



**REALTORS® ASSOCIATION
OF
NORTHWESTERN WISCONSIN**

**NORTHWESTERN WISCONSIN
MULTIPLE LISTING SERVICE
RULES
&
REGULATIONS**

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NORTHWESTERN WISCONSIN MULTIPLE LISTING SERVICES, INC. RULES AND REGULATIONS

ADOPTED: 6/13/78

AMENDED: 9/11/79, 11/13/79, 10/21/80, 1/26/82, 1/18/83, 9/19/86, 9/11/87, 5/17/89, 6/12/90, 12/19/94, 7/20/95, 6/12/97, 7/18/97, 1/9/98, 12/17/99, 12/1/00, 11/7/01, 8/8/02, 3/13/03, 6/26/03, 1/7/05, 9/22/05, 3/1/06, 3/9/07, 5/11/07, 6/19/08, 1/21/09, 7/17/09, 5/11/10, 5/24/10

LISTING PROCEDURES

Section 1. LISTINGS OF REAL PROPERTY. Listings of real property of the following types, which are listed subject to a real estate broker's license, *in a state contiguous to Wisconsin*, and are taken by Participants on an exclusive right to sell or exclusive agency listing form shall be delivered to the Multiple Listing Service within 72 hours, excluding weekends and federal holidays after all necessary signatures of seller(s) have been obtained:

- 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

Except as follows:

- a. Property belonging to a member or their licensees
- b. Leases or rentals
- c. Properties used for commercial purposes
- d. Farms
- e. Any listing outside the State of Wisconsin

Note 1. Any Excepted listings (a-e above) entered into the MLS must abide by these MLS Rules and Regulations.

Note 2: The Multiple Listing Service shall not require a Participant to submit listings on a form other than the form the Participant individually chooses to utilize provided the listing is of a type accepted by the Service, although a property data form may be required as approved by the Multiple Listing Service. However, the Multiple Listing Service, through its legal counsel:

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

The Multiple Listing Service shall accept exclusive right-to-sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other Participants of the Multiple Listing Service acting as subagents, buyer agents, or both.

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

The different types of listing agreements include:

- (a) Exclusive right-to-sell
- (b) Exclusive agency
- (c) Open
- (d) Net

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

The **exclusive-right-to-sell** 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.

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 exempted should be clearly distinguished from **exclusive-right-to-sell** listings with no named prospects exempted, since they can present special risks of procuring cause controversies and administrative problems not posed by **exclusive-right-to-sell** listings with no named prospects exempted. Care should be exercised to ensure that different codes or symbols are used to denote **exclusive agency** and **exclusive-right-to-sell** listings with prospect reservations.

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

Note 3. A Multiple Listing Service may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the MLS compilation of current listings.

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

Any listing taken on a contract to be filed with the Multiple Listing Service is subject to the Rules and Regulations of the Service upon signature of the seller (s).

Section 1.2 DETAIL ON LISTINGS FILED WITH THE SERVICES: A Listing Agreement or Property Data Form, when filed with the Multiple Listing Service by the listing broker, shall be complete in every detail, varying from property class to property class and *ascertained as specified on the property data form* shall contain:

- A. List Price
- B. Status
- C. Contract Type (Exclusive Right to Sell, Exclusive Agency)

D. Area/Code

1. Area code where property is located as defined by the MLS
2. The compensation offered to the other MLS Participants for their services in the sale of such listing. This shall be shown in one of the following forms:
 - a. A percentage of the gross selling price offered, or
 - b. A flat dollar amount offered

E. Address: Street Number, Street Name, City, State, Zip Code

F. Name of listing agent

G. Firm name, phone and fax numbers

H. House style

I. Property type

J. Beginning and expiration date of listing

K. Room dimensions & level location (*exception: bathrooms, full or half – level must be noted, room dimensions not required,*)

L. Finished Square footage:

- a. Above finished grade
- b. Below finished grade
- c. Total finished square footage

M. Owners' name (*exception: corporately owned properties may be identified simply as "Corporate"*)

N. Photo

Note: Submission of photo constitutes broker's representation that broker has the right to authorize the MLS to publish the photo in the property compilations and elsewhere the MLS data is authorized. **No other use** is authorized by the participant. In the event of any litigation relating to the reproduction of the photo by the MLS, the broker agrees to indemnify the MLS. An actual exterior photo (not clipart or facsimile) of building exterior, vacant lot, duplex, etc. must be submitted to the MLS, though not required as the "main or primary" photo. Facsimiles and/or floor plans are *only* allowed for properties yet to be built.

O. School District

P. Taxes/Tax Year/ Tax ID

Q. Directions to property

Section 1.2.1 LIMITED SERVICE LISTINGS: Listing agreements under which the listing broker will not provide one, or more, of the following services:

- a) arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s);
- b) accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead give cooperating brokers authority to present offers to purchase directly to the seller(s);
- c) advise the seller(s) as to the merits of offers to purchase;
- d) assist the seller(s) in developing, communicating, or presenting counter-offers;
- e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property will be identified in the "LS" field in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property.

Section 1.2.2 CO-LISTED PROPERTIES: If a seller enters into multiple listing contracts for the same property, the Participants may each submit the listing to the MLS, provided the agents' remarks section discloses the other co-listing broker(s). When the property closes, only one listing may be

reported as sold; any other submission must be withdrawn. The co-listing participants must determine which submission will be reported as sold and which submission(s) will be withdrawn.

Section 1.3 EXEMPTED LISTINGS: If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing (office exclusive) and such listing shall be filed with the Service but not published or entered into the MLS data bank. Filing of the listing must be accompanied by certification signed by the seller that he does not desire the listing to be published by the Service. Such notice shall be given to the MLS office within 72 hours of the listing date.

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 72 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.

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

Section 1.6 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS: The Multiple Listing Service shall not fix, control, recommend, suggest or maintain commission rates or fees for services to be rendered by Participants. Further the Multiple Listing Service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-Participants.

Section 1.7 EXPIRATION, EXTENSION AND RENEWAL OF LISTINGS: Any listing filed with the Multiple Listing Service automatically expires on the dates specified in the agreement unless renewed by the listing broker and notice of renewal or extension is filed with the Service prior to expiration. Extensions and renewals of listings must be signed by the seller(s). Properties re-listed by the same broker within 30 days of expiring or being withdrawn, must be entered into the system by changing the status of the original MLS number from "expired" or "withdrawn" to "back on the market". It cannot be entered into the system as a new listing even though the seller has signed a new listing contract.

Section 1.8 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.

Section 1.9 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 1.10 JURISDICTION: Only listings of the designated types of property in the State of Wisconsin are required to be submitted to the Service. Listings of property located outside of the State of Wisconsin will be accepted if submitted voluntarily by a Participant but cannot be required by the Service.

Section 1.11 LISTINGS 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 obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained by 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 1.12 LISTINGS OF EXPELLED PARTICIPANTS: When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e. violation of the Code of Ethics, 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 shall, at the expelled Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a Participant has been expelled from the Association (except where MLS Participation without Association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fee or charges, a 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 1:13 LISTINGS OF RESIGNED PARTICIPANTS: When a Participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of a resigned Participant's listings from the MLS, the resigned Participant should be advised, in writing, of the intended removal so that the resigned Participant may advise his clients.

SELLING PROCEDURES

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

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

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

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

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

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.

Section 2.5 REPORTING SALES/STATUS CHANGES TO THE SERVICE: Status changes, including final closing of sales, shall be reported to the Multiple Listing Service by the listing broker within 72 hours after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating broker shall report accepted offers to the listing broker within 72 hours after occurrence and the listing broker shall report them to the MLS within 72 hours after receiving notice from the cooperating broker. If offices have office exclusives or one-party listings that do not sell through MLS, they can, with seller authorization, report these sales through MLS when the property closes for comp purposes, providing MLS Rules and Regulations are satisfied. This benefits the entire membership with a more complete database.

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.

Section 2.6 ADVERTISING OF LISTING FILED WITH THE SERVICE: A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker.

Section 2.7 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 2.8 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 canceled.

REFUSAL TO SELL

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

PROHIBITIONS

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

Section 4.1 “FOR SALE” SIGNS: Only the “For Sale” sign of the listing broker may be placed on a property.

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.

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

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

Without such protection, a seller could receive hundreds of calls, communications and visits from brokers and salespersons who have been made aware through the 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.

DIVISION OF COMMISSIONS

Section 5: COMPENSATION SPECIFIED ON EACH LISTING: The listing broker shall specify, on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of 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 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.

In filing a property with the Multiple Listing Service of a 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*.

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.

This shall not preclude the listing broker from offering any MLS Participant compensation other than the compensation indicated on any listing published by the MLS provided the listing broker informs the other broker, in writing, in advance of his producing an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other Participants in the Service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

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

* The compensation specified on listings filed with the Multiple Listing Service shall appear in one of two forms. The essential and appropriate requirement by a 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 by the listing broker, in writing, in advance of his producing an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

1. A percentage of the gross selling price.
2. A definite dollar amount.

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.

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

Note 4: Multiple Listing Services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval; and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court or to lender 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 produce an offer that ultimately results in a successful transaction.

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.

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

Section 5.1 SHORT SALES: Participants are encouraged, but are not required to, disclose potential short sales to other Participants and Subscribers. When disclosed, Participants may, at their discretion, advise other participants (through private remarks) 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.

Section 5.2 PARTICIPANT AS PRINCIPAL: If a Participant or any licensee (or licensed or certified appraiser) affiliated with the 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 5.3 PARTICIPANT AS PURCHASER: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed

with another Participant, such contemplated interest shall be disclosed in writing to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

Section 5.4 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 entering “Yes” in the variable commission field. 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.

SERVICE FEES AND CHARGES

Section 6. INITIAL PARTICIPATION FEE: An applicant for participation in the Service shall pay an application fee subject to change from time to time and determined by the MLS Board of Directors with such fee to accompany the application. Application fees are not refundable.

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

- a) Participation in the MLS is on an individual basis. That is, a sole proprietorship office, with a trade name, a partnership with a partnership name, and corporation, in corporate name, cannot be titled as Participant. MLS Participation shall be not be transferable or sold except where there is a pre-existing business relationship within the company: i.e.: a partner named as Participant may transfer participation to another partner or an officer in a corporation
- b) The new Participant must be, at the time of becoming the Participant, qualified to become a member of the MLS and must sign a new MLS application/agreement.
- c) “Participant” shall be used only to describe a broker principal. The term Participant shall not be used to describe any persons other than the principal broker. Any non-principal brokers or sales associates affiliated with an MLS Participant has access to and use of the MLS information only through the Participant with whom he is affiliated as employee or independent contractor.

Section 6.1: A Participant who is opening a branch office shall pay an application fee subject to change from time to time and determined by the MLS Board of Directors with such fee to accompany the branch office application. Branch office application fees are not refundable.

Section 6.2: Each member office shall pay dues based on the following:

1. The monthly dues for each Participant in the service are subject to change from time to time and determined by the MLS Board of Directors based on the number of real estate salespersons and licensed or certified appraisers employed by or affiliated with the Participant, when such licensees have access to and use of the MLS.

2. Exceptions: An MLS Participant may not be assessed any charges or subscription fees for MLS fees with respect to any individual who is engaged solely and exclusively in a specialty of the real estate business separate and apart from listing, selling or appraising the type of properties which are required to be filed with the MLS.

3. Bills for a two-month period are to be issued by the MLS office on or before the 15th of January, March, May, July, September and November. Dues are payable in advance; if Participant is unpaid on the eighth of the month following invoicing, all services shall be suspended and the Participant will be assessed \$50 for the first suspension and \$100 for any subsequent suspension imposed before the first one-year anniversary of the lifting of the preceding suspension. Any member firm whose services have been suspended for more than 60 days shall be terminated.

Section 6.3 Each Participant shall pay a fine of for:

Late Listing Entry: \$10 for the first day a listing is filed with the MLS office after 72 hours; \$5 each day thereafter through the tenth day; after the tenth day, the fine shall be \$200.

Late Photo Entry: \$25 if a reasonable picture is not submitted within 7 days of entering listing and an additional \$50 fine if a picture is not submitted by the 14th day of entering a listing. If a photo has not been submitted within 21 days of entering a listing, the listing will be deleted and the Participant will be fined an additional \$100. **Note:** Listings entered for comp purposes must submit a photo to the MLS office for upload to the MLS database within 10 days of entering the listing. If a photo is not submitted, fees defined above apply.

Incomplete/Inaccurate Data fields: All required fields for all listings must be accurately entered within the required listing entry time or a \$25 fine will be issued if listing data is not corrected/completed within 10 days of entering listing; an additional \$50 fine if a listing data is not corrected/completed by the 17th day. If listing data has not been corrected/completed within 24 days of entering a listing, the listing will be deleted and the Participant will be fined an additional \$100.

Property Condition Report: \$25 if a required real estate condition report is not submitted within 10 days of a seller's completion of the report; an additional \$25 fine will be levied for each week the report is missing.

Branded Virtual Tours: \$100 for entering a "branded" virtual tour, which will be disabled by MLS staff. If the "branded" virtual tour is reactivated, the Participant will be fined an additional \$100 and the listing will be withdrawn by the MLS staff.

Fines Payable: Fines are payable upon receipt of the invoice; if Participant is unpaid 30 days after invoicing, all services shall be suspended and the Participant will be assessed \$50 for the first suspension and \$100 for any subsequent suspension imposed before the first one-year anniversary of the lifting of the preceding suspension. Any member firm whose services have been suspended for more than 60 days shall be terminated

COMPLIANCE WITH RULES

Section 7. 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.

Section 7.1 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 with the Participant or Subscriber can reasonably attend taking into consideration cost, location, and duration
- d) Appropriate, reasonable fine not to exceed \$15,000.00
- 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 re-apply for a specified period not to exceed three (3) years.

MEETINGS

Section 8. MEETINGS: The meetings of the Participants of the Service shall be held in accordance with the provisions of Article 8, Bylaws of the Service.

ENFORCEMENT OF RULES OR DISPUTES

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

Section 9.1. VIOLATIONS OF RULES AND REGULATIONS: If the alleged offense is a violation of the Rules and Regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the MLS Board of Directors, and if a violation is determined, the Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the Bylaws and Rules and Regulations of the Association of Realtors® within twenty (20) days following receipt of the Director's decision.

Section 9.2 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by the MLS Board of Directors to the Association of Realtors® for appropriate action in accordance with the professional standards procedures established in the Association's bylaws.

CONFIDENTIALITY OF MLS INFORMATION

Section 10. INFORMATION PROVIDED BY MLS: 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.

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

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

OWNERSHIP OF MLS COMPILATIONS* AND COPYRIGHTS

Section 11. By the act of submitting any property listing content to the MLS, the Participant represents that he has been authorized to grant and also thereby does grant authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to the listed property.

Section 11.1. All right, title, and interest in each copy of every Multiple Listing compilation created and copyrighted by the Realtors® Association of Northwestern Wisconsin and in the copyrights therein, shall at all times remain vested in the Realtors® Association of Northwestern Wisconsin.

Section 11.2. Each Participant shall be entitled to lease from the Realtors® Association of Northwestern Wisconsin 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.

*The terms “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 whatever.

USE OF COPYRIGHTED MLS COMPILATIONS

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 Participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey “Participation” or “Membership” or any right of access to information developed by or published by an Association Multiple Listing Service where access to such information is prohibited by law.

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

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

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

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

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, “sold” information “Comparables” or statistical information from utilizing such information to support 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 supporting documentation. Any other use of such information is unauthorized and prohibited by these Rules and Regulations.

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

USE OF MLS INFORMATION

Section 13. *LIMITATIONS ON USE OF MLS INFORMATION:* Use of information from MLS compilation of current listing information, from the Association’s “statistical reports”, or from any “sold” or “comparable” report of the Association or MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited.

However, any print or non-print forms of advertising or other forms or 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 Northwestern Wisconsin Multiple Listing Service for the period (date) through (date).”

CHANGES IN RULES AND REGULATIONS

Section 14. *CHANGES IN RULES AND REGULATIONS:* Amendments to the Rules and Regulations of the Service shall be by consideration and approval of the Multiple Listing Service Directors, subject to the final approval of the Directors of the Realtors® Association of Northwestern Wisconsin (shareholder).

REAL ESTATE TRANSACTION STANDARDS (RETS)

Section 15: *REAL ESTATE TRANSACTION STANDARDS (RETS):* The integrity of data is a foundation to the orderly real estate market. The Real Estate Transaction Standards (RETS) provides a neutral, secure approach to exchanging listing information between the broker and the MLS. In order to ensure that the goal of maintaining an orderly marketplace is maintained, and to further establish Realtor® information as the trusted data source, MLS organizations owned and operated by associations of Realtors® will comply with RETS standards and keep current with the standard’s new versions by implementing new releases of RETS within one year from ratification.

INTERNET DATA EXCHANGE

Section 16. IDX DEFINED: IDX affords MLS Participants the option of authorizing display of their active listings on other Participants' Internet websites.

Section 16.1 AUTHORIZATION: Participants' consent for display of their active listings by other Participants pursuant to these rules and regulations is presumed unless a Participant affirmatively notifies the MLS that the Participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a Participant refuses on a blanket basis to permit the display of that Participant's listings, that Participant may not download or frame the aggregated MLS data of other Participants. Even where Participants have given blanket authority for other Participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller.

Section 16.2 PARTICIPATION: Participation in IDX is available to all MLS Participants and users who consent to display of their listings by other Participants.

Section 16.2.1 Participants and users must notify the MLS of their intention to establish an IDX site and must make their site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 16.2.2 Participants and users must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent "scraping" or other unauthorized accessing, reproduction, or use of the MLS database.

Section 16.2.3 Listings of sellers who have directed their listing brokers to withhold their listing from display on the Internet (including, but not limited to, publicly-accessible websites or VOWS) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other website(s) the listing of consenting sellers.

Section 16.2.4 Participants and users 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, exclusive agency, or open listing) 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.

Section 16.2.5 Participants and users must refresh all MLS downloads and refresh all MLS data at least once every business day.

Section 16.2.6 Except as provided in these rules, an IDX site or a Participant or User operating an IDX site may not distribute, provide, or make any portion of the MLS database available to any person or entity.

Section 16.2.7 When displaying listing content, a Participant's or User's IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.

Section 16.3 DISPLAY: Display of listing information pursuant to IDX is subject to the following rules:

Section 16.3.1 Participants and users 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.) Participants and users shall display the price and MLS number on their IDX sites and shall not display the compensation, exceptions, variable commission, owners' names, listing and expiration dates, showing instructions, property security information, etc. All other fields are optional but must be displayed on all listings if they are displayed on any listings. MLS data may be augmented with additional data not otherwise prohibited from display so long as the source of the additional data is clearly identified. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized data fields.

Section 16.3.2 All listings displayed in a "brief" format pursuant to IDX shall bear the NWWMLS approved icon immediately adjacent to the property information to identify the listing as one provided courtesy of the NWWMLS unless the listing belongs to the Participant, in which case the listing office shall be identified. An explanation that those properties marked with the icon refer to listings provided courtesy of the NWWMLS must appear on each page where such listings are displayed. The icon and explanation shall be in type at least as large as the type used to describe the property. "Detailed" displays of properties pursuant to IDX must identify the listing broker in type at least as large as the type used to describe the property.

Section 16.3.3 Non-principal brokers and sales licensees affiliated with IDX Participants may "frame" the NWW MLS private IDX access site if, and only if:

1. The Participant is contributing its listings for Internet publication by other NWWMLS Participants.
2. The Participant's Internet site is in compliance with NWWMLS rules and policies.
3. The non-principal or sales licensee's Internet site includes the Participant's identity on every page (a Participant may allow a sales agent to "co-brand" the Internet site.)
4. The non-principal broker or sales licensee has signed an agreement with Participant that includes the agent's commitment to abide by the NWWMLS Rules and policies to the same extent as the Participant, which agreement shall be provided to the NWWMLS on request.
5. The MLS data displayed on a non-principal broker or sales licensee's Internet site must be identical to the MLS data displayed on the Participant's Internet site.

Section 16.3.4 All listings displayed pursuant to IDX shall show the MLS as the source of the information and shall include a statement disclaiming liability for inaccuracies in the data. Listings obtained from other sources (e.g., from non-participating brokers) must display the source from which each such listing was obtained. The disclaimer shall be in a form approved by the NWWMLS.

Section 16.3.5 Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability.

Section 16.3.6 No portion of the IDX database shall be used or provided to a third party for any purpose other than those expressly provided for in these rules.

Section 16.4 No "self promotion" is allowed in the MLS. This prohibits displaying the agent's name, phone number, email address, URL, company logo, address or slogan in the remarks, on photos or on virtual tours.

Section 16.5 SERVICE FEES AND CHARGES: Service fees and charges for participation in IDX shall be as established by the MLS Board of Directors.

Section 17. USE OF MLS IN PARTICIPANT FIRM NAME AND WEB ADDRESS: The use of term “MLS” is prohibited. Participant shall not use the term “multiple listing service”, the acronym “MLS” or derivatives thereof in Participant’s firm name. In addition, Participants and Users shall not use the terms “multiple listing service”, the acronym “MLS” or derivatives thereof in domain names, web addresses or URLs. No Participant or User shall indicate or imply in any manner that the Participant or User is a multiple listing service or that the public has access to or may search the multiple listing (e.g. “Search the MLS”, or “Access the MLS” on the Participant’s or User’s website.

LOCKBOXES

Section 18. LOCKBOXES. The MLS provides and manages a lockbox system.

Section 18.1 Minimum Security Requirements

A. The Multiple Listing Service shall adhere to the Minimum Security Requirements as established by the National Association of Realtors®.

B. Before a lockbox is placed on a property, the Participant (designated broker) shall obtain written authorization from the property owner. Nothing shall limit the owner’s right to have a lock box on this property.

Section 18.2 Eligibility

A. All MLS member Brokers (also referred to herein as Participant Broker), their sales associates and licensed or certified appraisers, or the brokers, sales associates and licensed or certified appraisers of a member firm of any other Realtor® Association participating the Association’s MLS are eligible to participate in the system, subject to entering into a lease agreement, which by reference here is made part of these rules.

B. All State of Wisconsin registered home inspectors who are State Affiliate members or are Local Affiliate members associated with a State Affiliate member of the Association or any other Realtor® Association/Association are eligible to participate in the system, subject to entering into a lease agreement, which by reference here is made a part of these rules.

C. To continue eligibility to use the system, all access fees must be paid when due and the Keyholder must keep the Association/MLS informed of the current company/office affiliation.

D. Any sales associate, licensed or certified appraiser or registered Home Inspector NOT currently affiliated with an eligible Association/MLS Designated Participant or firm will not be permitted to continue access to the system, even if said keyholder was previously affiliated with an eligible Designated Participant or firm, has leased a ReaderKey, or has paid an access fee. When any Keyholder again becomes affiliated with an eligible Designated Participant or firm, system access will be reinstated from that time forward subject to access fees being current.

E. The Association/MLS shall refuse to lease ReaderKeys, shall terminate existing ReaderKey privileges and shall refuse to activate any ReaderKey held by an individual convicted of a crime if the crime, in the determination of the Directors of the Association (and after consultation with legal counsel, if needed) relates to damage or loss of property or puts clients, customers or other real estate professionals at risk.

VIRTUAL OFFICE WEBSITES (VOWs)

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

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

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

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

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

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

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

to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.

- (ii)** The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in Subsection (d) below. The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to 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 certain date but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user 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)** 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 email 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 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:

Seller Opt-Out Form

1. Please check either Option A or Option B

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

OR

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

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

Initials of Seller

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

Section 19.7(A): Subject to Subsection (B), a Participant's VOW may allow third-parties (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.

(B) Notwithstanding the foregoing, at the request of the 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 of both of these features disabled or discontinued on all Participant's 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. email address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

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

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

Section 19.11: A Participant's VOW must display the Participant's privacy policy informing Registrants of all 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 and 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. The compensation offered to other MLS Participants
- b. The type of listing agreement, i.e. exclusive right to sell or exclusive agency
- c. The seller's and occupant's name(s), phone number(s), or email address(es)
- d. 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 any MLS Listing Information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS Listing Information with additional information not otherwise prohibited by these Rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. The 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 require that Registrants' passwords be reconfirmed or changed every 90 days.

Section 19.20: A Participant may display advertising and the identification of other entities ("co-branding") on any VOW the Participant operates or that is operated on his or her behalf. However, a Participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this Section, co-branding will be presumed not be deceptive or misleading if the Participant's logo and contact information (or that of at least one Participant, in the case of a VOW established and operated on behalf of more than one Participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all Participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

Section 19.21: 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 19.24: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 19.25: Where a seller affirmatively directs 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 72 hours.

END