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Approved by NAR on 07/22/09

## NORTHERN MICHIGAN MULTIPLE LISTING SERVICE, INC.

### RULES AND REGULATIONS

Rules and regulations for the Multiple Listing Service (MLS) of Northern Michigan Multiple Listing Service, Inc. (NMMLS) operated as a Michigan Corporation.

#### LISTING PROCEDURES

**Section 1. LISTING PROCEDURES:** Listings of any and all 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 NMMLS and are taken by Participants on form(s) of listing accepted by the NMMLS (See Notes 1 and 2) shall be delivered to the NMMLS within 72 hours after all necessary signatures of the seller(s) have been obtained. Failure to do so will result in a \$50.00 fine to the Participant. Subsequent violations within the same calendar year will increase as follows: Second offense is \$100.00 - Third offense is \$500.00. Participants are entitled to a due process hearing as provided for in Section 9.1 if so requested before paying any fines or being suspended.

NOTE 1: The NMMLS 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 NMMLS, although a "Listing input form", appropriate to the property type, shall be required as approved by the NMMLS. However, the NMMLS through its legal counsel:

- May reserve the right to refuse to accept a listing form which fails to adequately protect the interest of the public and the Participants.
- Assure that no listing form filed with the NMMLS establishes, directly or indirectly, any contractual relationship between the MLS and the client [buyer or seller].

The NMMLS shall accept exclusive right to sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer cooperation and compensation to the other Participants of the NMMLS acting as subagents, buyer agents, or both. The listing agreement must include the seller's authorization to submit the agreement to the NMMLS.

The different types of listing agreement include:

- [a] exclusive right to sell
- [b] exclusive agency
- [c] open
- [d] net

The NMMLS may not accept net listings because they are deemed unethical and, in most states, illegal. Open listing 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.

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

The exclusive agency listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral basis, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with named prospects exempted should be clearly distinguished at the beginning of the remarks section of the data sheet by the simple designation[s] of [EA] for exclusive agency or [ERE] for exclusive right to sell with exemptions. Care should be exercised to ensure that different codes or symbols are used to denote agency and exclusive agency and exclusive right to sell listings with prospect reservations.)

(NOTE 2: An MLS does not regulate the type of listings its Members may take. This does not mean that an MLS must accept every type of listing. The MLS shall decline to accept open listings [except where acceptance is required by law] and net listings and it may limit its service to listings of certain kinds of property. But if it chooses to limit the kind of listing it will accept, it shall leave its Members free to accept such listings to be handled outside the MLS.)

**Section 1.1 TYPES OF PROPERTIES:** The following are some of the types of properties that may be published through the MLS provided, however, that any listing submitted is entered into within the scope of the Participant's licensure as a real estate broker:

- |                          |                      |
|--------------------------|----------------------|
| 1. Residential           | 7. Mobile Home       |
| 2. Residential Income    | 8. Mobile Home Parks |
| 3. Subdivided Vacant Lot | 9. Commercial        |
| 4. Land and Ranch        | 10. Industrial       |
| 5. Business Opportunity  | 11. Condominium      |
| 6. Motel-Hotel           | 12. Dock-O-Minimums  |

**Section 1.1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE MLS:** Any listing taken on a contract to be filed with the MLS is subject to the Rules and Regulations of the MLS upon signature of the seller(s).

**Section 1.2 DETAIL ON LISTINGS FILED WITH THE MLS:** A listing Agreement or "Listing Input Form", when filed with the MLS by the listing broker, shall be complete in every detail which is ascertainable as specified on the "Listing Input Form".

**a.) Directions and Legal descriptions** are required fields. If it is a lengthy metes and bounds legal, simply a portion ie. part of the NW 1/4 of the NW 1/4 Sec.2, T34N, R5W is sufficient. The phrase "Legal on file or lengthy legal" is not. **Also, directions shall NOT consist of "call listing office".**

**b.) Photo's / Virtual Tours** - All photo's and/or virtual tours shall pertain strictly to the subject property and shall not include any information of any kind, including but not limited to For Sale Signs of Listing Office/Agent, names, phone numbers, e-mail addresses, website addresses, logo images or any other "branding" identification. Copying or re using existing photo's entered into the MLS (by another brokerage) is strictly prohibited unless written permission is obtained from the brokerage that originally submitted the photo. (Amended 01/07)

**c.) Remarks** - The REMARKS section in the MLS is to be used for the sole purpose of describing the subject property and shall not include any other

information of any kind, including but not limited to, any type of agent or office contact information. (Amended 12/03)

Once a listing is entered, you have five working days to make certain that all required fields are completed WITH CORRECT INFORMATION and that a picture and/or map or drawing is entered. If the listing is not complete or contains bogus information (ie. Tax ID # 1111111) or if a picture is not entered, the following fines will be levied (per agent)

First offense - \$10.00

Any additional - \$25.00 per incident

Fines will continue to be levied until the listing is complete and correct.

In addition, Sold information and any changes to a listing must also be entered within 72 hours (3 business days) from the closing date. Failure to do so will result in the same fines listed in this section. (Revised 2006)

**Section 1.3 EXEMPTED LISTINGS:** If the seller refuses to permit the listing to be disseminated by the MLS, the REALTOR may then take the listing ("office exclusive") and such listing shall be filed with the MLS (within 3 business days) but not disseminated to the Participant(s). Filing of the listing must be accompanied by certification (within 3 business days), signed by the seller that he does not desire the listing to be disseminated by the MLS. (Revised 2006)

**Section 1.4 CHANGE OF THE STATUS OF LISTING:** Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with the MLS within twenty four (24) hours (excepting weekends, holidays and postal holidays) after the authorized change is received by the listing broker.

**Section 1.5 WITHDRAWAL OF LISTING PRIOR TO EXPIRATION:** Listings of the property may be withdrawn from the MLS by the listing broker before the expiration date of the listing agreement provided notice is filed with the MLS including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal. Any and all withdrawn listings must not be PENDING SALE at the time of 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)

**Section 1.6 CONTINGENCIES/EXCLUSIONS APPLICABLE TO LISTINGS:** Any contingency, or conditions of any term in a listing shall be specified and noticed to the Participants in the **ADDENDUM** section of the MLS. In addition, members shall be notified of any exclusions in the **ADDENDUM** section with the following notation; "Exclusions reported on the listing agreement - call listing office for information." (Amended 12/03)

**Section 1.7 LISTING PRICE SPECIFIED:** The full gross listing price stated in the contract will be included in the information published in the MLS compilation of current listings.

**Section 1.8 LISTING MULTIPLE UNIT PROPERTIES:** All properties which may be sold separately must be indicated individually in the listing and on the "Listing Input Form". However, when you have a large number of like parcels, no more than five (5) of these parcels are required to be included in the MLS book, all

other parcels may be included in the remark section only. When part of a listed property has been sold, proper notification must be given to the MLS.

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

**Section 1.10 EXPIRATION OF LISTINGS:** Listings filed with the MLS 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.

If notice of renewal or extension is not received within 30 days of the listing being removed from the compilation of current listings, the listing must be re-entered into the system as a new listing. Extensions and renewals of listings must be signed by the seller(s) and be filed with the MLS. (Revised 05/07)

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

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

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

**Section 1.14 LISTINGS OF EXPELLED PARTICIPANTS:** When a Participant of the MLS is expelled from the MLS for failing to abide by membership duty (i.e., violation of the Code of Ethics, Association Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS must not be retained by the MLS and must be withdrawn. If a Participant has been expelled from the Association (except where MLS participation without Board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or

charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised in writing of the intended removal so that the expelled Participant may advise his clients.

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

## **SELLING PROCEDURES**

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

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

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

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

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. (REV. 2006)

**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)

**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)

**Section 2.5 REPORTING SALES TO THE SERVICE:** Status changes, including final closing of sales shall be reported to the Multiple Listing Service by the listing broker within hours after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating broker shall report accepted offers to the listing broker within hours after occurrence and the listing broker shall report them to the MLS within hours after receiving notice from the cooperating broker. (Amended 11/08)

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

**Section 2.6 REPORTING RESOLUTIONS OF CONTINGENCIES:** The listing broker must report to the MLS within twenty four (24) hours that a contingency on file with the MLS has been fulfilled or renewed, or the agreement canceled.

**Section 2.7 ADVERTISING OF LISTING FILED WITH THE MLS:** A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker.

**Section 2.8 REPORTING CANCELLATION OF PENDING SALE:** The listing broker must report within 24 hours to the MLS the cancellation of any pending sale and the listing must be reinstated within 24 hours.

#### **REFUSAL TO SELL**

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

#### **PROHIBITIONS**

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

**Section 4.1 "FOR SALE" SIGNS:** Only the "For Sale" signs of the listing broker may be placed on a property.

**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)

**Section 4.3 SOLICITATION OF LISTING FILED WITH THE MLS:** Participants shall not solicit a listing on a property filed with the MLS unless such solicitation is consistent with Article 16 of the REALTORS Code of Ethics, its Standard of Practice 16-4 and its Case Interpretations.

(Note 1: This section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4. This Section is intended to encourage sellers to permit their properties to be filed with the MLS by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration. Without such protection, a seller could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present broker.

This section is also intended to encourage brokers to participate in the MLS by assuring them that other Participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by this Section, listing brokers would be most reluctant to generally disclose the identity of the seller or the 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 (Rev 1994)

#### **DIVISION OF COMMISSIONS**

**Section 5.COMPENSATION SPECIFIED ON EACH LISTING:** Participants may, but are not required to, disclose potential short sales to other participants and subscribers. 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.

The listing broker shall specify, on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or Lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or Lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the

commission established in the listing agreement might not be paid. (Amended 11/98)

In filing a property with the MLS of a Board of REALTORS, the participant of the MLS is making blanket unilateral offers of compensation to the other MLS Participants, and shall therefore specify on each listing filed with MLS, the compensation being offered to the other MLS Participants. Specifying the compensation on each listing is necessary because cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell. (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 non agency capacities defined by law) which may be the same or different. (Amended 11/96)

This shall not preclude the listing broker from offering any MLS Participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of his producing 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 sale price or as a flat dollar amount. (Amended 11/95)

Note 1: This NMMLS shall not require the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Association MLS must not publish the total negotiated commission on a listing which has been submitted to the MLS by a Participant. The NMMLS must not disclose in any way the total commission negotiated between the seller and the listing broker.

Note 2: The listing broker may, from time to time, adjust the compensation offered to other MLS Participants for their services with respect to any listing by advance published notice to the MLS so that all Participants will be advised within 24 hours.)

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

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. (Rev. 2006)

**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 must 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 must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers. (Adopted 5/08)

\*The compensation specified on listing filed with the MLS must appear in one of two forms. The essential and appropriate requirement by a Board MLS is that the information to be published must clearly inform the Participants as to the compensation they will receive as subagents, buyer brokers, or transactional coordinators in cooperative transactions unless advised otherwise by the listing broker IN WRITING, IN ADVANCE. The compensation specified on listings published by the MLS must 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 11/95)

**Section 5.0.1** Participants may, but are not required to, disclose potential short sales to other participants and subscribers. 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. (Amended 12/08)

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

**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 in the **ADDENDUM** section by the symbol (\*). *(Please note that the "Symbol" is an asterisk in parenthesis.)* 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. (Amended 12/03)

#### **SERVICE CHARGES**

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

- (a) Initial Participation Fee: An applicant for participation in the MLS must pay an application fee of \$300.00 with such fee to accompany the application.
- (b) Recurring Participation Fee: The monthly participation fee of each Participant shall be an amount equal to \$30.00 times each salesperson and licensed or certified appraiser who has access to a use of MLS, 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 due and payable upon receipt of bill.
- (c) Listing Fee: A Participant shall pay a monthly listing fee in an amount equal to the number of listings he had filed with the MLS during the previous month multiplied by the listing fee of \$4.00 per listing.

**COMPLIANCE WITH RULES / AUTHORITY TO IMPOSE DISCIPLINE**

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

- a. letter of warning
- b. letter of reprimand
- c. attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location, and duration
- d. appropriate, reasonable fine not to exceed \$15,000
- e. probation for a stated period of time not less than thirty (30) days nor more than one (1) year
- f. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- g. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years  
(Adopted 11/07)

**Section 7.1 COMPLIANCE WITH RULES:** The following action(s) 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 72 hours notice has been given in writing with a copy to MLS chairperson, the MLS must be suspended until service charges or fees are paid in full.
- (b) Failure to comply with any other rule will be enforced consistently with Section 9 and 9.1 Violations of Rules and Regulations. (Revised 2006)

1) When the Executive Officer becomes aware of a violation by a participant (i.e., brokerage or participating office), a written WARNING must be issued along with a notice to comply, including copies to the MLS chairperson.

### **MEETINGS**

**Section 8. MEETINGS OF MLS COMMITTEE:** The 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 Chairman.

**Section 8.1 MEETING OF MLS PARTICIPANTS:** The Committee may call meetings of the Participants in the NMMLS.

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

### **ENFORCEMENT OF RULES OR DISPUTES**

**Section 9. CONSIDERATION OF ALLEGED VIOLATIONS:** The Committee shall give consideration to all written complaints from Participants having to do with violations of the Rules and Regulations.

**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 request for arbitration, it may be administratively considered and determined by the multiple listing service committee, and if a violation is determined, the committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the professional standards committee of the association in accordance with the bylaws and rules and regulations of the association of Realtors® within twenty (20) days following receipt of the committee's decision.

If, rather than conducting an administrative review, the multiple listing committee has a procedure established to conduct hearings, the decision of the multiple listing committee may be appealed to the board of directors of the association of Realtors® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the association's grievance committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the association of Realtors®. (Revised 2006)

**Section 9.2 COMPLAINTS OF UNETHICAL CONDUCT:** All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the respective Association of REALTORS for appropriate action in accordance with the professional standards procedures established in the Association's Bylaws.

### **CONFIDENTIALITY OF MLS INFORMATION**

**Section 10. CONFIDENTIALITY OF MLS INFORMATION:** Any information provided by the MLS to the Participants must be considered official information of the MLS. Such information must 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.

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

**Section 10.2 ACCESS TO COMPARABLE AND STATISTICAL INFORMATION:** Board Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the NMMLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the NMMLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of NMMLS Members and individuals affiliated with NMMLS Members who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm except as otherwise provided in these Rules and Regulations.

#### **OWNERSHIP OF MLS COMPILATIONS\* AND COPYRIGHTS**

**Section 11.** By the act of submitting any property listing content to the MLS, the Participant represents that he has been authorized to grant and also thereby does grant 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. (Rev. 2007)

**Section 11.1** All rights, title, and interest in each copy of every Multiple Listing Compilation created and copyrighted by the NMMLS and in the copyrights therein, must at all times remain vested in the NMMLS.

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

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

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

\*\*This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee (or licensed or certified appraiser) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling or appraising the types of properties which are required to be filed with the MLS, and who

does not, at any time, have access to nor use of the MLS information or MLS facility of the NMMLS.

#### USE OF COPYRIGHTED MLS COMPILATIONS

**Section 12. DISTRIBUTION:** Participants must at all times maintain control over and responsibility for each copy of any MLS compilation leased to them by the NMMLS, and must not distribute any such copies to persons other than persons who are affiliated with such Participant (s) as licensees or those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by Board MLS 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 MLS where access to such information is prohibited by law.

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

**Section 12.2 REPRODUCTION:** Participants or their affiliated licensees must not reproduce any MLS Compilation or any portion thereof except in the following limited circumstances:  
Participants or their affiliated licensees may reproduce from the MLS Compilation, and distribute to prospective purchasers, a reasonable number of single copies of property listing data contained in the MLS Compilation which relate to any properties in which the prospective purchasers are, or may, in the judgment of the 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 with the Participant.

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and those licensees affiliated with the Participants 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 an estimate of value on a particular property for a particular client.

However, only such information that Board or Board-owned MLS has deemed to be non confidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these Rules and Regulations. It is intended that the Participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the Participant is seeking to promote interest. The term "reasonable", as used

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

**Section 12.3 OFFICE LISTING BROCHURES:** All new and/or existing office listing brochures must contain listings that are current as of the date the brochure goes to print.

### **USE OF MLS INFORMATION**

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

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

"NOTE: Based on information from the Association of REALTORS (alternatively, from the Northern Michigan MLS) for the period (date) through (date).

### **CHANGES IN RULES AND REGULATIONS**

**Section 14. CHANGES IN RULES AND REGULATIONS:** Amendments to the Rules and Regulations of the MLS must be by a 51% vote of the Members of the NMMLS Committee, subject to approval by the Board of Directors of the Association of REALTORS.

### **SECTION 15: IDX (Internet Data Exchange) Model Provisions**

**Section 15 - IDX Defined:** The Northern Michigan MLS' Internet Data Exchange Program, known as NM-MLSX, affords MLS Participants the option of authorizing display of their active listings on other Participants' Internet web sites.

**Section 15.1:** Participants' consent for display of their active 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 or frame 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 as instructed by the seller. (Rev. 2006)

**Section 15.2 -** Participation in NM-MLSX 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. This requirement can be met by

maintaining an office or Internet presence from which Participants are available to represent real estate sellers or buyers (or both). (Rev. 2006)

**Section 15.2.1**

Participants must notify the MLS of their intention to establish an IDX site and must make their site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies. (Rev. 2006)

**Section 15.2.2**

Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent "scraping" or other unauthorized accessing, reproduction, or use of the MLS database. (Rev. 2006)

**Section 15.2.3**

Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly-accessible Web sites or VOWs) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers. (Rev. 2006)

**Section 15.2.4**

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. (Rev. 2007)

**Section 15.2.5**

Participants must refresh all MLS downloads and refresh all MLS data at least once every seven (7) days. (Rev. 2006)

**Section 15.2.6**

Except as provided in these rules, an IDX site or a participant or user operating an IDX site may not distribute, provide, or make any portion of the MLS database available to any person or entity. (Rev. 2006)

**Section 15.2.7**

When displaying listing content, a participant's or user's IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. (Rev. 2006)

**Section 15.3 - Display:** Display of listing information pursuant to NM-MLSX is subject to the following rules:

**Section 15.3.1 - Listings displayed pursuant to NM-MLSX (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 on IDX sites. (Revised 2006)**

**Section 15.3.2 -Participants shall not modify or manipulate information relating to other participants' listings. (This is not a limitation on site design but**

refers to changes to actual listing data.) MLS data may be augmented with additional data not otherwise prohibited from display so long as the source of the additional data is clearly identified. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized data fields.

**Section 15.3.3** - All listings displayed pursuant to NM-MLSX must identify the listing firm as follows; "This (property or listing) is courtesy of name of listing office."

- A. If thumbnail views are used, in addition to detailed views, the thumbnail can have the NM-MLSX logo displayed next to each thumbnail view instead of the full listing office definition since the full listing office definition must be present on the detailed view. (A thumbnail view is defined as no more than two horizontal lines of text without a photo.) All other views must include the listing firm's name.
- B. The listing office must be defined immediately adjacent to the listing information with the exception of thumbnail views.
- C. The type size and style used to identify the listing office must be as visible as the largest type used to display listing information.

**Section 15.3.4** - Non-principal brokers and sales licensees affiliated with NM-MLSX Participants may display information available through NM-MLSX on their own websites subject to their Participant's consent and control and the requirements of state law and/or regulation.

- A. The Participant (DR) must authorize any agent site and sign agreement/acknowledgement taking supervisory responsibility for the agent site.

**Section 15.3.5** - Listing information downloaded and/or otherwise displayed pursuant to NM-MLSX shall be limited to active properties listed on an exclusive right to sell basis.

- A. Pending is considered an active status.

**Section 15.3.6** - All listings displayed pursuant to NM-MLSX shall show the Northern Michigan MLS as the source of the information.

- A. The Northern Michigan MLS number must be displayed.  
A notice must be present on each page where listing data is displayed naming the Northern Michigan MLS, with a copyright notice, and explaining that the data comes from the IDX program of NM-MLSX.  
*a.)The data relating to real estate on this web site comes in part from the Internet Data Exchange Program of the Northern Michigan MLS (NM-MLSX). Real estate listings held by brokerage firms other than (insert your office name) are marked with the NM-MLSX logo and the detailed information about said listing includes the listing office.*
- B. A notice must be present on each page where listing data is displayed indicating that the accuracy of the data is not guaranteed.  
*A.)All information deemed reliable but not guaranteed and should be independently verified. All properties are subject to prior sale, change or withdrawal. Neither the listing broker(s) nor (insert your office name) shall be responsible for any typographical errors, misinformation, misprints, and shall be held totally harmless. Northern Michigan MLS, Inc © All rights reserved.*

- D. A notice must be present in the NM-MLSX section of each website explaining the NM-MLSX logo and that the listings come from many brokers.

**Section 15.3.7** - Participants (and their affiliated licensees, if applicable) shall indicate on their Web sites 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. (Revised 2006)

**Section 15.3.8** - The right to display other Participants' listings pursuant to NM-MLSX shall be limited to a Participant's office(s) holding participatory rights in this MLS.

**Section 15.3.9** - Listings obtained through IDX must be displayed separately from listings obtained from other sources, including information provided by other MLS's. Listings obtained from other sources (e.g., from other MLS's, from non-participating brokers, etc.) must display the source from which each such listing was obtained.

**Section 15.4** - Service Fees and Charges: Service fees and charges for participation in NM-MLSX shall be as established annually by the Board of Directors.

#### **SECTION 16: VOW (Virtual Office Website) Model Provisions**

**Section 16.1 (a):** A Virtual Office Website ("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.

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

**(c)** "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of

one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

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

**Section 16.2 (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 16.3 (a):** Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:

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

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

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

(b) The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.

(c) If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of

involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant. (d) The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:

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

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

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

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

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

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

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

**Section 16.4:** 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 16.5:** A Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of MLS Listing Information. A Participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

**Section 16.6 (a):** A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet.

Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

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

**Seller Opt-Out Form**

1. Please check either Option a or Option b

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

OR

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

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

\_\_\_\_\_  
initials of seller

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

**Section 16.7:** (a) Subject to subsection (b), a Participant's VOW may allow third-parties

(i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or

(ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing

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

**Section 16.8:** A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information

is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

**Section 16.9:** A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

**Section 16.10:** Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

**Section 16.11:** 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 16.12:** 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 16.13:** 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 16.14:** A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

**Section 16.15:** A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:

- a. Expired, withdrawn, or pending ("under contract") listings.
- 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

**Section 16.16:** 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 16.17:** 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 16.18:** 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 16.19:** A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 current listings and not more than 0 (zero) sold listings in response to any inquiry.

**Section 16.20:** A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

**Section 16.21:** 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 16.22:** A Participant shall cause any listing displayed on his or her VOW that is 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 16.23:** 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 16.24:** Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

**Section 16.25:** Where a seller affirmatively directs their 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 48 hours.

(11.03.08)