

MLS RULES AND REGULATIONS OF THE NORTHEAST ASSOCIATION OF REALTORS®

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 the EXCLUSIVE RIGHT TO SELL AGREEMENT and the EXCLUSIVE AGENCY AGREEMENT shall be delivered to the multiple listing service within 72 hours after all necessary signatures of seller(s) have been obtained:

(Amended 11/01)

- a. single family homes for sale or exchange
- b. vacant lots and acreage for sale or exchange
- c. two-family, three-family, and four-family residential buildings for sale or exchange
- d. commercial properties for sale or lease
- e. "Will build to suit" listings – a property to which the seller/lessor agrees to make certain agreed-upon improvements to the specifications of the buyer/lessee.

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

- may reserve the right to refuse to accept a listing form which fails to adequately protect the interests of the public and the participants
- assure that no listing form filed with the multiple listing service establishes, directly or indirectly, any contractual relationship between the multiple listing service and the client (buyer or seller)

The multiple listing service shall accept exclusive right-to-sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other participants of the multiple listing service acting as subagents, buyer agents, or both. *(Amended 11/96)*

The listing agreement must include the seller's written authorization to submit the agreement to the multiple listing service. *(Amended 11/96)*

The different types of listing agreements include:

- exclusive right-to-sell
- exclusive agency
- open
- 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** listing is the conventional form of listing submitted to the multiple listing service in that the seller 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 the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right-to-sell listings with named prospects exempt should be clearly distinguished by a simple designation such as a code or symbol from exclusive right-to-sell listings with no named prospects exempt, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right-to-sell listings with no named prospects exempt. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right-to-sell listings with prospect reservations. *(Amended 4/92)*

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

Note 3: The multiple listing service may 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)*

Section 1.1 Types of Properties

Following are some of the types of properties that may be published through the service, including types described in the preceding paragraph that are required to be filed with the service and other types that may be filed with the service at the participant's option provided, however, that any listing submitted is entered into within the scope of the participant's licensure as a real estate broker: *(Amended 11/91)*

- a. residential – site built family homes, mobile homes, townhouse/condo, proposed construction
- b. residential income – mobile home parks, apartment buildings
- c. land/lots – residential, commercial/industrial, woodland, farmland/pastureland
- d. commercial – commercial retail, commercial office, warehouse/industrial

Section 1.1.1 Listings Subject to Rules and Regulations of the Service

Any listing taken on a contract to be filed with the multiple listing service is subject to the rules and regulations of the service upon signature of the seller(s).

Section 1.2 Detail on Listings Filed with the Service

A listing agreement or property data form, when filed with the multiple listing service by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form.

Section 1.3 Exempted Listings (Non-MLS Listings)

If the seller refuses to permit the listing to be disseminated by the service, the participant may then take the listing (office exclusive or NON-MLS) and such listing shall be filed with the service within 72 hours but not disseminated to the participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the service.

Section 1.4 Change of Status of Listing

Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with the service within forty-eight (48) 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 property may be withdrawn from the multiple listing service 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 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 or her 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 Applicable to Listings

Contingency as pertaining to the status of a listing shall only be used when dependent on the sale of a property. Any contingency or conditions of any term in a listing shall be specified and noticed to the participants. (Updated 2007)

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)*

Section 1.8 Listing Multiple Unit Properties

All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the multiple listing service.

Section 1.9 No Control of Commission Rates or Fees Charged by Participants

The multiple listing service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by participants. Further, the multiple listing service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating participants or between participants and nonparticipants.

Section 1.10 Expiration of Listings

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

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

(Amended 11/01)

Section 1.11 Termination Date on Listings

Listings filed with the service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.

Section 1.12 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 be accepted if submitted voluntarily by a participant, but cannot be required by the service.

Jurisdiction includes: Ouachita, Richland, Franklin, Madison, Morehouse, West Carroll, East Carroll, Lincoln, Jackson, Union, Caldwell, Tensas, and Concordia Parishes. *(Amended 11/01)*

Section 1.13 Listing of Suspended Participants

When a participant of the service 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 obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended participant shall, at the participant's option, be retained in the service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a participant has been suspended from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, an association 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 should be advised, in writing, of the intended removal so that the suspended participant may advise his clients.

Section 1.14 Listing of Expelled Participants

When a participant of the service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, 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 by the expelled participant shall, at the participant's option, be retained in the service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a participant has been expelled from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, an association 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 of the service 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.

Section 1.16 Photographs

Multiple Listing Services requires submission of a photograph or other graphic representation that accurately depict listed property except where sellers expressly direct that photographs of their property not appear in MLS compilations. The primary photo must be a front view of the outside of the house. Non-compliance of this rule may carry a fine of \$25.00 (Adopted 5/10) (Amended 10/11)

Each office is responsible for submitting a photograph for each listing and these must be input into the computer system within 3 days of the listing contract date. Failure to input photographs will result in a fine of \$25.00 for the offending office. No contact information, personal photos, or company photo/logo advertising may be input into the picture format of a listing on the computer system. The present system allows for owner/information, agent and office photos/logos in a designated place. (Amended 11/2011) (Amended 1/15)

Section 1.17: Listing data

No personal or company identification/logo may be included in the listing data by means of the Public Remarks, Photo, or Virtual Tour sections such as web site address or email address. Refer to IDX/Smart Framing Rules and Regulations.

Section 1.18 Lock Box Number

When a lock box is placed on a property, the lock box number shall be entered as a mandatory field and maintained at the Supra website for that listing. Upon return of the lock box to office inventory, the lock box number shall be deleted from the listing number at the Supra website. (Adopted 3/07)

Section 1.19 Legal Description

All legal disclosure is required except where the seller(s) expressly direct that such disclosure documents not be disseminated through the MLS. (Adopted 5/10)

A complete Legal Description of all properties entered into the MLS database shall be made available to all Participants. The entire metes and bounds may be made available through Associated Docs. Such terms as "lengthy in file" or "call listing office" may not be used and any Participant using those terms will be in violation of MLS listing procedures. The term "see associated docs" may be used in the MLS database. (Adopted 3/07).

Section 1.20 Parcel Number

A correct Parcel number is mandatory. If not entered at the time of input into the MLS database, a notice will be sent to the Broker/Agent stating the violation with a time limit of 48 hours to correct the listing. If the correction is not completed within 48 hours of the notice, a fine of \$25.00 will be assessed. (Adopted 4/11)(Amended 11/11)

Section 1.21 Sold/Rented Status

A correct status is mandatory when a listing is sold or rented (If a listing is entered into the database as being "For Rent", it cannot be closed as "Sold" when a contract is put in place). If the sold or rented status is entered incorrectly into the MLS database, the Broker/Agent will be reprimanded in accordance with the "Violations of Listing Data Input" as outlined in Section 9.1 (Enforcement of Rules and Disputes) of the MLS Rules and Regulations. (Adopted 4/12)

Section 1.22 New Listing Status

Any listing that would be re-listed by the same or current REALTOR shall remain off the market for 180 days to acquire "new listing" status. The exception would be if the listing has been under a lease purchase agreement for more than 180 days, then the new listing paperwork may be submitted and the property could be entered as a "new listing" on the MLS. (Amended 2/15)

Section 1.23 Lots and Land Input

Entering the number of acres in the portion of the address field provided for house numbers is not acceptable. Entering "000" in the field provided for house numbers shall indicate the listing is for acreage (vacant land), with the proper street name entered in the field provided for the street name. (Listing display in MLS: 000 Hundred Acres Road) The appropriate number of acres shall be entered in the "Number of Acres" field.

Entering a tract number in the field provided for house numbers is acceptable when the acreage has been assigned tract numbers on a survey. (Listing display in MLS: Tract A Hundred Acres Road)

When entering data for a subdivided lot, entering "Lot" and the lot number shall be acceptable in the field provided for house numbers and the subdivision name shall be acceptable in the field provided for the street name. (Listing display in MLS: Lot #11 Hundred Acres Road) (Adopted 2/13)

Section 1.24 Sold Before Listed Status

A listing with the "Sold Before Listed" (SBL) status shall be entered into the MLS within 72 hours of closing as a complete listing to include photos, parcel numbers and legal descriptions. The listing information for a SBL listing shall not be entered before closing to hold a "Pending" status. All SBL listings found in violation of data input procedures shall be subject to actions as outlined in Section 9.1, "Violations of Listing Data Input" of the MLS Rules and Regulations of NELAR. (Adopted 3/13)

Section 1.25 State Mandated Forms

All state mandated disclosures/documents related to the listing shall be input into the MLS database Associated Documents within 3 days of the listing date except where sellers expressly direct, in writing, that such disclosure documents not be disseminated through MLS. (Amended 12/14) State mandated forms must be completed, signed and dated by the seller. Failure to input mandated documents will be considered a listing violation and be handled in accordance with MLS Rule 9.1, Violations of Listing Data Input. (Adopted 6/13)(Amended 1/15)

Section 1.26 Two Listing Agents/One Listing

On any listing where there is "List Agent #1" and List Agent #2," each agent will be responsible for listing violations and each will be fined the full amount, according to violation history of each individual agent (Example: List Agent #1, third offense; List Agent #2, first offense). (Adopted 2/14)

Selling Procedures

Section 2 Showings and Negotiations

All properties filed with the Service must be available for showing by all other Participants that utilize the service. Appointments for showings and negotiations with the seller for the purchase of listed property filed with the multiple listing service shall be conducted through the listing broker, except under the following circumstances:

- a. the listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
- b. after reasonable effort, the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers. *(Amended 4/92)*

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. *(Amended 4/92)*

Section 2.2 Submission of Written Offers

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

Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated. *(Amended 11/05)*

Section 2.3 Right of Cooperating Broker in Presentation of Offer

The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller 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 or lessor'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 Pending Listings to the Service

Upon acceptance of a contract by both parties, the status shall be changed to Active Pending in the MLS database within 48 hours.

Section 2.6 Reporting Sales to the Service

Upon official closing of a sales agreement, the listing office shall change the status of the listing to "SOLD" within 48 hours. *(Amended 12/07)*

Status changes, including final closing of sales and sales prices, shall be reported to the multiple listing service by the listing broker within 48 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 24 hours after occurrence and the listing broker shall report them to the MLS within 24 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 2.7 Reporting Resolutions of Contingencies

The listing broker shall report to the multiple listing service within twenty-four (24) hours that a contingency on file with the multiple listing service has been fulfilled or renewed, or the agreement cancelled.

Section 2.8 Advertising of Listings 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.

Section 2.9 Reporting Cancellation of Pending Sale

The listing broker shall report immediately to the multiple listing service the cancellation of any pending sale, and the listing shall be reinstated immediately.

Section 2.10 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)*.

Section 2.11 Availability of Listed Property

Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

Refusal to Sell

Section 3

If the seller of any listed property filed with the multiple listing service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the service and to all participants.

Prohibitions

Section 4

Any listing filed with the service shall not be made available to any broker or firm not a member of the MLS without the prior consent of the listing broker.

Section 4.1 For Sale Signs

Only the for sale sign of the listing of the listing broker may be placed on a property. *(Amended 11/89)*

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 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 and its Standards of Practice 16-4.

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 to permit their properties to be filed with the service by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration.

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

This section is also intended to encourage brokers to participate in the service by assuring them that other participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by this section, listing brokers would be most reluctant to generally disclose the identity of the seller or the availability of the property to other brokers. This section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of the Code of Ethics.

Section 4.4 Use of the Terms MLS and Multiple Listing Service

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)*

Division of Commissions

Section 5 Compensation Specified on Each Listing

To be effective, any change in compensation offered for cooperative services must be communicated to the other REALTOR® prior to the time that REALTOR® submits an offer to purchase/lease the property.

The listing broker shall specify, on each listing filed with the multiple listing service, the compensation offered to other multiple listing service participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. *(Amended 11/98)*

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

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

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

“Flat Fee” is not accepted in the Commission Co-Op field. Should the explanation of commission co-op compensation be too lengthy for the field, indicate by typing “SeeRemarks” in that field and then type the explanation in Broker Remarks. *(Amended 8/12)*

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) (Amended 07/13)*

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

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

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

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

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

Note 4: Listing brokers shall communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by

which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction. *(Amended 5/10)*

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

Note 6: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they may, as a matter of local discretion, also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales, if allowed by local rules, must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers. *(Amended 5/09)*

Section 5.0.1 Disclosing Potential Short Sales

Participants 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. *(Amended 5/09)*

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)*

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 a property, the listing of which is to be disseminated through the multiple listing service, that person shall disclose that interest when the listing is filed with the multiple listing service and such information shall be disseminated to all multiple listing service participants.

Section 5.2 Participant as Purchaser

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

Service Charges

The Participant of each firm, partnership, or corporation shall be required to pay the Multiple Listing Service fees for each person whose license he holds. Each Participant is to report any changes in the status of salespersons affiliated with the firm to the Service within 72 hours.

Section 6 Service Fees and Charges

The following service charges for operation of the multiple listing service are in effect to defray the costs of the service and are subject to change from time to time in the manner prescribed:

Initial Participation Fee: An applicant for participation in the service shall pay an application fee of \$150 for Brokers and ***Licensed Chief Certified Appraisers*** and \$75 for salespersons and ***Licensed Appraisers*** with such fee to accompany the application.

Note: The initial participation fee shall approximate the cost of bringing the service to the participant.

Recurring Participation Fee: The monthly participation fee of each participant shall be an amount equal to \$37.00 times each salesperson and licensed or certified appraiser who has access to and use of the service, whether licensed as a broker, sales licensee, or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such participant.

If monthly dues are not paid in full by the 10th of the month, the delinquent office will not have computer access to current MLS information. If payment is not satisfied by the 10th of the month, a late fee will be assessed the Participant of \$10 per day, not to exceed \$50 per month.

Note: Fees may be paid on a yearly, quarterly or a monthly basis.

Assistants:

The monthly participation fee for personal assistants will be \$20.00 per month per "Team" (a team consists of a group of members who use the same personal assistant to maintain listings in the MLS system). The Personal Assistant will be billed the \$20.00 monthly for each "Team" he/she is assigned.

It is the responsibility of the member using the P.A., the Broker, and the Personal Assistant to notify the Association and sign the appropriate form. A Personal Assistant form must be filled out and on file at the Association office for each member he/she works with.

Transfer fees: There shall be an administrative transfer fee of \$15.00 paid to the MLS whenever an agent transfers from one company to another.

Compliance with Rules

Section 7 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 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

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)

Meetings

Section 8 Meetings of MLS Committee

The multiple listing service committee shall meet for the transaction of its business at a time and place to be determined by the committee or at the call of the chairperson.

Section 8.1 Meetings of MLS Participants

The committee may call meetings of the participants in the service to be known as meetings of the multiple listing service.

Section 8.2 Conduct of 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.

Section 8.3 Appointment of Committee:

There shall be six (6) REALTOR® members serving on the MLS Committee. The Chairman, Vice Chairman and four (4) REALTOR® members shall be appointed according to the criteria in the Policies and Procedures Manual of the Northeast Louisiana Association of REALTORS®. Vacancies in unexpired terms shall be filled by the President with the approval of the Board of Directors.

Section 8.4 Automatic Suspension *Replacement of a Committee Member*

Should a member miss three (3) regularly scheduled meetings within one calendar year, the member will automatically lose his/her position on the Committee and a new member will be recommended for appointment by the President for replacement.

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*)

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 20 days following receipt of the committee's

decision. *(Amended 11/96)*

The MLS Committee has established the following procedure to conduct hearings, however, 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®. *(Amended 2/98)*

- a. First Offense: The Participant and agent may appear before the Committee and if found in violation be informed of the offense and how future offenses will be handled. Classroom training in MLS Rules and Regulations may be required plus a fine of \$150, subject to appeal to the Board of Directors within twenty (20) days of the Committee's decision.
- b. Second Offense: The Participant and agent may appear before the Committee and if found in violation, will receive a letter of censure plus a fine of \$300.00. This fine is subject to appeal, as stated above, within twenty (20) days.
- c. Third Offense: The Participant and agent may appear before the Committee and if found in violation, the Participant will receive a fine of \$500 and the agent will be suspended from MLS membership for a time to be decided by the Committee. The fine and suspension are subject to appeal, as stated above, within twenty (20) days.

Violations of Listing Data Input: When a listing is found in violation of the listing procedures set forth the MLS Rules and Regulations the following actions may be taken provided the recipient of the action by the Committee may appeal for a full due process hearing to the professional standards committee within 20 (twenty) days of the Committee's decision, and the decision of the hearing panel may be appealed to the board of directors within 20 days of a decision: *(Amended 11/11)(Amended 1/15)*

- a. First Offense – Notice/email listing and explanation of violation to the Agent and the Agent's Broker. A fine of \$25.00 will be assessed. If the fine is not paid within 30 days, MLS services will be suspended for the Broker and the Agent until such time as the fine is paid.
- b. Second Offense – Notice/email listing and explanation of violation to the Agent and the Agent's Broker. A fine of \$50 will be assessed. If the fine is not paid within 30 days, MLS services will be suspended for the Broker and the Agent until such time as the fine is paid.
- c. Third Offense – If a third offense occurs within a 1 year period, the Broker and the Agent will be noticed/emailed an explanation of the violation. A fine of \$75 will be assessed. If the fine is not paid within 30 days, the Broker and the Agent will be suspended from the Association with loss of MLS and Association services until such time as the fine is paid.

All Status change offenses shall result in an automatic fine. *(Amended 7/13)(Amended 12/14)(Amended 1/15)*

Section 9.2 Complaints of Unethical Conduct

All other complaints of unethical conduct shall be referred by the committee to the secretary of the association of REALTORS® for appropriate action in accordance with the professional standards procedures established in the association's bylaws. *(Amended 11/88)*

Confidentiality of MLS Information

Section 10 Confidentiality of MLS Information

Any information provided by the multiple listing service to the participants shall be considered official information of the service. Such information shall be considered confidential and exclusively for the use of participants and real estate licensees affiliated with 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)*

Section 10.1 MLS Not Responsible for Accuracy of Information

The information published and disseminated by the service is communicated verbatim, without change by the service, as filed with the service by the participant. The service does not verify such information provided and disclaims any responsibility for its accuracy. Each participant agrees to hold the service harmless against any liability arising from any inaccuracy or inadequacy of the information such participant provides.

Ownership of 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 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 the listed property. *(Amended 5/06)*

Section 11.1

All right, title, and interest in each copy of every multiple listing compilation created and copyrighted by the Northeast Louisiana Association of REALTORS® and in the copyrights therein, shall at all times remain vested in the Northeast Louisiana Association of REALTORS®.

*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 database, card file, or any other format whatsoever.

Section 11.2

Each participant shall be entitled to lease from the Northeast Louisiana Association of REALTORS® a number of copies of each MLS compilation sufficient to provide the participant and each person affiliated as a licensee (including licensed or certified appraisers) with such participant with one copy of such compilation. The participant shall pay for each such copy the rental fee set by the association.* Participants shall acquire by such lease only the right to use the MLS compilation in accordance with these rules.

Use of Copyrighted MLS Compilation

Section 12 Distribution

Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them by the association 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 an association multiple listing service is strictly limited to the activities authorized under a participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed or published by an association multiple listing service where access to such information is prohibited by law. *(Amended 4/92)*

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 shall not reproduce any MLS compilation or any portion thereof, except in the following limited circumstances:

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

*It is intended that the participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the participant is seeking to promote interest. The term reasonable, as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase. Factors which shall

be considered in deciding whether the reproductions made are consistent with this intent and thus reasonable in number, shall include, but are not limited to, the total number of listings in the MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that an association or association-owned multiple listing service 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.

Use of MLS Information

Section 13 Limitations on Use of MLS Information

Information from MLS compilations of current listing information, from statistical reports, and from any sold or comparable report of the association 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 association or its 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 association of Northeast Louisiana Association of REALTORS® Multiple Listing Service for the period *(date)* through *(date)*. *(Adopted 11/97)*

Changes in Rules and Regulations

Section 14

Amendments to the rules and regulations of the service shall be by a two-thirds vote of the members of the multiple listing service committee, subject to approval by the Board of Directors of the Northeast Louisiana Association of REALTORS®.

Orientation

Section 15

Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of four (4) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within sixty (60) days after access has been provided. (Amended 2008)

LOCK BOX/KEY RULES AND PROCEDURES

Section 1: Lock Boxes

A lock box is a container affixed to property containing a device to gain access to the property being marketed by a participant in the MLS. Participants in the MLS or their salespersons (and licensed or certified appraisers affiliated with the participants) are authorized under certain conditions to open these lock boxes under terms specified by the listing broker. Cooperating brokers and sales licensees, whether functioning as subagents of the listing broker or as agents of potential purchasers, must contact the listing broker to disclose their agency status and to arrange appointments to show listed property even if the property has a lock box affixed to it unless the listing broker has given specific permission (through information published in the MLS or otherwise) to show the property without first contacting the listing broker.

Lock Box Security Requirements and Rules and Procedures

The lock box system is governed by the Northeast Louisiana Association of REALTORS® and its Multiple Listing Service.

Eligibility for coverage under NAR's blanket errors and omissions insurance program is contingent on compliance with the following security measures whether the system is operated by the association, its MLS, or on behalf of an association by a recognized lock box vendor:

1. The current lock box system is an activity maintained by the Northeast Louisiana Association of REALTORS® with administration of the lock box system being delegated to its Multiple Listing Service. The following rules and procedures are for administration of the lock box system which may include appropriate fines, not to exceed \$5,000.
2. Keys must be obtained from the original manufacturer. Any key, programmer, or other device (hereinafter referred to as key) by which a lock box can be opened shall be nonduplicative. By nonduplicative it is not meant that the key is necessarily covered by a current patent but that it cannot be readily copied in the manner that other types of keys ordinarily are.
3. Keys may not be used under any circumstances by anyone other than the keyholder except authorized, unlicensed personal assistants (pursuant to state law regarding showing of listings), and individuals seeking licensure as real estate appraisers, who are under the direct supervision of a designated REALTOR® or MLS participant.
4. The lock box system is an activity of the Northeast Louisiana Association of REALTORS® and its MLS, every REALTOR® and REALTOR-ASSOCIATE® and every non-principal broker, sales licensee, and licensed or certified appraiser affiliated with a REALTOR®, shall be eligible to hold a key subject to their execution of a lease agreement with the association. (Amended 11/96)
5. NELAR and its MLS may refuse to sell or lease lock box keys, may terminate existing key lease agreements, and may refuse to activate or reactivate any key held by an individual convicted of a felony or misdemeanor if the crime, in the determination of the

Association or MLS, relates to the real estate business or puts clients, customers, or other real estate professionals at risk.

NELAR and its MLS may suspend the right of lock box key holders to use lock box keys following their arrest and prior to their conviction for any felony or misdemeanor which, in the determination of the Association or MLS, relates to the real estate business or which puts clients, customers, or other real estate professionals at risk.

Factors that can be considered in making such determinations include, but are not limited to:

- (a) The nature and seriousness of the crime
 - (b) The relationship of the crime to the purposes for limiting lock box access
 - (c) The extent to which access (or continued access) might afford opportunities to engage in similar criminal activity
 - (d) The extent and nature of past criminal activity
 - (e) Time since criminal activity was engaged in
 - (f) Evidence of rehabilitation while incarcerated or following release
 - (g) Evidence of present fitness
6. No one shall be required to lease a key from the Association except on a voluntary basis.
 7. Each Broker/Participant is to report any changes in the status of each REALTOR® and REALTOR-ASSOCIATE® and non-principal broker, sales licensee and licensed or certified appraiser affiliated with a REALTOR®, within 72 hours to the Association. Changes to an inactive status will require member to return the electronic key pad to the Association office.
 8. Lock boxes may not be placed on a property without written authority from the seller. This authority may be established in the listing contract or in a separate document created specifically for the purpose.
 9. All keyholders shall agree as a condition of the Key Lease Agreement to be bound by the rules and procedures governing the operation of the lock box system.
 10. There will be an annual audit of the number of lock boxes leased by an office versus the number of active and pending listings. Offices will be allowed lock boxes based on 110% of active and pending listings. Upon notification that an office holds excess lock boxes, the boxes shall be returned to the Association office immediately upon request.
 11. The listing broker shall be responsible for the removal of lock boxes from listings. Charges for lock boxes that require removal by a locksmith shall be the responsibility of the listing broker.
 12. An alleged violation of the Lock Box Rules and Procedures will be processed consistent with the procedures in Sections 9 and 9.1.

Internet Data Exchange (IDX) RULES AND REGULATIONS

Section 18: IDX Defined:

IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants. (Amended 5/12)

Section 18.1 Authorization

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 5/12)

Section 18.2 Participation

Participation in IDX is available to all MLS Participants who are REALTORS® 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 5/12)

Section 18.2.2 MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. (Amended 5/12).

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 5/12)

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)

Section 18.2.5 The MLS's IDX download must be refreshed to accurately reflect all updates and status changes no less frequently than every twelve (12) hours.

Section 18.2.6 Except as provided in 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 any person or entity. (Amended 5/12)

Section 18.2.7 Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, “control” means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules. (Amended 5/12)

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

- a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing, either 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 participants’ websites. Except for the foregoing and subject to Section 18.2.9, a participant’s IDX site may communicate the participant’s professional judgment concerning any listing. Nothing shall prevent an IDX site from notifying its customers that a particular feature has been disabled at the request of the seller. (Adopted 5/12)

Section 18.2.9 Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. (Adopted 5/12)

Section 18.3 Display

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

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

The following fields may be included for display: MLS number, class, type, list price, status, listing date, listing agent’s name, listing agent’s phone number, address, city, zip, area, age range, year built, number of bedrooms, full baths, half-baths, heated square feet, total sq. ft., price per sq. ft., acreage, # of acres, price per acre, any and all rooms, room sizes, room level, room flooring, levels, garage type and capacity, legal description, parish, subdivision, lot dimensions, any directions, all schools, waterfront, original price, DOM, listing broker’s name, listing broker’s telephone number, road frontage- surface, road frontage-footage, timber, plot, plat, number of income units, all income unit information, all square footages, total parking, covered parking, building name, docks, truck wells, overhead doors, door height, eve height, all

Features except showing instructions, all Financial info for buyers, Public Remarks, and all pictures.

Section 18.3.1.1 The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed.(Amended 5/12)

Section 18.3.2 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 fewer than all of the available listings or fewer authorized data fields.

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. Display 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 11/09) (Amended 5/12)

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

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

Section 18.3.6 (Deleted 11/2006)

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 5/12)

Section 18.3.8 Participants (and their affiliated licensees, if applicable) shall indicate on their web sites that IDX information is provided exclusively for the 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 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 5/12)

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 participants' office(s) holding participatory rights in this MLS.

Section 18.3.11 Listings obtained through IDX must be displayed separately from listings obtained from other sources, including information provided by other MLSs. Listings obtained from other sources (e.g., other MLS's, 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 5/12)

Section 18.3.12 Display of expired, withdrawn, pending, and sold listings is prohibited. If requested by a participant, sold information may be displayed in a RETS feed to include a minimum of three (3) years sold listing data.

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

Section 18.3.14 An IDX Participant shall have two (2) business days from notification to correct any defect or rule violation. If the IDX web site cannot be corrected within two (2) business days then the IDX Participant shall turn off the IDX portion of their IDX web site at the direction of the MLS Committee until such time as the IDX web site is in compliance.

Any knowledge of violations of IDX Rules and Regulations should be submitted to the NELAR MLS Committee. The MLS Committee and/or the NELAR Board of Directors will apply the following for failure of the IDX Participant and/or Consultant to comply with the IDX Rules and Regulations.

- a. First offense: A warning letter will be sent to the IDX Participant with a copy to the broker.
- b. Second offense: A fine of at least \$250.00 but not more than \$500.00 will be assessed the IDX Participant with notification of the broker.
- c. Third offense: A fine of at least \$500.00 but not more than \$1000.00 will be assessed both the IDX Participant and the broker. The IDX Participant will be subject to possible suspension of IDX service.
- d. Fourth offense: A fine of at least \$1000.00 but not more than \$5000.00 will be assessed both the IDX Participant and the broker. The IDX Participant and broker's IDX services will be suspended.

NOTE: Repeated violations of the IDX Rules and Regulations could result in suspension of MLS service. The Board of Directors must approve any suspension of MLS or IDX service.

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

Virtual Office Website (VOW) Rules

Section 19.1

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

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

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

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

Section 19.2

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

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

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

Section 19.3

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

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

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

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

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

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

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

- i.** That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;
- ii.** That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;
- iii.** That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;
- iv.** That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;
- v.** That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.

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

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

Section 19.4: A Participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

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

Section 19.6

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

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

Appendix A

Seller **Opt-Out** Form

I. 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 (1) year from the date they are signed, or one year from the date the listing goes off the market, whichever is greater.

Section 19.7:

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

- (i)** to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- (ii)** display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing

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

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

remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

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

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

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

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

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

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

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

- a. Expired, 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 addressees).
- e. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.

Section 19.16: A participant shall not change the content of the 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 5% current listings or 100 listings, whichever is fewer, and not more than 0 sold listings in response to any inquiry.

Section 19.20: A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.

Section 19.21: 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 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 be searched separately from listings in the MLS.

Section 19.23: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 19.24: 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.

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