract information including selling or rental price, prior to closing, the agreement should expressly grant the filing Participant the right to authorize dissemination of this information through the CIE to other Participants and to others who have access, by virtue of their Board membership, to comparables, statistical reports, and other historical data developed or maintained by the Exchange. **M**

Section 2.5—Reporting Cancelled Pending Sales: The Participant making the original filing shall report any cancelled sale, lease, or exchange to the Exchange within seventy-two (72) hours and the property information filing shall be reinstated in the compilation of current information. **M**

Section 2.6—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. (Amended 11/08) **O**

Section 2.7—Availability of Listed Property: Listing brokers shall not misrepresent the availability of access to show or inspect listed property. (Adopted 11/05) **O**

Section 2.8—Use of the Terms CIE and Commercial Information Exchange: No exchange 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 a CIE, or that they operate a CIE. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to CIE databases, or that consumers or others are able to search CIE databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under CIE rules to provide to clients or customers is available on their websites or otherwise. (Adopted 11/07)

Prohibitions

Section 3—Information for Participants Only: Property information published through the Exchange may not be made available to any broker or firm not participating in the Exchange without the prior express consent of the filing Participant. **M**

Section 3.1—“For Sale” Signs: Only the “For Sale” signs of the filing Participant may be placed on a property. (Revised 11/89) **M**

Section 3.2—“Sold” Signs: Prior to closing, only the “Sold” sign of the Participant filing information on a property for sale may be placed on the property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign. (Amended 4/96) **M**

Fees and Charges

Section 4—Service Fees and Charges: The following service fees and charges are subject to change from time to time in the manner prescribed:

- (a) Initial Participation Fee: An applicant for Participation in the Exchange shall pay an initial participation fee of \$_____ which shall accompany the application. The initial participation fee shall directly approximate the actual start-up costs incurred by the Exchange in initiating service to the office of a new Participant.
- (b) Recurring Participation Fee: The recurring participation fee of each Participant shall be in an amount equal to \$_____ times each salesperson licensed (including licensed or certified appraisers) with the Participant or the Participant’s firm who is engaged in the listing, sale, leasing, or appraising of C/I properties.
- (b) (Alternate b) Recurring Participation Fee: The recurring participation fee of each Participant shall be \$ _____, as determined by the Exchange Board of Directors.
- (c) For filing information on a property or a renewal, a fee of \$ _____ shall accompany the information when submitted.
- (d) Subscription Fees: The Participant may purchase a copy of the compilation of current information for a subscription fee of \$_____. Additional copies of the compilation may be purchased for individuals licensed (including licensed or certified appraisers) with the Participant who are engaged in listing, selling, leasing, appraising, or locating C/I properties, provided, however, that the total number of extra copies of current information purchased shall not exceed the number of licensees and licensed or certified appraisers affiliated with the Participant’s firm who are engaged in commercial/industrial activity.

Note 1: Participation in the Commercial Information Exchange is voluntary and submission of information to the Exchange is also on a voluntary basis. The Exchange may not require a Participant to purchase more than one copy of the current property information compilation.

Note 2: Any combination of the above fees and charges may be utilized to finance the operation of the Exchange.

Note 3: A Commercial Information Exchange that chooses 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 CIE information as “subscribers” may, at their discretion, amend Sections 4(b) and (d) as necessary to include such individuals in the computation of CIE fees and charges. (Adopted 4/92) **R**

Compliance with Rules

Section 5—Compliance with Rules—Authority to Impose Discipline: By becoming and remaining a participant or subscriber in this CIE, each participant and subscriber agrees to be subject to the rules and regulations and any other CIE governance provision. The CIE may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other CIE 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 CIE 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 CIE rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- f. termination of CIE 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 CIE 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) **M**

Section 5.1—Compliance with Rules: The following action may be taken for noncompliance with the rules:

- (a) For failure to pay any service fee or charge within thirty (30) days of the date due, the Exchange shall suspend service until fees or charges are paid in full, provided that at least ten (10) days notice has been given.
- (b) For failure to comply with any other rule, the provisions of Sections 7 and 7.1 shall apply.

Note: Generally, a warning or a moderate fine will be a sufficient deterrent to future violations of the rules and regulations. Suspension or termination is an extreme sanction to be used only in cases of extreme or repeated violation of the rules and regulations. If the CIE desires to establish a series of moderate, escalating fines, they should be clearly set forth in the rules and regulations. **R**

Section 5.2—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 CIE 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 CIE 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 Participant's ultimate responsibility and accountability for all users and subscribers affiliated with the Participant. (Adopted 4/92)

Note: Adoption of Section 5.2 is optional and it should be adopted by Commercial Information Exchanges wanting to establish authority to impose discipline on non-principal users or subscribers affiliated with CIE Members or Participants. (Adopted 4/92) **O**

Meetings

Section 6—Meetings: The meetings of Participants in the Exchange or the Board of Directors of the Exchange for transaction of business of the Exchange shall be held in accordance with the provisions of Article 7, bylaws of the Exchange. **R**

Enforcement of Rules and Disputes

Section 7—Consideration of Alleged Violations: The Exchange Board of Directors shall give consideration to all written complaints alleging violations of the rules and regulations. (Amended 2/98) **M**

Section 7.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Exchange and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the Board of Directors of the Exchange, and if a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Board in accordance with the bylaws and rules and regulations of the Board of REALTORS® within twenty (20) days following receipt of the Directors' decision. (Amended 11/96)

If, rather than conducting an administrative review, the CIE has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the Board of Directors of the CIE within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the Board of REALTORS® for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board of REALTORS®. (Amended 2/98) **M**

Optional Provision for Establishing Nonmember Participatory Rights ("Open Exchange")

Section 7.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Exchange and does not involve a charge of alleged violation of one or more of the provisions of Section 14 of the rules and regulations or a request for arbitration, it may be administratively considered and determined by the Board of Directors of the CIE, and if a violation is determined, the CIE Board of Directors may direct the imposition of sanction provided that the recipient of such sanction may request a hearing by the Professional Standards Committee of the Board in accordance with the bylaws of the Board of REALTORS®. Alleged violations of Section 14 of the rules and regulations shall be referred to the Board's Grievance Committee for processing in accordance with the professional standards procedures of the Board/Association. (Amended 2/98)

If, rather than conducting an administrative review, the CIE has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the Board of Directors of the CIE within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the Board of REALTORS® for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board of REALTORS®. (Amended 2/98)

Section 7.2—Complaints of Unethical Conduct: All complaints of alleged unethical conduct shall be referred by the Exchange Board of Directors to the Professional Standards Administrator of the Board of REALTORS® for appropriate action in accordance with the Board's professional standards procedures. **M**

Confidentiality of Exchange Information

Section 8—Confidentiality of Exchange Information: All information provided by the CIE to Participants shall be considered confidential and is provided exclusively for the use of Participants authorized and qualified to act as agents in the sale, lease, exchange, appraisal, or purchase of property filed with the Exchange and for the use of real estate licensees affiliated with such 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. **M**

Section 8.1—Exchange Not Responsible for Information Submitted by Participants: The information published by the Exchange is communicated without change as filed by the Participants. The Exchange does not verify the information provided and disclaims any liability or responsibility for its accuracy. Each Participant agrees to hold the Exchange harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides. **R**

Ownership of Exchange Compilation* and Copyright

Section 9—By submitting property information to the CIE, the Participant represents that he has been authorized to license and also thereby does license authority for the Board to include the property information in its copyrighted Exchange compilation and also in any comparable report, sold report, or other historical or statistical report unless expressly indicated otherwise in writing at the time the information is filed with the Exchange. (Amended 5/16) **M**

Section 9.1—All right, title, and interest in each copy of every Exchange compilation created and copyrighted by the _____ Board of REALTORS®, and in the copyrights therein, shall at all times remain vested in the _____ Board of REALTORS®.

R

Note: 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. *(Adopted 11/15)* I

Section 9.2—Each Participant shall be entitled to lease from the _____ Board of REALTORS® sufficient copies of each Exchange compilation sufficient to provide the Participant and each licensee affiliated with the Participant (including licensed or certified appraisers) engaged in commercial/industrial activity with one copy of such compilation. The Participant shall pay, for each copy requested, the rental fee set by the Board.** Participants shall acquire by such lease only the right to use the Exchange compilation in accordance with these rules. M

**The term "Exchange compilation," as used in Sections 10 and 11 herein, shall be construed to include any format in which property data is collected and disseminated to the 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 more than one copy of the Exchange compilation. The Participant retains the right to determine how many copies he will purchase for his firm, but may not purchase or lease more copies of the current information than the number of licensees (including licensed or certified appraisers) affiliated with his firm who are engaged in commercial/ industrial activity.*

Use of Copyrighted Exchange Compilation

Section 10—Distribution: Participants shall at all times maintain control over, and responsibility for, each of the Exchange compilations leased to them by the Board of REALTORS®, and shall not distribute the compilation to anyone other than subscribers affiliated with the Participant. (Amended 4/92) **R**

Section 10.1—Display: Participants, and licensees with affiliated Participants, shall be permitted to display the Exchange compilation to prospective sellers, lessors, and purchasers only in conjunction with their ordinary business activities of attempting to market properties or to identify suitable properties for buyers or lessees. **M**

Option #1

Section 10.2—Reproduction: Participants or their affiliated licensees shall not reproduce any Exchange compilation or any portion thereof, except in the following limited circumstances.

Participants and their affiliated licensees may reproduce from the Exchange compilation, and distribute to prospective sellers, lessors, and purchasers, a reasonable number of single copies of property information contained in the Exchange compilation.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property information of properties other than that in which a buyer has expressed interest, or in which the participant or the affiliated licensees are seeking to promote interest, or which is necessary to assist a seller or lessor in ascertaining a reasonable market price, does not appear on such reproduction.

Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property information sheets or other compilations of data pertaining exclusively to properties submitted to the Exchange by the participant.

Any 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 property information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any Exchange content in data feeds available to participants for real estate

brokerage purposes must also be available to participants for valuation purposes, including automated valuations. Exchanges must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. Exchanges may require execution of a third-party license agreement where deemed appropriate by the Exchange. Exchanges may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the Exchange in adding or enhancing its downloading capacity for this purpose. Information deemed 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 buyers or lessees with information relating to properties which the buyer or lessee has an interest in, 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 information intended to facilitate the decision-making process in the consideration of a purchase, lease, or exchange. Factors which shall be considered in deciding whether the reproductions are reasonable in number, shall include, but are not limited to, the total number of filings in the compilation; how closely the filings reproduced relate to the purchaser(s) or lessee(s) expressed desires and ability to purchase or lease; whether the reproductions were made on a selective basis; and whether the type of properties are consistent with a normal itinerary of properties which would be shown to the prospective purchaser or lessee.*

Option #2

Section 10.2—Reproduction: Participants or their affiliated licensees shall not reproduce any Exchange compilation or any portion thereof, except in the following limited circumstances.

Participants and their affiliated licensees may reproduce from the Exchange compilation, and distribute to prospective sellers, lessors, and purchasers, a reasonable number of single copies of property information contained in the Exchange compilation.

Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property information sheets or other compilations of data pertaining exclusively to properties submitted to the Exchange by the participant.

Any 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 property information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any Exchange content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. Exchanges must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. Exchanges may require execution of a third-party license agreement where deemed appropriate by the Exchange. Exchanges may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the Exchange in adding or enhancing its downloading capacity for this purpose. Information deemed 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) **M**

**It is intended that the Participant be permitted to provide buyers or lessees with information relating to properties which the buyer or lessee has an interest in, 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 information intended to facilitate the decision-making process in the consideration of a purchase, lease, or exchange. Factors which shall be considered in deciding whether the reproductions are reasonable in number, shall include, but are not limited to, the total number of filings in the compilation; how closely the filings reproduced relate to the purchaser(s) or lessee(s) expressed desires and ability to purchase or lease; whether the reproductions were made on a selective basis; and whether the type of properties are consistent with a normal itinerary of properties which would be shown to the prospective purchaser or lessee.*

Use of Exchange Information

Section 11—Limitations on Use of Exchange Information: Use of information from the compilation of current property information, from the statistical report, or from any sold or comparable report of the Board or Exchange for public mass media advertising by a 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 Board or the Exchange must clearly demonstrate the period of time over which claims are based and must include the following, or substantially similar, notice:

Based on information from the Board/Association of REALTORS® (alternatively, from the _____ CIE) for the period (date) through (date). (Amended 11/93) **M**

Changes in Rules and Regulations

Section 12—Changes in Rules and Regulations: Amendments to the rules and regulations of the Exchange shall be by consideration and approval of the Board of Directors of the Exchange, subject to final approval by the Board of Directors of the Board of REALTORS® (shareholder).

Note: Some Boards may prefer to change the rules and regulations by a vote of the Participants of the Exchange subject to approval of the Board of Directors of the Exchange, with final approval by the Board of Directors of the Board of REALTORS® which is the sole and exclusive shareholder of the stock of the Exchange corporation. **M**

Optional Provisions (Sections 13 and 14) for Establishing Nonmember Participatory Rights (“Open Exchange”)

Arbitration of Disputes

Section 13—Arbitration of Disputes: By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the Code of Ethics with Exchange Participants in different firms arising out of their relationships as Exchange Participants subject to the following qualifications: (Amended 11/97)

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

Interboard Arbitration Procedures: 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 of REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Board/Association of REALTORS®. (Amended 11/98) ○

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 or Executive Officer 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 CIE rules and may subject the participant to disciplinary action at the sole discretion of the CIE. (Adopted 11/15) ○

Standards of Conduct for Exchange Participants

Section 14—Standards of Conduct for Exchange Participants:

Section 14.1—Exchange Participants shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other Exchange Participants have with clients. (Amended 1/04) ○

Section 14.2—Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without the consent of the seller/landlord. ○

Section 14.3—Exchange 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. (Amended 1/04) ○

Section 14.4—Exchange Participants shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the Exchange Participant, the broker 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 Exchange Participant may contact the owner to secure such information and may discuss the terms upon which the Exchange Participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing. ○

Section 14.5—Exchange Participants shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by an Exchange Participant, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the Exchange Participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the Exchange 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. (Amended 1/98) ○

Section 14.6—Exchange Participants shall not use information obtained from listing brokers through offers to cooperate made through the Commercial Information Exchange or 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 11/01) ○

Section 14.7—The fact that an agreement has been entered into with an Exchange Participant shall not preclude or inhibit any other Exchange Participant from entering into a similar agreement after the expiration of the prior agreement. (Amended 1/98) ○

Section 14.8—The fact that a prospect has retained an Exchange Participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other Exchange Participants from seeking such prospect's future business. (Amended 1/04) ○

Section 14.9—Exchange 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. (Amended 1/98) ○

Section 14.10—When Exchange Participants are contacted by the client of another Exchange Participant regarding the creation of an exclusive relationship to provide the same type of service, and Exchange Participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement. (Amended 1/98) ○

Section 14.11—In cooperative transactions, Exchange Participants shall compensate cooperating Exchange 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 Exchange Participants without the prior express knowledge and consent of the cooperating broker. ○

Section 14.12—Exchange 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 Exchange 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 rule. (Amended 1/04)

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 Exchange Participant; and mail or other forms of written solicitations of prospects whose properties are exclusively listed with another Exchange 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 Exchange Participants. (Amended 1/04) ○

Section 14.13—Exchange 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. (Amended 1/04) ○

Section 14.14—Exchange Participants, acting as buyer or tenant 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. (Amended 1/04) ○

Section 14.15—On unlisted property, Exchange 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. (Amended 1/04)

Exchange Participants shall make any request for anticipated compensation from the seller/landlord at first contact. ○

Section 14.16—Exchange Participants, acting as 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. (Amended 1/04) ○

Section 14.17—Exchange 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) or from offering the same type of service for property not subject to other brokers’ exclusive agreements. However, information received through a CIE may not be used to target clients of other Exchange Participants to whom such offers to provide services may be made. (Amended 1/04) ○

Section 14.18—Exchange Participants, acting as subagents or buyer/tenant representatives 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/tenant representatives or brokers, nor make the submission of an executed offer to purchase/lease contingent on the listing broker’s agreement to modify the offer of compensation. (Amended 1/04) ○

Section 14.19—All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client’s representative or broker, and not with the client, except with the consent of the client’s representative or broker or except where such dealings are initiated by the client. (Amended 1/04)

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, Exchange Participants shall ask prospects whether they are a party to any exclusive representation agreement. Exchange 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. (Adopted 1/03, Amended 1/04) ○

Section 14.20—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. (Amended 1/10) ○

Section 14.21—These rules are not intended to prohibit ethical albeit aggressive or innovative business practices, and do not prohibit disagreements with other Exchange Participants involving commission, fees, compensation, or other forms of payment or expenses. ○

Section 14.22—Exchange Participants shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices. (Amended 1/12) ○

Standard 14.23—Exchange 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. (Adopted 11/07) ○

Standard 14.24—Exchange 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 and other content in any way that produces a deceptive or misleading result;
- c. deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic;
- d. present content developed by others without either attribution or without permission; or
- e. otherwise mislead consumers. (Amended 1/13) ○

Section 14.25—The services which CIE participants provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

CIE participants shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth. (Adopted 11/09)

Orientation

Section 15—Orientation: Any applicant for Exchange Participation and any licensee affiliated with an Exchange Participant who has access to and use of CIE-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the CIE rules and regulations and computer training related to CIE information entry and retrieval. (Amended 11/96) **M**

Participants and subscribers may be required, at the discretion of the CIE, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the CIE to familiarize participants and subscribers with system changes or enhancements and/or changes to CIE rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely. (Adopted 11/09)

Part 11
Appendices
Appendix A

License Agreement for Use of MLS Service Mark by Member Board*

THIS AGREEMENT made and entered into by and between the NATIONAL ASSOCIATION OF REALTORS® (hereinafter the "Association") and the:

Name of Board

City State Zip
(hereinafter the "Board")

WHEREAS, the Association has coined and is the owner of the Mark shown here (hereinafter "Mark"), and of the REALTOR® and of the "R and Design" marks, which form a part thereof:

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Association grants a license to the Board for use of the Mark on the following terms and conditions:

1. That said license shall give the Board the right to use the Mark in connection with the Board's Multiple Listing Service on a royalty-free basis only for so long as:
 - a. the Board shall remain a member in good standing of the Association;
 - b. the Board shall maintain and operate its Multiple Listing Service in accordance with the Multiple Listing Policy of the NATIONAL ASSOCIATION OF REALTORS®, approved November 15, 1971, as supplemented; it being understood that the Multiple Listing Policy of the NATIONAL ASSOCIATION OF REALTORS® at all times means the policy as from time to time amended, including any and all supplements thereto which may hereafter, from time to time, be promulgated;
 - c. the Multiple Listing Service in connection with which the Mark is used by the Board is wholly owned and operated by the Board.
2. The Board shall, at all times present and use the Mark only exactly, as shown herein; and shall at all times utilize the federal registration symbol "®" in connection therewith at the location shown herein.
3. The Board shall use the Mark only on stationery, printed forms, and on the advertisements relating to its Multiple Listing Service, and not on any lapel pins or other types of jewelry.
4. This License Agreement shall terminate automatically upon the Board ceasing to become a member in good standing of the Association or upon the Board's failure to fully comply with all terms and conditions contained herein.

5. The Board expressly agrees that if at any time the Board ceases to be a member in good standing of the Association, or if the Board's Multiple Listing Service ceases to be wholly owned and operated by the Board, the Board will immediately take all steps necessary to remove the Mark from any and all materials wherein the Mark is used in connection with the Multiple Listing Service, including, but not limited to stationery, printed forms, advertisements, signs, and the like.

Name of Board

By: _____

Date

By: _____

Date

NATIONAL ASSOCIATION OF REALTORS®

**Approved by Board of Directors, NATIONAL ASSOCIATION OF REALTORS®, February 5, 1974.*