



## Rules and Procedures

Version 2022E

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## Section 1: Definitions

### 101 Preliminary Definitions

- 101.1 *Board of Managers or Managers* means the “MLS Board of Managers”.
- 101.2 *MLS Policies* means the “Policies of the MLS as determined and construed from time to time by the Board of Managers”.
- 101.3 *MLS Rules or Rules or MLS Rules & Procedures* means the “Rules and Procedures of the MLS as set forth herein and as construed from time to time by the Board of Managers”.
- 101.4 *Multiple Listing Service or MLS or the Service* means “OneKey® MLS”.

### 102 General Definitions

- 102.1 *Cooperating Broker* means “any MLS Member seeking to cooperate with a Listing Broker”.
- 102.2 *Exclusive Listing* means an “Exclusive Right to Sell, or an Exclusive Right to Lease, or an Exclusive Agency Listing (as those terms are defined by the New York State Department of State, Division of Licensing Service) entered into between a Participant and a Property owner”, as the term *Property* is defined herein.
- 102.3 *Listing Agreement or Listing* means “all Listing Agreements, except for Office Exclusive Listing Agreements”.
- 102.4 *Listing Participant or Listing Agent* means the MLS Participant or Subscriber to the MLS who has a written exclusive agreement with a property owner appointing the MLS Participant or Subscriber as the exclusive agent of the owner to sell or rent property.
- 102.5 *Local REALTOR® Boards* are the following boards whose members are associated with this MLS:
- Hudson Gateway Association of Realtors®, Inc. (HGAR); and
- Long Island Board of Realtors® (LIBOR).
- 102.6 *MLS Member or our Members* refers to “any or all of our Participants or Subscribers”.
- 102.7 *MLS Compilation* shall be construed to include any format in which property listing data is collected and disseminated to the Participants and Subscribers,

including, but not limited to, bound book, loose-leaf binder, computer database, cardfile, or any other format whatsoever.

- 102.8** *Office Exclusive Listing* means an “Exclusive Listing that is not entered into the MLS database per the informed consent and instructions of the seller”.
- 102.9** *Office Exclusive Seller Disclosure* means the “MLS disclosure form that must be signed by all of the sellers of a Property in order for a Participant to accept an Office Exclusive Listing”.
- 102.10** *Other Identifying Information* includes information of any kind or nature, without limitation as to its form or medium, which identifies a Participant, Subscriber, Listing Agent or any other person or entity (except where specifically provided otherwise herein), or which is a link to any webpage, social media page, social media post, video, or any other source external to the MLS that conveys such *Other Identifying Information*. This shall include, but not be limited to, names, initials, phone numbers, email addresses, website addresses, webpages, social media tags, logos, caricatures, and *Other Information* (as defined herein).
- 102.11** *Other Information* includes any kind of information or data, in any form, and presented in any type of media, which may be displayed, attached, referenced, linked to, or otherwise conveyed, including, but not limited to, documents, text, pieces of text, photographs, images, videos, graphics, memes, icons, animated icons, drawings, 3-D renderings, virtual tours or demonstrations, and digital audio or video files.
- 102.12** *Participant* is defined in [Rule 202](#) hereof.
- 102.13** *Property* means “any and all real property or any interest therein for sale, lease, rent, or exchange, including, but not limited to, residential, commercial, industrial, land, and multi-family dwellings, and real or personal property, or any interest therein that comprises cooperative and condominium properties and businesses”. (NAR MANDATE 1)
- 102.14** *Selling Agent* is an “MLS Member who brings about (or seeks to bring about) a ‘meeting of the minds’ between a property owner and a purchaser, while acting as a seller’s agent, broker’s agent, or buyer’s agent”.
- 102.15** *Subscriber* means “all licensed non-Participant users of the MLS”.
- 102.16** *Verifiable Electronic Communication* means “an email message, text message, facsimile (fax) transmission, or any other form of electronic communication that originates in written form and automatically produces a written record as to when, from whom, and to whom it was transmitted”.

## 103 Status Definitions

- 103.1 **Active** Listings are those which are available for showing and for purchase or rental.
- 103.2 **Canceled** means that a Listing has been canceled with no future Obligation Date. This is the same as an unconditional release. This is not an Active status.
- 103.3 **Expired** means that the Listing Agreement Expiration Date has passed, or, if the Listing has been Withdrawn, it means that the Obligation Date has passed. This is not an Active status.
- 103.4 **Pending** means that a purchase or lease agreement, with or without contingencies, has been fully executed for that Listing. This also applies to short sales. This is not an Active status.
- 103.5 **Rented** means a lease has been fully executed with no contingencies. This is not an Active status.
- 103.6 **Sold** means the title has actually passed. This is not an Active status.
- 103.7 **Temporarily Off the Market (TOM)** means that a Listing cannot be shown for three (3) or more days. This is not an Active status.
- 103.8 **Withdrawn** means that a Listing has been withdrawn (or is no longer Active), but it has a future Obligation Date. The Obligation Date must be **on or before** the Listing Expiration Date. The Expiration Date may first be Extended in order to enter an Obligation Date that is later than the original Expiration Date. Once a Listing is Withdrawn, the Listing status automatically shall be changed by the MLS to **Expired** once the Obligation Date passes. This is not an Active status.

## Section 2: Participants & Subscribers

### 200 Purpose of these Rules

This MLS is a service by which its Participants share their Listing data and establish legal relationships with other Participants by making blanket unilateral contractual offers of compensation and cooperation.

The MLS accumulates our Members' Listing data, and provides various data-sharing systems for our Members to use for analysis, marketing, cooperation, and other business purposes.

Clients and the general public receive limited forms of access to this data to facilitate consumer Property searches and research.

Our goals are to facilitate cooperation among our Members, and to provide a convenient real estate data-sharing system, with complete, accurate, and up-to-date data.

These Rules help ensure the integrity of our listing data, and provide a level playing field for our Participants and the consumers with whom they do business.

## **201 MLS Service Area**

The Board of Managers shall, from time to time, designate the MLS Service Area under these Rules. As of the date of these Rules and Procedures, the MLS Service Area consists of the following:

Counties in New York State: Kings (Brooklyn), Nassau, New York (Manhattan), Orange, Putnam, Queens, Rockland, Suffolk, Sullivan, and Westchester.

## **202 Requirements for Participants to Join**

**202.1** To be eligible to participate in the MLS as a *Participant*, an individual must meet all of the following requirements:

- a. The individual must be:
  - (1) a principal, OR
  - (2) a partner or limited liability company member, OR
  - (3) a corporate officer or branch office manager acting on behalf of a principal; AND
  
- b. The individual, or the business entity for whom the individual acts, has signed a written agreement to abide by the Rules and Procedures of the MLS in force at that time and as it may be amended from time to time, and pays all applicable MLS fees; AND
  
- c. The individual, or the business entity for whom the individual acts:
  - (1) is a REALTOR® of any Board and holds a valid state-issued Real Estate Broker's license, and agrees to offer or accept compensation to and from other Participants in the capacity of a Real Estate Broker (hereinafter a "Broker Participant"); OR
  - (2) is certified by an appropriate state regulatory agency to engage in the appraisal of real property (hereinafter an "Appraiser Participant"). (NAR MANDATE 1.12)

**202.2** The requirement that an individual or firm "offers or accepts cooperation and compensation" means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on

the MLS and/or to accept offers of cooperation and compensation made by listing broker or agents in the MLS. “Actively” means on a continual and on-going basis during the operation of the Participant’s real estate business. The “actively” requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis, or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law. (NAR MANDATE 1.12)

The key is that the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates a Virtual Office Website (“VOW”) (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant “actively endeavors during the operation of its real estate business” to “offer or accept cooperation and compensation” only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants. (NAR MANDATE 1.12)

**202.3** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey “participation” or “membership” or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (NAR MANDATE 1.12)

**202.4** No MLS Participant, Subscriber, or licensee affiliated with any Participant shall, through the names of their firm, their URLs, their email 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.

## **203 Requirements for Subscribers to Join**

A *Subscriber* is an individual who meets and continues to meet all of the following requirements:

- a. The individual must be employed by or affiliated as an independent contractor with a Participant; AND
- b. The individual has signed a written agreement (or acknowledged their agreement) to abide by the Rules and Procedures of the MLS in force at that time and as it may be amended from time to time, and pays all applicable MLS fees; AND
- c. The individual:
  - (1) holds a valid state-issued Real Estate Broker's license, Associate Real Estate Broker's license, or a Real Estate Salesperson's license, associated with a Broker Participant (hereinafter a "Real Estate Subscriber"); OR
  - (2) is certified by an appropriate state regulatory agency to engage in the appraisal of real property and is associated with an Appraiser Participant (hereinafter an "Appraiser Subscriber").

## **204 Application to Join the MLS**

### **204.1 Application Form**

Each applicant to become a Participant in the MLS shall file an application on forms prescribed by the Board of Managers and to be accompanied by such initial service fees as may be set by the Board of Managers.

### **204.2 Required Orientation Program**

All Participants must complete a required orientation program concerning the MLS Rules within ninety (90) days after access has been provided. The orientation program shall consist of no more than eight (8) hours. Failure to complete the required orientation program shall result in termination of all MLS privileges unless extensions have been granted by the MLS. (NAR MANDATE 17)

### **204.3 Correspondence of Licenses**

A Participant with both a real estate broker and appraiser license must join as a Broker Participant in order to be a Listing Broker, Cooperating Broker, or

Selling Broker, as provided herein. Subscribers must apply as a Real Estate Subscriber, unless their employing or affiliated Participant is an Appraiser Participant (in which case the Subscriber must apply as an Appraiser Subscriber).

#### 204.4 Former Participant/Subscriber

If the potential Participant is a former MLS Participant or Subscriber, all outstanding financial obligations to the MLS shall be paid in full.

## 205 Administrative Users

*Administrative Users* are unlicensed individuals who are under the direct supervision of an MLS Participant, and perform only administrative and clerical tasks. Each Participant shall provide the MLS with a list of all Administrative Users employed by or affiliated as independent contractors with the Participant, and shall immediately notify the MLS of any changes, additions, or deletions from the list.

## 206 Additional Offices

206.1 In the event an Applicant or Participant has, or acquires, an interest as owner, partner, or stockholder, directly, or indirectly, in any other real estate brokerage, or in a real estate office, or in an office that meets the definition of a "Branch Office" per 19NYCRR175.20, within the MLS Service Area, operating under the same or any other name, the Applicant or Participant shall pay a separate initial fee for each office, and be responsible for the adherence by said real estate office to the Rules of MLS. All such real estate brokerage offices must participate in the Service in order for the Participant to remain a Participant. The Board of Managers may waive the requirements of this section if the nature of the office or geographic location would render the requirement inequitable.

206.2 In the event a Participant has an additional office, which is not located within the MLS Service Area, and which takes an exclusive listing of property that is located within the MLS Service Area, said listing shall be submitted to the MLS (subject to the Rules concerning Office Exclusives).

## 207 Resignation of a Participant

207.1 A Participant may resign from the MLS, provided the Participant:

- a. Is not at that time under suspension; AND
- b. Has paid in full any assessments or other monies due or accrued to the MLS up to the effective date of such resignation; AND



- c. Agrees to abide by these MLS Rules and Procedures pertaining to listings in the Participant's possession at the time of such resignation; AND
- d. Agrees to discontinue the use or displaying of any materials containing the logo or service mark of MLS, including, but not limited to, signs, posters, stationary, postcards, agreements, and other similar material, such as a website.

**207.2** When a Participant resigns from the MLS, the MLS is no longer 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 shall receive written notice from the MLS of the intended removal. Upon receipt of said notice, the resigned Participant shall advise such Participant's clients of such removal.

## **208 Death of a Participant**

Participation in the MLS may be transferred upon the death of a Participant. In the event of the death of a Participant, the Board of Managers shall set reasonable conditions enabling a replacement to become a Participant in the Service. Such conditions should be designed to allow the deceased Participant's office to continue to receive listings during the time period necessary for the members of the family or partner of such deceased Participant to otherwise qualify for active participation in the MLS.

## **209 Suspension or Expulsion from the MLS**

**209.1** A Participant may be suspended or expelled from the MLS for violation of these Rules and Procedures only after a hearing conducted by the Board of Managers or the Rules Enforcement Committee, impaneled by the Board of Managers for that purpose. (NAR MANDATE 1.14)

**209.2** A Participant may be suspended or expelled from the MLS by action of the Board of Managers upon failure to pay dues, fees, penalties, and/or assessments due the MLS. (NAR MANDATE 1.14)

**209.3** Suspension of a Participant from the MLS shall suspend Participant's right to access the MLS system and to submit listings during the suspension period, but the Participant shall otherwise be fully bound to perform all duties pursuant to the MLS Rules and MLS Policies. (NAR MANDATE 1.13)

**209.4** 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, their applicable Realtor® Association Bylaws, MLS Policies, MLS Rules and Procedures, or any other membership obligation *except for 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 shall be advised, in writing, of the intended removal so that the suspended Participant may advise his clients. (NAR MANDATE 1.13)

#### 209.5

When a Participant is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS policies, MLS Rules and Procedures, 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. (NAR MANDATE 1.14)

## 210 Reinstatement

A former Participant who was expelled for non-payment of fiscal obligations may be reinstated, subject to the requirements and provisions of [Rule 202](#), and provided the Participant satisfies all outstanding financial obligations owed to the MLS. Upon reinstatement, the Participant will be entitled to all of the benefits of being a Participant of the MLS. The Fee for reinstatement is set forth in [Section 11](#), hereof.

## 211 Annual Participation Fee & Waivers

### 211.1

The annual participation fee of each Participant shall be an amount equal to the amount set by the Board of Managers times each salesperson and licensed or certified appraiser who has access to and use of the service, whether

licensed as a broker, sales licensee, or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such participant. Payment of such fees shall be made on or before the first day of the fiscal year of the MLS. Fees shall be prorated on a monthly basis.

**211.2** Participants have the option, however, to receive a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser who can demonstrate they have a subscription to a different MLS or CIE where their principal broker participates. The MLS shall require that Participant to sign a Certification of Non-Use of its MLS Services by such applicable licensees (called "Application Form for Waiver of MLS Subscriber Fees"), which includes penalties and a waiver of termination if the certification is violated. (NAR MANDATE 6)

## Section 3: Administration of Listings

### 301 Permitted Types of Listings

Only Exclusive Listings for Property shall be taken by Participants for dissemination through the Multiple Listing Service. Such Property may be located within or outside of the MLS Service Area. No provision of these Rules shall be construed to require any Participant to take only Exclusive Listings, and the type of listing agreement shall be freely negotiable between the Listing Participant and such person's principal. The terms *Exclusive Listings* and *Property* are defined in [Section 1](#), hereof. (NAR MANDATE 1)

### 302 Mandatory Entry of Listings

#### 302.1 Listing Agreements

Participants shall ***enter into the MLS database*** all Exclusive Listings of Property located within the MLS Service Area (including "Coming Soon" listings, see [Rule 302.3](#) below) before midnight of the day after their Listing Date, or before midnight of such later date as set forth in the Listing Agreement. Participants shall have the option of inputting Exclusive Listings of Property located outside of the MLS Service Area, which were taken by the Participant's main or branch offices. (NAR MANDATE 1.12)

#### 302.2 NAR Clear Cooperation Policy ***Effective May 1, 2020***

- a. Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS

participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts, e.g.), multi-brokerage listing sharing networks, and applications available to the general public. (NAR MANDATE 8, updated 11/11/19)

- b. Commercial, nonresidential, properties are not subject to this rule.
- c. All residential property classes are subject to this rule, including the following:
  - (1) residential one- to four- (1-4) family homes (but not residential properties with five (5) or more units), AND
  - (2) residential cooperative apartments, condominiums, units in a home owner's association (HOA), townhouses, mobile homes, AND
  - (3) residential rentals, AND
  - (4) vacant land that is zoned only for residential development

### 302.3

#### **“COMING SOON- NO SHOWINGS” Status *Effective May 1, 2020***

a. *Purpose*

The purpose of the “Coming Soon – No Showings” status (or “*Coming Soon*”) is to allow a short period of time in order to prepare a property for showings, after which time the listing will become fully Active and available for showings. During the “Coming Soon” period, the seller and listing broker may not promote, market, or advertise the property in any manner other than as provided in Rule 302.3, herein. All other MLS Rules shall apply to “*Coming Soon*” listings, as appropriate, and violations of these “*Coming Soon*” Rules shall be subject to the Rules Enforcement provisions of [Section 9](#), herein.

b. *Owner's Written Instructions*

The property owner must give specific written instructions in the listing agreement, or in a separate rider, that the Participants shall enter the listing into the MLS Database using the temporary “Coming Soon” status. Such instructions must be signed, shall indicate the “On Market Date”, and shall include a disclosure to the owner of what the “Coming Soon” status means.

c. *14-Day Maximum Time Period from the Listing Date:*

- (1) The listing must be originally entered as a “Coming Soon” listing. The status of a listing may not be changed to “Coming Soon” from any other status.

- (2) The “Coming Soon” status is limited to a maximum of fourteen (14) days, beginning from the Listing Date, and it cannot be extended.
  - (3) The “On Market Date” (OMD) shall be entered into the MLS database upon entry of the listing (it can be no later than fifteen (15) days after the listing date).
- d. *Conversion to an Active Listing*
- (1) The “Coming Soon” status shall be automatically converted to a public, Active status, on the “On Market Date”.
  - (2) The Participant or Subscriber may change the listing to Active status at the time prior to the “On Market Date”.
  - (3) If the listing cannot be shown on the “On Market Date”, then the listing status must be changed to “Temporarily Off the Market” (TOM) on the “On Market Date”, in accordance with [Rule 404.3](#) herein.
  - (4) The listing’s “Days on Market” (DOM) will start when the listing is converted to Active status (regardless of whether it is then changed to TOM).
  - (5) Once the listing status is changed from “Coming Soon” to Active status, it cannot revert to “Coming Soon” status.
- e. *No Showings*
- (1) Listings with a “Coming Soon” status shall not be shown by *anyone* – including the listing agent and office – unless and until its status has been changed to Active.
  - (2) Listings with a “Coming Soon” status are permitted to have Open House dates set in advance, and advance showings scheduled, but only if they are for dates when the listing will have an Active status.
- f. *Internet Exposure*
- “Coming Soon” listings will be displayed only in the MLS system, and will be included in the MLS data feeds for display on IDX and VOW websites and mobile apps.
- (1) The MLS will not, nor are any Participants or Subscribers permitted to, syndicate “Coming Soon” listings to advertising websites such as Realtor.com®, RPR, Homes.com, ListHub sites, etc.
  - (2) Except as provided in this [Rule 302.3](#), “Coming Soon” listings may not appear on any other websites, or on the internet in any other way, except that social media postings are permitted. “Coming Soon” listings are therefore allowed to be displayed to the general public only on the following types of websites:
    - i. on the Listing Participant’s own website, including any client portals connected to such websites,

- ii. on other Participants' websites via IDX/VOW, including any client portals connected to such websites,
  - iii. on social media postings, AND
  - iv. on any website of the MLS.
- (3) When appearing on any website, or in a social media posting, the listing must be accompanied by a notice stating that it is "Coming Soon", along with the On Market Date.

g. *Other Marketing Exposure*

"Coming Soon" listings shall not be advertised or displayed in any manner other than the Internet Exposure set forth in this Rule 302.3(f) above, and as follows:

- (1) By placing a sign at the property, accompanied by a notice stating that it is "Coming Soon".
- (2) By a printed flyer, accompanied by a notice stating that it is "Coming Soon", along with the On Market Date.
- (3) By email accompanied by a notice stating that it is "Coming Soon", along with the On Market Date.

### **303 Mandatory Submission of Listing Agreements to the MLS**

#### **303.1 MLS Listing Agreements**

Listing agreements that have been entered into the MLS database (per [Rule 302](#) herein) shall be *submitted to the MLS* before midnight of the day after they were entered.

#### **303.2 Office Exclusive Listings**

Office Exclusive listings shall be submitted to the MLS before midnight of the day after their Listing Date, along with a copy of a duly-signed "Office Exclusive Seller Disclosure" (as defined herein). (NAR MANDATE 1.12)

### **304 Listing Separate Properties**

All Properties which are sold separately must be listed separately. When part of a listed Property has been sold, the remainder of the Property shall be re-listed, and notice of such partial sale shall be given to the MLS.

### **305 Property Classes**

#### **305.1 Single Property Class**

Properties may be listed using only a single property class, with only the following two (2) exceptions, either:

- a. Residential and Commercial Properties that are *for sale as well as for rent*; in which case:

(1) At the time that a contract for the sale or lease of the Property is executed, the Participant:

- a. must change the status of the *operative Listing* to “Pending” (in the case of a sale), or to “Rented” (in the case of a rental), AND
- b. must change the status of the *non-operative Listing* to “Canceled”, AND

(2) In the case of a closed sale, only the operative Listing may have a status of “Sold”, the non-operative Listing must remain “Canceled”;

***OR***

- b. Residential Properties that are *for sale and may also be sold as vacant land, or for potential subdivision, or as “to be built”*; in which case:

(1) At the time that a contract for the sale of the Property is executed, the Participant:

- a. must change the status of the *operative Listing* to “Pending”, AND
- b. must change the state of the *non-operative Listing* to “Canceled”, AND

(2) In the case of a closed sale, only the operative Listing may have a status of “Sold”, the non-operative Listing must remain “Canceled”.

## 305.2 Businesses

For the “business” property class, the following shall apply: the Listing must disclose if there is included, or optionally included, any interest in real estate; and if the Listing does *not* include an interest in real estate, then there shall be no address public record link.

## 306 Accurate Listing Information

### 306.1 Substantially Complete and Accurate Information

All Listings shall be substantially complete and accurate at the time the Listing is submitted to the person authorized to list the Property for signature, and at

the time it is entered and submitted to the MLS. It must include the full gross listing price, a definite expiration date, Parcel ID (by linking the listing to the public record in Stratus and filling the listing from the public record in Matrix), approximate interior square footage where publically available, and all information required by the MLS.

At the time of filing a listing, participants and subscribers must include a property address available to other participants and subscribers, and if an address doesn't exist, a parcel identification number can be used. Where an address or parcel identification number are unavailable, the information filed with the MLS must include a legal description of the property sufficient to describe its location. (NAR MANDATE 1.6, 1.7, 1.11, 1.16)

### 306.2 Participant/Subscriber Contact Information

All Listings shall include the name, active phone number, and active email address of the Participant(s) and Subscriber(s) responsible for the Listing, and that contact information shall be reflected solely in those fields specifically designated by the MLS for such purpose.

### 306.3 Proper Use of Data Fields

Data fields may only contain information which pertains to that particular data field. For example: "Floor Plans" may only contain rooms or appliances on each floor, the "Section/Area" is for the neighborhood where the Property is located, the "Handicap Description" shall only describe features which make the property handicap accessible etc.

- a. Participants and Subscribers shall not insert any contact or "Other Identifying Information" (as defined herein) in any field not specifically designated by the MLS for such information.
- b. The "Public Remarks" field is for describing the physical characteristics of the Property, its location, and any lawful seller's instructions concerning a proposed transaction. It may not contain contact or Other Identifying Information of any person or entity related to any proposed transaction, status information, showing instructions, offer procedures, property addresses, open houses, references to broker compensation, or any other notation intended for agents. Any improper information in the Public Remarks field will result in the entire field being deleted, and the imposition of a fine as set forth in [Section 11](#).
- c. The Agent Remarks may not contain any conditions, limitations, or instructions that could violate NYS license law, anti-trust law, or are contrary to the spirit of cooperation. For example, "Cooperating agent will not get a commission if the



agent does not accompany buyer to an open house or showing.” Any improper information in the Agent Remarks field will result in the entire field being deleted, and the imposition of a fine as set forth in [Section 11](#).

#### **306.4 Correct Zip Code**

A Property must be listed in the correct zip code of the legal address and may only be listed one time per class of property.

#### **306.5 Exclusive Agency Listings**

Exclusive Agency Listings shall be indicated by a notation in the appropriate data field.

#### **306.6 Buyer Exclusions**

Listings which have buyer exclusions shall be indicated in the appropriate data field.

#### **306.7 Disclosure of Contingencies**

In order to put all Participants on notice, any contingency or conditions of any term applicable to a listing shall be disclosed in the applicable field when the listing is entered in the MLS database, or immediately upon it becoming reasonably apparent.

#### **306.8 Disclosure of the Owner’s True Name**

No listing may be submitted to the MLS for publication without revealing the true name of the Owner of the property offered.

- a. In the event the Owner directs the Listing Agent to withhold his or her name, the Listing Agent may insert the words “Name Withheld” in the listing data form in lieu of the Owner’s true name.
- b. The listing shall be published by the MLS only if:
  - (1) the Listing Agreement specifically instructs the Listing Agent to insert “Name Withheld”, or
  - (2) a separate written communication is submitted to the MLS, together with the Listing Agreement, directing the Listing Agent to use “Name Withheld” in lieu of the Owner’s name.
- c. In all cases the Listing Agreement, Office Exclusive Listing Agreement, Office Exclusive Seller Disclosure, or the supplemental writing submitted to the MLS, shall include the Owner’s actual signature.

#### **306.9 Disclosure of Participant/Subscriber’s Ownership Interest**

If a Participant or Subscriber, 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 MLS, such ownership shall be disclosed by a notation in the appropriate field in the MLS system. (NAR MANDATE 5.1)

#### **306.10 “To Be Built” Listings**

Listings for properties that are “to be built” or are not substantially complete, must be for a specific, single lot and property (or a group being sold together), must disclose any lot-specific premiums, and must state in the Property Description field that the Property is (as applicable) “TO BE BUILT, may have additions to price for customization, the taxes are not known at this time, and the attached photos are computer-generated images and not actual photographs, they are just depictions as to what the property may look like.” When closed, the listing must be edited to reflect the actual property description and contract terms per the contract.

### **307 Accurate Images and Attachments**

**307.1** All images, documents, and Other Information that are attached to a Listing, including by link or reference, or which are otherwise submitted for publication in the MLS Compilation, or in any other media, electronic or otherwise, must accurately reflect only information or descriptions of the listed Property, and must not include any contact or Other Identifying Information.

**307.2** Photographs and images shall not be manipulated in any way so as to obscure in whole or in part the MLS logo, any MLS copyright notice or symbol, or any other MLS identifying information of any kind.

### **308 Manipulation of Listing Data is Prohibited**

**308.1** Participants shall not manipulate Listing data or enter or alter Listing data in such a manner so as to prevent a proper history from attaching to the Listing.

**308.2** In order to maintain consistency in the appearance of all Listings in the MLS Compilation, no Participant may use computer programming or other techniques, including HTML programming, scripting, special fonts, bold or colored text, or other special graphic elements to be displayed or to affect the display of any information in the MLS Compilation, or to be otherwise reflected in the MLS database.

### **309 Photograph Required**

- 309.1 All listings, except for businesses for sale or rent, must include at least one front, exterior photograph of the Property, which must be attached to the listing within twenty-four (24) hours of the listing being entered into the MLS System.
- 309.2 Principals who do not want any photographs published on their listing must indicate that instruction in writing, and the listing agent or Participant must submit that written instruction to the MLS within twenty-four (24) hours of the listing being entered into the System.
- 309.3 One front, exterior photograph of the Property is required regardless of the listing status (Active, Temporarily Off the Market, Sold, Canceled, Withdrawn, Expired, etc).
- 309.4 Upon closing, the primary (first) photograph must be the exterior front of the Property.
- 309.5 Once a listing is no longer Active, other than “Coming Soon” or “Temporarily Off the Market” listings, photos may not be deleted.

## 310 Listing Contract Changes and Modifications

### 310.1 Automatic Expiration of Listings

Listings filed with the MLS will be automatically removed from the MLS 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. The Expiration Date (and Extended Expiration Dates) of all Listings shall be published in the MLS database.

### 310.2 Extensions

A Listing may be *extended* for up to thirty (30) days after its expiration with only a duly-signed extension form. After thirty (30) days have passed, however, the original listing cannot be extended; *it must be entered as a new listing*, accompanied by a new listing agreement and entered and submitted in the same manner as a new listing. If a new listing agreement is signed *during the 30-day period after expiration*, then it also must be entered and submitted as a new listing (even if it is with the same listing broker).

### 310.3 Listing Contract Changes

All price changes, extensions, renewals, compensation changes, withdrawals, or cancellations of any listing contract must:

- a. be in writing and signed by the Listing Participant’s principal, AND
- b. identify the Property, AND

- c. be entered into the MLS database within twenty-four (24) hours after its effective date. (NAR MANDATE 1.4, 1.5, 1.10, 2.5)

#### **310.4 Submission of Contractual Changes**

A copy of the agreement setting forth any extension, withdrawal, or cancellation, must be submitted to the MLS before midnight of the day after all necessary signatures have been obtained.

#### **310.5 Changes that Must Be Signed by the Participant**

Any withdrawal, cancellation, or reduction in the term of a Listing must be in writing and signed by the Participant or an authorized designee.

#### **310.6 Original Listing Date Retained**

When listing information is changed or if the Property is re-listed by the same listing broker before the original expiration or extended expiration date of the original listing, and the Property Class remains the same, then the listing shall retain its original listing date. The only exception to this is if the listing was Withdrawn or Cancelled and remained off the market for at least sixty (60) days, then in this case a new listing can be signed and entered with the new listing date.

### **311 Reporting of Closings and Status Changes**

**311.1** The Listing Participant is responsible for the timely and accurate filing of sales and closing information with the MLS. (NAR MANDATE 2.5, NOTE2)

**311.2** A status change to “Pending” must be entered into the MLS database within twenty-four (24) hours of the contract being signed by all parties.

**311.3** A status change to “Closed” must be entered into the MLS database within twenty-four (24) hours of the closing.

**311.4** Cancellations of contracts shall be reported by the Cooperating Participant to the Listing Participant immediately. The Listing Participant shall enter the cancellation into the database within twenty-four (24) hours. (NAR MANDATE 2.7)

### **312 Disclosure of Potential Short Sales**

**312.1** 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. (NAR MANDATE 5.01, OPTION 2)

**312.2** 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. (NAR MANDATE 5.01, OPTION 2)

**312.3** Where Participants communicate to other Participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between the Listing and Cooperating Participants, Listing Participants shall disclose to Cooperating Participants in writing the total reduction in the gross commission and the amount by which the compensation payable to the Cooperating Broker will be reduced within twenty-four (24) hours of receipt of notification from the lender. (NAR MANDATE 5.01, OPTION 2)

### **313 Disclosure of Auction Listings**

**313.1** Only auction listings which comply with these Rules, including, but not limited to the definitions and Rules concerning Withdrawals, Cancellations, and the Disclosure of Contingencies, may be submitted to the MLS.

**313.2** Auction listings entered into the MLS database shall have Listing Agreements as required under these Rules, and be clearly labeled as auction listings, and provide all the terms and conditions of the auction.

**313.3** Auction listings shall further specify the following, none of which shall appear in a listing's Public Remarks:

- a. The list price, which shall be seller's minimum acceptable bid price;
- b. Whether the auction is being conducted with or without the seller's right of reservation;
- c. The date, time, and place of the auction;
- d. All required procedures for Participants/Subscribers to register their representation of a potential bidder;
- e. The amount of the buyer's premium, if any;
- f. The time or manner in which potential bidders may inspect the listed property;

- g. Whether or not the seller will accept a purchase offer prior to the scheduled auction; AND
- h. Any other material rules or procedures for the auction.

### **314 Contract Vendee Listings**

- 314.1 The MLS will accept Contract Vendee Listings (i.e., Listings of Properties in which the “Contract Vendee” does not in fact own the Property, but rather, is in contract to purchase the Property) provided that the underlying purchase contract is unconditional, or has conditions which are disclosed in the Listing.
- 314.2 In order for a Contract Vendee Listing to be disseminated by the MLS, the following requirements shall be complied with by the Listing Participant:
  - a. The “Contract Vendee” for the Property must have an unconditional contract signed by the current owner authorizing the marketing of the Property for resale by the Contract Vendee.
  - b. The “Owner’s Name” shall be entered in the MLS database and shall be designated as being a *Contract Vendee*.
- 314.3 In the event a Property has been entered into the MLS database on behalf of the owner and it is the subject of an unconditional contract, and the purchaser identified in said contract (or any person or entity acting under the authority of said purchaser) wishes to list the Property as a Contract Vendee with a Listing Participant, then the status of the original owner’s Listing must be changed to “Pending”. This will ensure that the same Property is not offered on behalf of the owner and the Contract Vendee through the MLS at the same time.

### **315 Auction Terms of Sale Listings**

- 315.1 The MLS will accept “Auction Terms of Sale” listings (i.e., Listings of Properties in which the winning bidder at a foreclosure auction has received the Terms of Sale issued by the court, which gives that bidder the right and obligation to buy that Property at the bid price). This means the winning bidder does not in fact own the Property, but rather, has a legal right to purchase the Property pursuant to law and the court-issued Terms of Sale from the auction.
- 315.2 In order for an Auction Terms of Sale Listing to be disseminated by the MLS, the following requirements shall be complied with by the Listing Participant:
  - a. The winning bidder for the Property must have received court-issued Terms of Sale for the Property.

- b. The “Owner’s Name” shall be entered in the MLS database and shall be designated as an owner pursuant to “Auction Terms of Sale”.

**315.3** In the event a Property has been entered into the MLS database on behalf of the owner and it is the subject of a sale at a court-ordered auction, but title has not yet been transferred to the winning bidder who wishes to list the Property as an “Auction Terms of Sale” Listing with a Listing Participant, then the status of the original owner’s Listing must be changed to “Canceled”. This will ensure that the same Property is not offered on behalf of the original owner and the winning bidder through the MLS at the same time.

## **316 Office Exclusive Listings**

**316.1** A Participant may accept a listing which provides for an Exclusive Right to Sell or Exclusive Agency with the Participant’s office, provided the Participant or a salesperson in the Participant’s office has informed the homeowner about the benefits of the MLS, and the homeowner acknowledges same in writing. The Participant will then submit a copy of the “Office Exclusive” to the Service pursuant to [Rule 303.2](#) with a copy of the owner’s acknowledgment as prescribed by the Board of Managers (the “Office Exclusive Seller Disclosure” as defined herein). Office exclusives shall remain on file with the Service as confidential material and the details shall not be disclosed to any third party. (NAR MANDATE 1.3)

**316.2** Any exclusive listing taken by a Participant which is not submitted to the MLS for distribution to other Participants must still be recorded with the Service in accordance with [Rule 303](#). (NAR MANDATE 1.3)

**316.3** Office Exclusives may be converted to MLS Listings only when they are Active (*i.e.*, they are available to be shown and purchased). They cannot be converted from an Inactive Status (e.g. Pending or Closed).

**316.4** [Rule 404](#) (Showings) and [Rule 405](#) (Presentation of Offers) apply to Office Exclusive listings when the cooperating broker/agent is a *buyer agent* with the following exceptions:

- a. [Rule 404.2](#) (Property Must be Available to be Shown Within Twenty-Four (24) Hours of Listing) is modified as follows for Office Exclusive Listings:

“Office Exclusive listings taken by a Participant shall be available to be shown and purchased (or rented) within a twenty-four (24) hour period from the effective date of the listing, unless the Participant has received written contrary instructions from the Owner.”

- b. [Rule 404.3](#) (Temporarily Off the Market) does not apply.

### **317 Co-Exclusive Agents**

In the event that two (2) Participants of the MLS are appointed as Co-Exclusive Agents by an Owner of Property, the two (2) Participants shall be required to submit the Co-Exclusive Listing Agreement required by these Rules, or an addendum developed by the Participant and approved by the MLS staff counsel, setting forth:

- a. which of the Co-Exclusive Agents has been designated as the “Listing Input Agent” for the purpose of maintaining the listing while it is in the MLS database; AND
- b. that the Co-Exclusive Agents have agreed that there will be mutual consultation and agreement before the “Listing Input Agent” makes any changes or modifications to the listing data submitted to the MLS; AND
- c. that both Co-Exclusive Agents acknowledge that the MLS will be bound by the instructions of the Listing Input Agent until any dispute or disagreement is resolved through any appropriate forum, including by hearing of an Arbitration or Ethics Panel of the appropriate Local REALTOR® Board, or the Rules Committee of the MLS.

Under no circumstances may a co-exclusive listing be entered into the MLS database more than once. An owner cannot direct two (2) or more co-exclusive agents to enter two (2) or more separate listings.

### **318 Improper Solicitation of Listings**

No multiple listing shall be solicited by any Participant other than the Listing Participant until after the expiration of the original listing, or as otherwise permitted by Article 16 of the NAR Code of Ethics, its Standard of Practice, and its Case Interpretations. (NAR MANDATE 4.3)

### **319 Refusal of Unacceptable Listings**

- 319.1** The MLS reserves the right to refuse to accept any listing contract which fails to adequately protect the interests of the Public or the Participants. (NAR MANDATE 1, NOTE 1)
- 319.2** The MLS reserves the right to require a minimum standard amount of information to be submitted in order for any listing to appear in the MLS system and to amend or modify this requirement from time to time as directed by the Board of Managers. (NAR MANDATE 1, NOTE 1)
- 319.3** No listing agreement to be submitted to the Service shall contain language which directly or indirectly establishes, attempts to establish, or indicates that a contractual relationship exists, or is intended to exist between the MLS and the owner or owners of the property. (NAR MANDATE 1, NOTE 1)



- 319.4** All listings to be submitted to the Service must contain a written authorization by the owner(s) of the property to appoint MLS Participants as Cooperating Brokers.
- 319.5** Net listings are not legal in the State of New York and therefore are not acceptable.
- 319.6** The property data form or section of all listings to be submitted to the Service, for input by the Service, must be in the approved format. All listings not in approved format will not be accepted by the MLS and will be returned to the Participant for correction and/or completion. Nonetheless, the MLS staff in its sole discretion may include such a technically incomplete or incorrect listing in the MLS database. (NAR MANDATE 1, NOTE 1)

### **320 Participant Shall Hold MLS Harmless from Inaccuracies**

The information published and disseminated by the MLS is communicated verbatim, without change by the MLS, as filed with the MLS by the Participant and Subscribers. The MLS does not verify the information provided and disclaims any responsibility for its accuracy. Each Participant who submits listing content to the MLS agrees to defend and hold the MLS and every other Participant harmless from and against any liability or claim arising from any inaccuracy of the submitted listing content or any inadequacy of ownership, license, or title to the submitted listing content. Each Participant shall verify the information published by the MLS as provided by the Participant and its Subscribers, and shall promptly enter any required corrections into the MLS database. Responsibility for the accuracy of such information shall always remain solely with the Participant.

## **Section 4: Showings, Offers, and Negotiations**

### **401 Delegation of Obligations**

A Participant may elect to act either through his or herself or through an agent, employee, or independent contractor. Thus, unless otherwise prohibited by law, a Participant may delegate their responsibilities under these Rules to any such agent, employee, or independent contractor. Any such delegation, however, shall in no way lessen the primary responsibility of the Participant to at all times act in accordance with these Rules.

### **402 Fair Dealing with Cooperating Participants**

It is the obligation of the Listing Participant to protect the rights and interest of the Participant's client, but this obligation does not relieve the Listing Participant from the obligation to deal fairly with the Cooperating Participants and Subscribers.

## **403 Showing Requests and Offers Shall be Made through the Listing Broker**

### **403.1 Standard Procedure**

Showing requests and the presentation of offers shall be made through the Listing Broker, in accordance with the Showing and Offer Presentation instructions set forth in the Listing.

### **403.2 Exceptions**

Arrangements with the seller for the showing of Listed Property, or for the presentation of offers, or for negotiations concerning a Listed Property, ***shall be conducted through the Listing broker, except:***

- a. when the Listing Broker gives the Cooperating Broker specific authority to negotiate directly (in which case [Rule 403.3](#) shall further apply) (NAR MANDATE 2), or
- b. when the Cooperating Broker after reasonable effort cannot contact the Listing Broker or his representative (per [Rule 407](#)) or is responding in an unreasonably slow manner (per [Rule 408](#)), in which case a Rules Enforcement Facilitator may do so.

### **403.3 When the Principal Permits Direct Negotiation**

In the event the listing agreement authorizes the other Broker Participants and Real Estate Subscribers to negotiate directly with the Principal (seller/lessor), the following must be adhered to:

- a. The MLS database field "Negotiate Direct" must have been set to "YES";  
AND
- b. The Listing Broker is still obligated to be aware of and to disclose the existence of any acceptable offers to other Cooperating Participants.

## **404 Access to Listings for Showings**

#### 404.1 Participants Must Cooperate with Showings

Participants are required to provide reasonable access to all Listings and to assist other Participants with the showing of their Listings.

#### 404.2 “No More Showings”

No Listing may be entered in the MLS database, if at the time of entry its status is “no more showings.” The MLS shall, upon notice to the Participant, cause any Listing that is in violation of this provision to be deleted.

#### 404.3 Temporarily Off the Market (TOM)

If a Listing cannot be shown for three (3) or more days, its status must be changed to “Temporarily Off the Market” (otherwise known as “TOM”), which is not an “Active” status. This includes listings where there is an “Acceptable Offer, with No More Showings,” or there are “no more showings” for any other reason unless the listing is Pending, Sold, Cancelled, or Withdrawn.

#### 404.4 Immediate Arrangement of Showings

The Listing Broker, or whomever responds to a showing request pursuant to the Showing Instructions set forth in the Listing, whether licensed or unlicensed, must be capable of immediately attempting to schedule a showing. Unless verifiable circumstances beyond the control of the Listing Broker are presented, “immediately” in this context shall mean within three (3) hours of receiving said request.

#### 404.5 Owner’s Instructions Must Be in Writing

Any instructions by an owner to the Listing Broker restricting showings or access to a Property must be in writing and signed by the owner, or be a Verifiable Electronic Communication. Such instructions must be described in the “Showing Instructions” field.

Such instructions also must be on file with the Listing Broker and be accessible to anyone responding to showing requests for that Listing. The Listing Broker shall provide a copy of such instructions immediately upon the request of any Cooperating Broker.

If said instructions are not provided to the Cooperating Broker, the Cooperating Broker may contact any Rules Enforcement Facilitator for assistance.

#### 404.6 Disclosure of Status and Existing Offers

When contacted by a Cooperating Broker for the status of a property, the listing broker must provide accurate information regarding whether the property is

*available for showing or not.* The Listing Broker should obtain written permission from the owner before providing any information concerning the existence of any other offers, such as whether there is an acceptable offer, multiple offers, a half-signed contract, etc.

## **405 Presentation of Offers**

### **405.1 Submit All Offers Until Closing**

Unless agreed otherwise in writing between the Listing Broker and his principal, the Listing Broker shall submit all offers to his principal until closing. The Listing Broker shall recommend that the seller obtain advice of legal counsel prior to acceptance of any subsequent offer. (NAR MANDATE 2.2)

### **405.2 Submission of Offers – Buyer/Tenant Representation**

Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counteroffers 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. (NAR MANDATE 2.2)

### **405.3 Immediate Notification to Seller/Lessor When an Offer is Received**

Listing Broker, or anyone licensed in the Listing Broker's office, must immediately advise the seller/lessor that an offer has been made and shall make timely arrangements for the offer(s) to be presented. (NAR MANDATE 2.1) Unless verifiable circumstances beyond the control of the Listing Broker are presented, "immediately" in this context shall mean within three (3) hours of receiving said request.

### **405.4 Cooperating Broker's Right to Present Offers**

The Cooperating Broker or his/her representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease, unless instructed otherwise by the seller in writing. However, the Cooperating Broker 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. 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 within two (2) hours of request by Cooperating Broker during normal business hours. None of the foregoing diminishes the Listing Broker's right to control the establishment of appointments for such presentations. (NAR MANDATE 2.4)

### **405.5 Listing Broker's Right to Present Counteroffers**

The Listing Broker or his representative has the right to participate in the presentation of any counteroffer made by the seller or lessor. He does not have the right to present at any discussion or evaluation of a counteroffer by the purchaser or lessee (except when the Cooperating Broker is a broker's agent or seller's agent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counteroffer is presented to the purchaser, the listing broker has the right to a copy of the purchaser's or lessee's written instructions. (NAR MANDATE 2.4)

#### 405.6 When a Participant/Subscriber is the Purchaser

If a Participant or Subscriber, 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. (NAR MANDATE 5.2)

### **406 Cooperating Broker/Subscriber's Right to Confirm the Presentation of Offers**

#### 406.1 Offer Acknowledgement Form

Whenever a Cooperating Broker desires assurance that an offer procured by them has in fact been presented to the owner, said Cooperating Broker may complete an **Offer Acknowledgement Form** to be submitted to the homeowner and acknowledged by the homeowner by his signature, indicating that the offer has in fact been presented to and reviewed by the homeowner. Said "signature" may take the form of a Verifiable Electronic Communication.

406.2 Said form (or Verifiable Electronic Communication) shall essentially set forth the terms and conditions of the offer, including but not limited to: price, financing, closing contingences, and any other terms which the Cooperating Broker deems essential.

406.3 The Cooperating Broker shall submit said form (or Verifiable Electronic Communication) to the Listing Broker who shall deliver it to the owner. The Listing Broker shall ask the owner to sign it, and the Listing Broker shall return the signed form (or Verifiable Electronic Communication) to the Cooperating Broker.

406.4 If the owner refuses or is unable to sign the Offer Acknowledgement Form (or to provide some other form of Verifiable Electronic Communication), the Listing Broker must provide to the Cooperating Broker a **Sworn Declaration Statement** stating the offer was presented to the owner. This Declaration Statement is a

sworn statement signed by the Listing Broker or any licensee in that office. The Declaration Statement would then be returned to the Cooperating Broker along with the Offer Acknowledgement Form.

**406.5** Either the signed Offer Acknowledgement Form or the Declaration Statement must be returned to the Cooperating Broker within two (2) hours after the offer was presented to the seller. If the Offer Acknowledgement Form is submitted to the Listing Broker after the offer has been presented, the Listing Broker must return either the signed Offer Acknowledgement Form or the Declaration Statement to the Cooperating Broker within twenty-four (24) hours.

**406.6** If said forms are not returned to the Cooperating Broker within the specified time, the Cooperating Broker may contact any Rules Enforcement Facilitator for assistance.

**406.7** Failure to provide requested forms to the Rules Enforcement Facilitator will prompt an automatic fine by MLS as set forth in [Section 11](#), hereof.

**406.8** The rules pertaining to Offer Acknowledgement Forms and the applicable Automatic Fines apply to all listings including short sales and REO properties.

#### **407 Listing Participant Not Available to Present an Offer to the Owner**

In the event a Cooperating Participant, after due diligence, *cannot contact the Listing Participant* or a licensed associate of the Listing Participant, and the Cooperating Participant has an offer to be presented, and the Listing Broker has not given permission for Broker Participants and Real Estate Subscribers to negotiate directly with the homeowner (see [Rule 403.2](#)), then the Cooperating Participant may contact any Rules Enforcement Facilitator for assistance.

#### **408 Listing Participant Seems Slow in Presenting Offer to Owner**

When the Cooperating Broker believes that the Listing Broker is *not making arrangements to present an offer as quickly as possible*, and the Listing Broker has not given permission for Broker Participants and Real Estate Subscribers to negotiate directly with the homeowner (see [Rule 403.2](#)), the Cooperating Broker may contact any Rules Enforcement Facilitator and ask him or her to contact the Listing Broker to determine whether the Listing Broker is making arrangements to present the offer expeditiously.

#### **409 Reporting of Canceled Acceptable Offers and Contracts**

The Cooperating Participant shall report immediately to the Listing Participant when any acceptable offer or contract is canceled or terminated, even if the Listing agreement has expired. The affected property may not be re-listed or shown for resale by the Cooperating Participant until the Listing Participant has been so notified.

## **410 Lockbox System**

### **410.1 Lockboxes**

The MLS has a lockbox system that it makes available for optional use by Participants. If a Participant would like to participate in the lockbox system, the Participant shall execute and deliver to the MLS any and all agreements which may be reasonably required by the Board of Managers regarding the participation and use of the lockbox system, including any authorized user agreements.

### **410.2 Eligibility**

Every MLS Participant and Subscriber is eligible to hold a lockbox key subject to the execution of an Authorized User Agreement (“User Agreement”) between the Participant/Subscriber and the MLS. The MLS may refuse to sell or lease access devices or terminate any existing access device agreement and/or may refuse to activate or reactivate any access device held by an individual convicted of a felony or misdemeanor if the crime, in the sole determination of the MLS, relates to the real estate business or places clients, customers, or other real estate professionals at risk.

### **410.3 Liability for Compromising the Lockbox System**

No Participant or Subscriber shall be required to lease an access device or utilize the lockbox system made available by the MLS. In the event of a violation of these Rules and Regulations, the Participant or Subscriber shall be fully liable for the cost of re-establishing the security of the lockbox system if it is determined that the security has been compromised through the negligence or fault of any holder of any access device issued to such person.

### **410.4 Written Authorization Required**

A lockbox may not be placed on a property without written authorization from the owner of the property or a person authorized on behalf of the owner, to authorize the affixing of a lockbox to the premises. The authority to place a lockbox on the property may be set forth in the exclusive listing agreement between the listing agent and the owner or in a separate document created specifically for each purpose.

### **410.5 Lost or Stolen Access Devices**

Each Participant, and the Subscribers affiliated with them, shall be jointly and severally obligated to immediately notify the MLS of any lost, stolen, or otherwise unaccountable access device. Such notification shall be made by acknowledged facsimile transmission or by certified mail, return receipt

requested. Such notification shall be made within three (3) days of the discovery of the lost, stolen or otherwise unaccountable access device.

#### 410.6 Ownership of Access Device

Any access device issued to a Participant or Subscriber shall remain the sole property of the manufacturer of the access device system and/or the MLS.

#### 410.7 Right of MLS to Replace Access Devices

The manufacturer of the lockbox system and the access devices and the MLS reserve the right to replace the access devices utilized by the MLS and its authorized Participants and Subscribers with replacement access devices at any time and for any reason. Each Participant and Subscriber shall promptly comply with all requests to make such exchanges whenever necessary. In the event that any holder of an access device or lockbox ceases to be affiliated with the MLS, such person(s) agrees to return the access device and related equipment to the MLS within five (5) days of the termination of such affiliation.

Participants and Subscribers shall return to the MLS any access device issued to them within the earlier of:

- a. forty-eight (48) hours of the receipt of a request to do so by MLS or by the manufacturer of such system, OR
- b. within five (5) working days after the occurrence of any of the following events:
  - (1) the termination of a Participant as a Participant of the MLS;
  - (2) the termination of any Subscriber's affiliation with a Participant for any reason;
  - (3) the failure of the Participant and/or Subscriber to perform in accordance with any and all terms and conditions set forth in the User Agreement; OR
  - (4) the death of the Participant or Subscriber.

#### 410.8 Maintaining Security

- a. Each Participant and Subscriber shall be made aware that it is essential to maintain the security of the access devices issued to such persons in order to prevent their unauthorized use by any person not so authorized. Participants and Subscribers shall be prohibited from providing access codes to other Participants and Subscribers who have neglected to purchase access to the lockbox system, however, access to listed properties secured by an MLS lockbox device must still be granted either by the listing agent accompanying the showing agent, client, or customer, or by making a physical key available, or by some other means.



- b. Participants and Subscribers duly leasing an MLS lockbox device shall:
- (1) Keep the access device in the Participant/Subscriber's possession or in a safe place at all times.
  - (2) Not allow his or her personal identification (PIN) to be attached to the access device or disclosed to any third party.
  - (3) Not loan the access device to any person for any purpose whatsoever, or to permit the access device be used for any purpose by any other person.
  - (4) Not duplicate the access device or allow any person to do so.
  - (5) Not assign, transfer, or pledge the rights of the Participant/Subscriber in connection with the use of the access device.
  - (6) Notify the MLS within three (3) days of the loss or theft of an access device. The Participant and/or Subscriber shall sign and deliver a statement to the MLS with respect to the circumstances surrounding the loss or theft of any access device. The MLS shall charge for the replacement of any access device which is lost or damaged.
  - (7) Follow all additional security procedures as reasonably specified by the MLS.

#### 410.9 Replacement of Access Devices

Replacement access devices will be issued to any Participant or Subscriber who authorizes such replacement and who has:

- a. complied with these Rules, Procedures, and Policies of the MLS with respect to the lockbox system; AND
- b. paid a fee and/or deposit specified by the MLS to replace an access device that was lost, stolen, damaged, or defective.

#### 410.10 Subject to Professional Standards Proceedings

Participants and Subscribers duly leasing an MLS lockbox device, shall be subject to the fines set forth in these Rules, as well as to the REALTOR® Code of Ethics as enforced by the Stakeholder Association's Professional Standards Committee, for the violation of any provision of these Rules or any User Agreement. The penalty for such a violation may also include the forfeiture of any access device and the Participant's and/or Subscriber's right to be issued an access device thereafter.

#### 410.11 Indemnification

Each Participant and Subscriber shall indemnify and hold the MLS and all of its respective officers, directors, and employees harmless from any and all loss, cost, expense, claims, or demands whatsoever by or against the MLS resulting from loss, use, or misuse of the lockbox system, including but not limited to, any and all liabilities including attorneys' fees incurred by them as a result of damage or injuries to the property or persons arising out of entry by any person into any premises by use of the lockbox system.

#### **410.12 Payment of Legal Fees**

In the event that the MLS shall prevail in any legal action brought by or against the Participant and/or Subscriber to enforce the terms of these Rules and/or the User Agreement, the Participant and/or Subscriber may be assessed a reasonable amount of attorneys' fees in addition to any other relief to which any Court rules that the MLS may be entitled.

#### **410.13 Joint and Several Liability**

Each Participant and Subscriber shall be jointly and severally liable for all duties, responsibilities, and undertakings of any person affiliated with Participant under these Rules and the User Agreement. The failure to follow the provisions of the User Agreement may result in the loss of any future privileges to utilize the lockbox system and further, could cause the MLS to recall all access devices issued to the Participant/Subscriber and/or every Subscriber affiliated with the Participant.

## **Section 5: Compensation**

### **501 MLS Does Not Control Compensation**

The MLS shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the MLS shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and Non-Participants. (NAR MANDATE 1.9)

### **502 Listing Broker Determines the Amount of Compensation Offered**

The Listing Broker retains the right to determine the amount of compensation offered to other Participants (who may be acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law) which may be the same or different. (NAR MANDATE 5)

### **503 Listing Broker Determines How Compensation May be Shared**

The Listing Broker establishes the division of compensation between themselves and Cooperating Participants. Such division shall be clearly stated on the Listing Contract at the time it is executed by the homeowner. All Listings published in the MLS database must include an offer of compensation and such compensation must be published in the MLS system. (NAR MANDATE 5)

#### **503.1 Display of Listing Broker's Offer of Compensation**

Participants and subscribers who share the listing broker's offer of compensation for an active listing must display the following disclaimer or something similar.

*The listing broker's offer of compensation is made only to participants of the MLS where the listing is filed. (NAR MANDATE 5.4)*

### **504 Permissible Forms of Offered Compensation**

The compensation specified on listings published by the MLS shall be shown in one of the following forms:

- a. By showing a percentage of the gross selling/rental price, OR
- b. By showing a definite dollar amount. (NAR MANDATE 5)

### **505 Blanket Unilateral Offers of Compensation**

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.

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

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). 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. (NAR MANDATE 5)

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. (NAR MANDATE 5)

### **506 No Publication of Listing Broker's Commission Share**

The MLS shall not publish or distribute the Listing Broker's share of the commission. (NAR MANDATE 5, NOTE 1)

### **507 Collection and Dispersal of Commissions**

The collection and dispersal of commissions shall be determined by agreement between the Listing Broker and Cooperating Broker. Absent such an agreement, the Broker actually receiving the commission shall be responsible for its collection and proper dispersal.

## **Section 6: Advertising and Use of MLS Information**

### **601 "For Sale" and "Sold" Signs**

**601.1** Only "For Sale" signs of the Listing Broker may be placed on a property. (NAR MANDATE 4.1)

**601.2** Only the "Sold" sign of the Listing Broker may be placed on a property. Prior to closing, only the "Sold" sign of the Listing Broker may be placed on a property, unless the Listing Broker authorizes the Cooperating Broker to post such a sign. (NAR MANDATE 4.2)

**601.3** Alleged violations of Rule 601 will be referred to the Grievance Committee of the Participant's REALTOR® Board.

**601.4** MLS participants and subscribers must not represent that their brokerage services to a client or customer are free or available at no cost to their clients,

unless the participant or subscriber will receive no financial compensation from any source for those services. (NAR MANDATE 4.5)

## **602 Ownership of MLS Compilations and Copyrights**

**602.1** By the act of submitting any Property listing content to the MLS, the Participant represents and warrants that he or she is fully authorized to license the Property listing content as contemplated by and in compliance with these Rules, and also thereby does grant to the MLS license to include the Property listing content in its copyrighted “MLS Compilation” (as defined herein) 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. (NAR MANDATE 11)

**602.2** All right, title, and interest in each copy of every MLS Compilation created and copyrighted by the MLS and in the copyrights therein, shall at all times remain vested in the MLS. (NAR MANDATE 11.1)

**602.3** Each Participant shall be entitled to lease from the MLS 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 (1) copy of such compilation. The Participant shall pay for each such copy the rental fee set by the association. (NAR MANDATE 11.2)

This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee (or licensed or certified appraiser) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, or appraising the types of properties which are required to be filed with the MLS and who does not, at any time, have access to or use of the MLS information or MLS facility of the association. (NAR MANDATE 11.2)

**602.4** Participants shall acquire by such lease only the right to use the MLS Compilation in accordance with these Rules. (NAR MANDATE 11.2)

**602.5** The Digital Millennium Copyright Act (DMCA) is a federal copyright law that enhances the penalties for copyright infringement occurring on the Internet. The law provides exemptions or “safe harbors” from copyright infringement liability for online service providers (OSP) that satisfy certain criteria. Courts construe the definition of “online service provider” broadly, which would likely include MLSs as well as participants and subscribers hosting an IDX display.

One safe harbor limits the liability of an OSP that hosts a system, network, or website on which Internet users may post user-generated content. If an OSP complies with the provisions of this DMCA safe harbor, it cannot be liable for copyright infringement if a user posts infringing material on its website. This protects an OSP from incurring significant sums in copyright infringement damages, as statutory damages are as high as \$150,000 per work. For this reason, it is highly recommended that MLSs, Participants and Subscribers comply with the DMCA safe harbor provisions discussed herein. (NAR MANDATE 11)

To qualify for this safe harbor, the OSP must:

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

Full compliance with these DMCA safe harbor criteria will mitigate an OSP's copyright infringement liability. For more information, see 17U.S.C. §512. (6/2017) (NAR MANDATE 11)

## **603 Participant's Warranty**

Each Participant warrants that:

- a. the Participant Contribution does not infringe upon the copyright or other intellectual property rights of any third party; AND
- b. the Participant has the written consent of any party necessary to provide the Participant Contribution to the MLS.

## **604 Confidential Nature of MLS Listing Information**

Any information provided by the Multiple Listing Service to Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of 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. (NAR MANDATE 10)

## **605 Reproductions of MLS Compilations**

**605.1** 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 Subscribers, may reproduce from the MLS Compilation and distribute to prospective purchasers or tenants, 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 or tenants are or may, in the judgment of the Participant, or such Participant's affiliated Subscribers, be interested.

**605.2** 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.

**605.3** 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.

**605.4** None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any MLS content in data feeds available to Participants for real estate brokerage purposes must also be available to Participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require Participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information deemed confidential may not be used as

supporting documentation. Any other use of such information is unauthorized and prohibited by these Rules. (NAR MANDATE 12.2)

## **606 Distribution of Listings to Non-Participants**

Any listing filed with the Service shall not be made available to any non-Participant without the consent of the Listing Participant. (NAR MANDATE 4)

## **607 Display of MLS Compilations**

Participants, and their affiliated Subscribers, shall be permitted to display the MLS compilation to prospective purchasers only in conjunction with their ordinary business activities of listing properties for sale or rent and/or attempting to locate ready, willing, and able buyers for the properties described in said MLS Compilation. Any website that displays listing data must be under the control of the Participant or Subscriber. (NAR MANDATE 12.1)

## **608 Limitations on the Use of MLS Information in Advertising**

Use of information from MLS Compilation of current listing information, from the association's statistical report, 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 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 OneKey® MLS, for the period (date) through (date)."* (NAR MANDATE 13)

## **609 Prohibition Against Participant Releasing Statistical Data to the Media**

**609.1** No Participant shall be permitted to advertise or release MLS statistical data to the media, except that nothing herein contained shall prohibit comparative or market share advertising by any Participant that is otherwise in accordance with these Rules.

**609.2** In order to ensure the accuracy and consistency of data published in the media based upon the MLS database, the MLS reserves the sole right to release to the media data which reflects all or part of the entire MLS Service Area or which relates to aggregated data about sales activity in property types, price ranges, or statuses such as "active inventory".



609.3 Nothing herein shall prevent any Participant from utilizing data released by the MLS by quoting same and making reference to its source after its release by the MLS.

## **610 Participants Responsible for Misuse of Compilations**

610.1 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.

610.2 Use of information developed by or published by the MLS is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized uses are prohibited.

610.3 Participants and their affiliated Subscribers shall be permitted to display, reproduce, provide copies of, and utilize any portion of the MLS compilation in their real estate sales, rental, and appraisal activities in the manner and format authorized by these MLS Rules.

610.4 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.

## **611 Complaints for Unauthorized Use of Listing Content**

611.1 The Complaint Procedure set forth in this Rule 611 is in lieu of the standard Administrative Review procedures established in the MLS Policies and Administrative Procedures, and in [Section 9](#) hereof.

611.2 Any Participant who believes another Participant has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, or virtual tours, shall send notice of such alleged unauthorized use to the MLS. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. No Participant may pursue action over the alleged unauthorized use and display of listing content in a court of law without first completing the notice and response procedures provided in this Rule 611.

**611.3** Upon receiving such a notice, the MLS Rules Enforcement Committee (hereinafter the “Committee” in this Rule 611) will send that notice to the Participant who is accused of such unauthorized use. Within ten (10) days from receipt, the Participant must either:

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

**611.4** If the Committee determines that the use of the content was unauthorized, the Committee may issue a sanction pursuant to [Section 9](#) of these MLS rules, including a request to remove and/or stop the use of the unauthorized content within ten (10) days after transmittal of the decision. If the unauthorized use stems from a violation of the MLS Rules, that too will be considered at the time of establishing an appropriate sanction.

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

## **612 Prohibition Against the Unauthorized Use of Other Participant’s Data**

### **612.1 Incorporation of Article 12 of the NAR Code of Ethics**

Article 12 of the Code of Ethics of the National Association of Realtors®, and the Standards of Practices and case interpretations relating thereto, as the same now exists or are hereafter altered, modified, or amended, insofar as the same are relevant to Participants copying and/or publishing other Realtor’s Listing information without their express consent, are incorporated into these Rules in their entirety.

### **612.2 Prohibition Against Use of Another Participant’s Photographs**

Participants are prohibited from using the photographs of another Participant for marketing, listing, or promotional purposes (not including Comparative Market Analyses), without the prior written consent of the original Listing Participant.

## **613 Changing Another Participant’s Data is Prohibited**

No Participant or Subscriber shall make any change, extension, withdrawal, or other modification to any Listing without authority from the Listing Participant to make such entry.

## **Section 7: Internet Data Exchange (IDX)**

- 700** IDX affords MLS Participants the ability to authorize limited electronic display and delivery of their listings by other participants via the following authorized mediums under the participant's control: websites, mobile apps, and audio devices. As used throughout these rules, "display" includes "delivery" of such listings. (NAR MANDATE 18)
- 701** Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download, frame, or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all internet display *or other electronic forms of display or distribution*. (NAR MANDATE 18.1)
- 702** Participation in IDX is available to all MLS participants engaged in real estate brokerage who consent to display of their listings by other participants. (NAR MANDATE 18.2)
- 703** 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. (NAR MANDATE 18.2.1)
- 704** 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. (NAR MANDATE 18.2.2)
- 705** Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing brokers to withhold their listing or the listing's property address from all display on the internet (including, but not limited to, publicly-accessible websites or VOWs) or other electronic forms of display or distribution. (NAR MANDATE 18.2.3)
- 706** Participants may select the listings they choose to display through IDX based only on objective criteria including, but not limited to, factors such as geography or location ("uptown", "downtown", etc.), list price, or type of property (e.g., condominiums, cooperatives, single-

family detached, multi-family), or type of listing (e.g., exclusive right-to-sell or exclusive agency). Selection of listings displayed through IDX must be independently made by each participant. (NAR MANDATE 18.2.4)

**707** Participants must refresh all MLS downloads and displays automatically fed by those downloads not less frequently than every twelve (12) hours. (3/2016) (NAR MANDATE 18.2.5)

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

**709** 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. (NAR MANDATE 18.2.7)

**710** Either or both of the following features shall be disabled or discontinued for the seller’s listings at the request of the seller, where any IDX display controlled by a participant or subscriber:

- 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.

The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants. Except for the foregoing and subject to Rule 711 herein (NAR MANDATE 18.2.9), a participant’s IDX display may communicate the participant’s professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. (NAR MANDATE 18.2.8)

**711** Participants shall maintain a means (e.g., email 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. (NAR MANDATE 18.2.9)

**712** 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., showing instructions, property security information, etc.) may not be displayed on IDX sites.

On closed listings, only the primary (first) photograph may be displayed.

**Prohibited Fields:** All fields of the IDX Database may be published *except*

- a. Last Status Change (but ACTIVE, PENDING, and CLOSED may be published)
- b. Negotiate through (Negotiate through Listing Agent or Cooperating Broker)
- c. Listing Date
- d. Expiration Date
- e. Listing Type (i.e., Exclusive Right to Sell, or Exclusive Agency)
- f. Additional Area
- g. Modifications (List Modifications to the Listing Agreement)
- h. Tax Identification Number
- i. Owner's Name
- j. Internet Y/N

The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed.

**713** Participants shall not modify or manipulate information relating to other participants' listings. MLS Participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields. A Participant who so modifies, augments, or references the Listing Participant's data shall be solely responsible for the accuracy of any additions or modified data and shall indemnify and hold harmless the MLS, the Listing Participant, and the property owner from any liability arising from such modifications or additions. (NAR MANDATE 18.2.11)

**714** All listings displayed pursuant to IDX shall identify the listing firm, and the email or phone number provided by the listing participant, in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data. Displays of minimal information (e.g. "thumbnails", text message, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the devices application. (NAR MANDATE 18.12)

- 715** 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.
- 716** All listings displayed pursuant to IDX shall show the MLS as the source of the information. Displays of minimal information ("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.
- 717** Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. Displays of minimal information ("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.
- 718** The right to display other participants' listings pursuant to IDX shall be limited to a participant's office(s) holding participatory rights in this MLS.
- 719** Display of the seller(s)'s and/or occupant(s)'s names(s), phone number(s), and email address(es) is prohibited.
- 720** Deceptive or misleading advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. For purposes of these rules, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information is larger than that of any third party.
- 721** An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, "co-mingling" means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display. (NAR MANDATE 18.2.10)

## Section 8: Virtual Office Websites (VOW)

### 800 Definitions

- 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 8 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 8 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. (NAR MANDATE 919.1)

**801** 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. 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”). (NAR MANDATE 919.2)



**802** 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. (NAR MANDATE 919.2)

### **803 Registration**

- 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:
  - (1) 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.
  - (2) The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.
  - (3) 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:
  - (1) That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;
  - (2) That all information obtained by the Registrant from the VOW is intended only for the Registrant’s personal, non-commercial use;
  - (3) 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;
  - (4) 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;
  - (5) 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. (NAR MANDATE 919.3)

**804** 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 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. (NAR MANDATE 919.4)

**805** 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. (NAR MANDATE 919.5)

## 806 Seller Opt-Out Provisions

- 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 (1) year from the date they are signed, or one (1) year from the date the listing goes off the market, whichever is greater. (NAR MANDATE 919.6)

## 807 Permitting Third Parties to Comment, Review or Display Automated Market Values

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

- (1) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, OR
- (2) 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 Rule 808, 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". (NAR MANDATE 919.7)

**808** 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 forty-eight (48) hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment. (NAR MANDATE 919.8)

**809** A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days. (NAR MANDATE 919.9)

**810** 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. (NAR MANDATE 919.10)

**811** 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. (NAR MANDATE 919.11)

**812** 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, or type of property. (NAR MANDATE 919.12)

**813** 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. (NAR MANDATE 919.13)

- 814** 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. (NAR MANDATE 919.14)
- 815** A Participant shall cause to be placed on his or her VOW a notice indicating that the MLS Listing Information displayed on a 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.
- 816** A Participant may display advertising and the identification of other entities ("co-branding") on any VOW the Participant operates or that is operated on his or her behalf. However, a Participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this Section, co-branding will be presumed not to be deceptive or misleading if the Participant's logo and contact information (or that of at least one Participant, in the case of a VOW established and operated on behalf of more than one Participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all Participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.
- 817** 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.
- 818** Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.
- 819** When a seller affirmatively directs a Listing Participant to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within forty-eight (48) hours.

## Section 9: Rules Enforcement

### 901 Automatic Fines for Certain Violations

- 901.1** Participants who violate the MLS Rules set forth in the *Schedule of Automatic Fines* in [Section 11](#) shall be required to pay the specified Automatic Fines.

- 901.2** Participants who fail to comply with a written request for information or documents from a Rules Enforcement Facilitator shall be required to pay an Automatic Fine as follows:
- a. \$500 for the first violation of this type by that Participant's office.
  - b. \$750 for the second violation of this type by that Participant's office.
  - c. \$1,000 for the third violation and any further violations of this type by that Participant's office.
  - d. The violations count for this Rule for each Participant shall continue for as long as they remain a Participant.
  - e. Violations of this Rule shall be further subject to the provisions of [Rule 1102](#).
- 901.3** MLS Staff may impose Automatic Fines without Administrative Review hearing if a Staff member determines a violation has occurred.
- 901.4** The amount of the Automatic Fine is not subject to appeal, but a Participant may contest whether the applicable MLS Rule had been violated and the Automatic Fine was rightfully imposed.

## **902 Violations of the MLS Rules**

- 902.1** Unless specified as an Automatic Fine (see Rule 901), the MLS may, through its Administrative Review procedures established in its MLS Policies and Administrative Procedures, impose sanctions for violations of these MLS Rules and Procedures, and other MLS governance provisions. A separate Administrative Review procedure is set forth in [Rule 611](#) for Complaints of Unauthorized Use of Listing Content.
- 902.2** Sanctions that may be imposed may consist of one or more of the following:
- a. Letter of Warning
  - b. Letter of Reprimand
  - c. Attendance at MLS orientation or other courses or seminars.
  - d. Fine not to exceed \$15,000.
  - e. Suspension of MLS rights, privileges, and services for not less than thirty (30) days, and not more than one (1) year.

- f. Termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

**902.3** The Board of Managers shall give consideration to all written complaints having to do with violations of these MLS Rules and Procedures. By becoming and remaining a Participant, each Participant agrees to be subject to these MLS Rules and Procedures, which shall be enforced at the sole discretion of the MLS Rules Enforcement Committee. (NAR MANDATE 9)

**902.4** If the alleged offense is a violation of these MLS Rules and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the MLS Rules Enforcement Committee, and if a violation is determined, the Committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the professional standards committee of the association in accordance with the bylaws and rules and regulations of the association of Realtors® within twenty (20) days following receipt of the Committee's decision.

**902.5** If, rather than conducting an administrative review, the MLS Rules Enforcement Committee has a procedure established to conduct hearings, the decision of the MLS Rules Enforcement 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®. (NAR MANDATE 9.1)

**902.6** Participants may not take legal action against another Participant for alleged rules violation(s) unless the complaining Participant has first exhausted the remedies provided in these Rules.

### **903 Probation**

A Participant (or user/Subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a Participant (or user/Subscriber, where appropriate) is placed on probation, the discipline is held in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS Rules during the probationary period may, at the discretion of the Board of Managers, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and

the individual's record will reflect the fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance. (NAR MANDATE 7)

## **904 Arbitration of Money Disputes**

**904.1** Each Participant shall agree to submit to arbitration in accordance with the arbitration rules as set forth in the Bylaws of their applicable Local Realtor® Board, or any addition or amendment hereafter adopted in connection with same, any and all disputes with other Participants, except for violations of these Rules, arising out of the use of the Service of his/her Participation therein.

**904.2** Any dispute which arises during a Participant's term as a Participant or which concerns the listing information which such Participant received during said term and which involves claims for money shall, to the extent applicable, be subject to arbitration in accordance with the arbitration rules as set forth in the Bylaws of their applicable local Board of Realtors®. (NAR MANDATE 1.13, 15)

## **905 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. (NAR MANDATE, 9.2)

# **Section 10: Miscellaneous Provisions**

## **1001 Amendments to these MLS Rules and Procedures**

Amendments to these MLS Rules and Procedures shall be by consideration and approval of the MLS Board of Managers. (NAR MANDATE 14)

## **1002 Headings**

Headings of Rules are for convenience only, and shall not be used to interpret or construe the meaning of any Rules or Procedures herein.

## **1003 Days**

Whenever "days" are referred to in these Rules, it shall mean "calendar days".

## **Section 11: Automatic Fines**

### **1101 Base Fines**

There are three (3) Classes of Automatic Fines, with the following Base Fines:

Class 1 - \$50.00

Class 2 - \$100.00

Class 3 - \$250.00

### **1102 Referral to the MLS Rules Enforcement Committee for a Hearing**

#### **1102.1 Five or More Automatic Fines**

Any time that a Participant, including all of the Subscribers in that Participant's office, has violated a specific Rule with an Automatic Fine, five (5) or more times within the prior 12-month period, the MLS staff may, in lieu of assessing the scheduled Automatic Fine, refer the current violation to the MLS Rules Enforcement Committee for a hearing.

#### **1102.2 Failure to Make Timely Corrections**

Any time that a Participant fails to timely correct the violation of any Rule specified in the Schedule of Automatic Fines as "Time Sensitive", for five (5) or more days, the MLS staff may, in lieu of assessing the scheduled Automatic Fine, refer that violation to the MLS Rules Enforcement Committee for a hearing.



## 1103 Schedule of Automatic Fines

RULE	DESCRIPTION	CLASS	NOTES
<a href="#">302</a>	Late Entry of Listings	1	5
<a href="#">302.2</a>	Clear Cooperation Policy	-	4
<a href="#">303</a>	Late Submission of Listings	1	-
<a href="#">303.2</a>	Late Submission of Office Exclusive Disclosure	1	-
<a href="#">306.1</a>	Incomplete or Inaccurate Information	1	3
<a href="#">306.3</a>	Improper Use of Data Fields	1	1
<a href="#">306.4</a>	Incorrect Zip Code	1	1
<a href="#">306.8</a>	Incorrect Owner's Name	1	-
<a href="#">307</a>	Inaccurate Image or Attachment	2	1
<a href="#">308</a>	Manipulated Listing Data	2	1, 2
<a href="#">309</a>	Required Listing Photograph Missing	1	3
<a href="#">310.3</a>	Improper Listing Contract Changes	3	-
<a href="#">310.4</a>	Late Submission of Listing Contract Change	1	-
<a href="#">310.6</a>	Improper Re-List Date	1	-
<a href="#">311</a>	Late Reporting of Status Change or Closing	2	3
<a href="#">404.3</a>	Improper Temporarily Off the Market Status	3	2
<a href="#">404.5</a>	Required Owner's Instructions Not in Writing	-	6
<a href="#">406</a>	Offer Acknowledgement Form Violations	-	6

### Notes:

- (1) MLS Staff may delete or correct the inappropriate data or attachment.
- (2) This violation is *time-sensitive*. If this violation has not been resolved by the Participant within the following amounts of time, then the Base Fine shall be increased as follows:

If Not Resolved Within:	Total Fine is:
1 Day	Base Fine x2
3 Days	Base Fine x4
5+ Days	Base Fine x6, or Hearing Referral per <a href="#">Rule 1102.2</a>

- (3) This violation is *time-sensitive*. If this violation has not been resolved by the Participant within the following time amounts of time, then the Base Fine shall be increased as follows:

If Not Resolved Within:	Total Fine is:
2 Days	Base Fine x2
4 Days	Base Fine x3
5+ Days	Base Fine x5, or Hearing Referral per <a href="#">Rule 1102.2</a>

- (4) The automatic fine for a violation of the Clear Cooperation Policy is \$2500, plus \$100/day from the date of notice from MLS Staff for the initial violation.
- (5) The automatic fine for Late Entry of Listings is \$50 if 1-3 days late and \$100 if 3 or more days late.
- (6) Refer to [Rule 901.2](#), which sets forth fines levied by Rules Enforcement Facilitators.