

## MLSListings MLS Rules Change Log

MLSListings Inc. operated under the RE InfoLink MLS rules until April 30, 2008, when the initial MLSListings rules became effective.

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**On January 20, 2009, the Board of Directors approved the following rules changes, which became effective March 1, 2009:**

### 2.1 Client or Customer Defined

A “customer” or “client” ~~is defined as a person who has specifically requested the services of a real estate professional for a real estate transaction.~~ means a seller client of a participant/subscriber or a person who has expressed to a participant/subscriber an interest in purchasing real property, and who has described the type, features or location of the property in which he or she has an interest. This may include those with whom a prior business relationship exists.

#### 4.1.1 Broker Participant

- c. The individual or corporation for which the individual acts as a real estate broker/officer ~~is capable of offering and accepting compensation in the capacity of a real estate broker~~ actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS.;

### 7.15.2 Lender Approval Listings

Compensation offered through the MLS to cooperating brokers on listings which require lender approval (commonly referred to as “short sale” listings) is for the amount published therein unless the listing broker indicates on the MLS the following: (a) the fact that the sale and gross commission are subject to lender approval; and (b) the amount or method by which the compensation offered through the MLS will be reduced if the lender reduces the gross commission. All potential lender approval listings (short sales) must be so identified as soon as it is reasonably known, either before or after MLS entry. The amount or method by which the compensation offered through the MLS will be reduced if the lender reduces the gross commission shall be clearly communicated.

### 7.20.1 Failure to Pay MLS Fees; Resignation

When a participant or subscriber is ~~suspended or expelled~~ terminated from the service for failure to pay MLS fees or charges, or if the participant or subscriber resigns from the service, the MLS shall cease to provide services to such participant or subscriber, including for broker participants the continued inclusion of listings in the MLS compilation of current listing information. In the event listings are removed from the MLS pursuant to this section, it shall be the sole

responsibility of the participant to notify the seller(s) that the property is no longer listed in the MLS.

## **7.20.2 Violation of MLS Rules**

When a participant or subscriber is suspended ~~or expelled~~ from the service for a violation of the MLS rules and regulations, the MLS shall cease to provide services to such participant or subscriber except that the listings in the MLS at the time of suspension ~~or expulsion~~ shall, at the suspended ~~or expelled~~ participant's option, be retained in the MLS compilation of current listing information 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~~ suspension became effective. In the event listings are removed from the MLS pursuant to this section, it shall be the responsibility of the participant to notify the seller(s) that the property is no longer listed in the MLS.

When a participant or subscriber is terminated or expelled from the service for a violation of the MLS rules and regulations, the MLS shall cease to provide services to such participant or subscriber. For broker participants, the continued inclusion of listings in the MLS compilation of current listing information will also cease. In the event listings are removed from the MLS pursuant to this section, it shall be the sole responsibility of the participant to notify the seller(s) that the property is no longer listed in the MLS.

## **12.20 Virtual Office Websites (VOWs)**

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.

For violation of section 12.20 and its subsections, see Appendix A, Citable Infractions, 5.3, Violation of VOW Rules and, where applicable, Appendix A, Citable Infractions, 1.1 Use of MLS System by Unauthorized Party

### **12.20.1**

- a. As used in 12.20 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.
- b. "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.

- c. As used in 12.20 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.

### **12.20.2**

- a. The right of a Participant’s VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.
- b. Subject to the provisions of the VOW Policy and these Rules, a Participant’s VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange (“IDX”).
- c. Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant’s VOW.

### **12.20.3**

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

#### 12.20.4

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

#### 12.20.5

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

#### 12.20.6

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

#### **Seller Opt-Out Form**

##### 1. Please check either Option a or Option b

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

\_\_\_\_\_ OR

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

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

Signature of seller

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

### **12.20.7**

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

b. Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to 12.20.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller."

### **12.20.8**

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

### **12.20.9**

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

### **12.20.10**

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

### 12.20.11

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

### 12.20.12

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

### 12.20.13

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

### 12.20.14

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

### 12.20.15

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

- a. Expired, withdrawn, canceled or pending do not show
- b. The compensation offered to other MLS Participants.
- c. The type of listing agreement, i.e., exclusive right to sell or exclusive agency.
- d. The seller's and occupant's name(s), phone number(s), or e-mail address(es).
- e. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.

### 12.20.16

A Participant shall not change the content of any MLS Listing Information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS Listing Information with additional information not otherwise prohibited by these Rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS Listing Information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields

### **12.20.17**

A Participant shall cause to be placed on his or her VOW a notice indicating that the MLS Listing Information displayed on the VOW is deemed reliable but is not guaranteed accurate by the MLS. A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

### **12.20.18**

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

### **12.20.19**

A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 500 listings in response to any inquiry.

### **12.20.20**

A Participant shall require that Registrants' passwords be reconfirmed or changed every 120 days.

### **12.20.21**

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

### **12.20.22**

A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

### **12.20.23**

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

## 12.20.24

Where a seller affirmatively directs their listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within 24 hours *after it is requested.*

For violation of this section 12.20.24, see Appendix A, Citable Infractions, 5.3, Violation of VOW Rules and 3.4.3, Failure to provide written documentation within 24 hours after request from staff.

### **13.1 Eligibility for Lockbox Privileges**

MLS participants and subscribers are eligible for lockbox privileges if they otherwise qualify under this section. Clerical users are not eligible for lockbox privileges. MLS participants and subscribers shall be eligible to hold a lockbox key provided:

- a. The key holder signs a lease agreement with ~~an organization (hereafter "Organization") that is a member of the Bay Area LENI/KIM Users Group~~ the Authorized Provider. This agreement shall include and bind the participant or subscriber to all of the provisions of this Section 13.
- b. The participant to which the key holder is licensed cosigns the lease agreement with the ~~AOR~~-Authorized Provider.
- c. The key holder continues to comply with all MLS rules relating to lockbox keys.
- d. The key holder and participant to whom the key holder is licensed remain eligible for MLS services.
- e. The Authorized Provider appears in Appendix B which may be amended from time to time.

### **13.3 Key Use and Service**

Keys may not be used under any circumstances by anyone other than the key holder, including, but not limited to, lending, borrowing or sharing keys with others. The ~~AOR~~-Authorized Provider is not obligated to provide service on keys or lock boxes to an individual who is not the registered lessee or owner of the component.

### **13.4 Accountability**

Key holders must account for keys at the time of any inventory conducted by the ~~AOR~~ Authorized Provider or at any time requested by the ~~AOR~~-Authorized Provider. Key holders who cease to participate or subscribe to the MLS shall return all key(s) in their possession to the ~~AOR~~ Authorized Provider. Failure to return a key(s) will subject the key holder and/or the key holder's participant to fines and penalties and to being responsible for all costs incurred by the ~~AOR~~.

[Authorized Provider](#) to secure the lock box key system as a result of the failure to return the key(s).

### 13.8 Unaccountable Keys

Key holders and participants cosigning with a key holder shall immediately report lost, stolen or otherwise unaccountable keys to the ~~AOR~~ [Authorized Provider](#).

### 13.9 Deposits

All key holders may be required to give the ~~AOR~~ [Authorized Provider](#) deposits in accordance with the deposit schedule adopted by the ~~AOR~~ [Authorized Provider](#). Key holders shall forfeit the deposits if the key is lost, stolen or unaccounted for. Key holders shall not be entitled to any interest on their deposits. The ~~AOR~~ [Authorized Provider](#) is not obligated to refund deposits to individuals who are not the registered lessee or owner of the key.

### 13.11 Right to Limit Access

The ~~AOR~~ [Authorized Provider](#) reserves the right to refuse to issue a key or limit access to lockboxes if, in its sole discretion, it determines the security of the system would be compromised by issuing such keys or granting access to lockboxes.

### 13.12 Lockbox Accessibility

[A participant or subscriber who places a lockbox on a property listed with the MLS for the purpose of providing subscribers showing access must ensure that the property is accessible to other MLSListings participants and subscribers. If access for showing the property is provided solely through use of a combination box, the combination must be published in the private remarks. More than one lockbox may be used on a property.](#)

<b>1.1 Violation of IDX rules</b> (Sec. 12.16)	<a href="#">Subject to suspension of Datafeed and</a> \$200 – 1 <sup>st</sup> violation \$400 – 2 <sup>nd</sup> violation \$800 – 3 <sup>rd</sup> violation
<b>1.2 <a href="#">Violation of VOW rules</a></b> (Sec. 12.20)	<a href="#">Subject to suspension of Datafeed and</a> \$200 – 1 <sup>st</sup> violation \$400 – 2 <sup>nd</sup> violation \$800 – 3 <sup>rd</sup> violation

## Appendix B – Authorized Providers

[Central Valley Association of REALTORS®](#)

[Monterey Association of REALTORS®](#)

[San Benito Association of REALTORS®](#)

[San Mateo Association of REALTORS®](#)

[Santa Clara Association of REALTORS®](#)

[Santa Cruz Association of REALTORS®](#)

[Silicon Valley Association of REALTORS®](#)

[Watsonville Association of REALTORS®](#)

**A subsequent change made February 17, 2009 establishing the penalties for all Lockbox violations:**

<p>5.1.2 <del>Unauthorized Entrance into a Listed Property (i.e., Failure to Follow the Showing Instructions) (Sec. 13.2)</del>  <a href="#"><u>Violations of Lockbox and Key regulations (Sec. 13)</u></a></p>	<p>\$200 – 1<sup>st</sup> violation            \$400 – 2<sup>nd</sup> violation            \$800 – 3<sup>rd</sup> violation</p>
<p><del>5.1.3 – Violations of Lockbox and Key regulations (Sec. 13)</del></p>	<p><b>Refer to Issuing Association</b></p>

**On April 29, 2009, the Board of Directors approved the following rules changes, with an effective date of August 15, 2009:**

(Note: the effective date was delayed to enable participants and subscribers to obtain the required lockbox equipment.)

### **7.15.2 Lender Approval Listings**

Compensation offered through the MLS to cooperating brokers on listings which require lender approval (commonly referred to as “short sale” listings) is for the amount published therein unless the listing broker indicates on the MLS the following: (a) the fact that the sale and gross commission are subject to lender approval; and (b) the amount or method by which the compensation offered through the MLS will be reduced if the lender reduces the gross commission. All potential lender approval listings (short sales) must be so identified as soon as it is reasonably known, either upon before or after MLS entry. The amount or method by which the compensation offered through the MLS will be reduced if the lender reduces the gross commission shall be clearly communicated.

### **13.12 Lockbox Accessibility**

~~A participant or subscriber who places a lockbox on a property listed with the MLS for the purpose of providing subscribers showing access must ensure that the property is accessible to other MLS Listings participants and subscribers. If access for showing the property is provided solely through use of a combination box, the combination must be published in the private remarks. More than one lockbox may be used on a property.~~

If a lockbox is present on a property that is located in the MLS Listings service area and is listed for sale in the MLS Listings system, there must be an electronic lockbox that is accessible by a key issued by one of the lockbox Authorized Providers listed in Appendix B. More than one lockbox may be used on a property.

**On June 24, 2009, the Board of Directors passed the following rules changes:**

#### **Photo Requirements**

To subdivide section **7.11, Detail on Listings Filed with the Service**, into two sections, **7.11.1 Completeness of Listings**, containing the original 7.11 text, and **7.11.2 Listing Photograph Requirements** as follows:

7.11.2 All residential listings with existing buildings that are entered into the MLS for sale must include a photograph of the front of the building within 72 hours after entry. Listings designated as “Seller Prefers No Photo” must have written authorization from the seller to exclude a primary image, which must be provided to the service upon request. On new construction, a realistic artistic rendering of the intended appearance of the front of the building will suffice until the building is completed, at which time an appropriate photograph must be submitted. Photographs are optional on vacant land, commercial/industrial, business opportunity and rental listings.

#### **Using Tax Data to Close Listings**

To modify the last sentence of section **8.3, Accuracy of Information; Responsibility for Accuracy**, as follows:

“Upon review of pertinent documentation (the HUD-1, ~~or~~ final closing statement or data from county records), the MLS may correct materially inaccurate listing information with regard to closing date and status change.”

#### **Court Confirmation Disclosure**

To add the following sentence to section 7.15.1, **Estate Sale, Probate and Bankruptcy Listings**:

All listings that require or may require court confirmation must be so identified.

## Appendix A - Penalties were updated to cover the photograph requirements.

3.1.11 Failure to Meet Photograph Requirements on a Listing (Sec. 7.11.2)	\$50 – 1 <sup>st</sup> violation \$100 – 2 <sup>nd</sup> violation \$200 – 3 <sup>rd</sup> violation
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## Appendix A - Penalties were updated to a minimum of \$100 and infractions updated.

- This change was a result of the increased emphasis on rules enforcement sought by the Board of Directors following numerous complaints of violations. The exceptions to the \$100 minimum are for failure to complete the required orientation within 60 days and failure to notify the MLS of a change of associates or clerical users. Those fines still escalate \$50-\$100-\$200. All other penalties that had escalated \$50-\$100-\$200 became \$100-\$200-\$400.
- 2.3.2 Pending Sale Not Reported by the End of the Next Business Day After ~~Ratification of Sales Contract~~ [Seller's Acceptance of Offer](#) (Sec. 10.2)
- 2.3.3 Contingent Sale or Lease Not Reported by the End of the Next Business Day After ~~Ratification of Sales Contract~~ [Seller's Acceptance of Offer](#) (Sec. 10.2)
- ~~3.1.7 Submission of Duplicate Listings by the Same Participant within the Same Property Class (Sec. 7.3)~~
- ~~Entry of a Non-Property Specific Virtual Media Link Anywhere in a Listing (Sec. 12.15.2.e)~~
- ~~3.2 Failure to Withdraw a Listing After Written Permission/Instruction to Withdraw the Listing Has Been Received from the Seller (Sec. 7.8, 7.9)~~

3.4.2 Posting of a Listing to the MLS Without Having a Written Listing Agreement (Sec. 8.1, 8.2)	\$250 – 1 <sup>st</sup> violation \$750 – 2 <sup>nd</sup> violation 3 <sup>rd</sup> violation – <del>Refer to Association</del> <a href="#">Subject to suspension</a>
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- ~~3.4.8 Entry of a listing as new after withdrawn/canceled without a new listing contract (Sec. 8.2)~~
- ~~4.1.1 Publishing Presentation Offer Date and/or Time Without Written Instructions From Seller(s) (Sec. 7.8)~~
- ~~4.1.2 Failure to Update Offer Date Within 24 Hours After Receiving Revised Written Instructions From Seller(s) (Sec. 7.8)~~
- 4.2 added [Calling Instructions](#) to list of prohibited items in public remarks.

## Appendix A - Rules Enforcement items were updated as follows:

- Staff issues a citation for a specified MLS Rules violation, per incident. ~~The fine for the first violation may be waived if corrected within 24 hours from date of notice and/or at staff's discretion.~~

- Added: Uncured violations will result in an escalating fine, doubling until the NAR limit is reached. Such amounts are cumulative, with each escalation adding to the total amount due.
- If the Participant/Subscriber wishes to challenge a citation, he/she may request a Professional Standards hearing. ~~the challenge must be filed in writing to the Compliance Department. All information will then be forwarded to the MLS Rules Committee for review.~~
- ~~Appeal from a decision by the MLS Rules Committee is permitted on the grounds that no rules violation has occurred or that the rule needs to be modified. Such cases are then referred to a hearing panel.~~
- If a hearing panel finds that there was a violation of the MLS Rules, in addition to any fines or disciplinary action, a ~~\$500~~ \$250 administrative fee will be charged.
- Violations will be assessed over a ~~five~~ two-year calendar cycle.

**On January 20, 2010, the Board of Directors passed the following rule change:**

**13.1 Eligibility for Lockbox Privileges**

~~MLS participants and subscribers are eligible for lockbox privileges if they otherwise qualify under this section. Clerical users are not eligible for lockbox privileges. MLS participants and subscribers shall be eligible to hold a lockbox key provided:~~

Only MLS Listings MLS participants and subscribers are eligible for lockbox privileges (including lockbox keys). Clerical users are not eligible for lockbox privileges. Lockbox privileges may be issued only by Authorized Providers, and are subject to the following additional requirements:

The remainder of the section remains unchanged.

**On March 17, 2010, the Board of Directors passed the following rule changes:**

**5.1.2 Recurring Participation Fee**

The recurring participation (subscription) fee of each broker participant shall be an amount times the total number of (1) the broker participant plus (2) the number of real estate licensees, whether licensed as brokers or salespersons, who are employed by or affiliated as independent contractors with such participant or the participant's firm that may, or do, transact real estate business and whose mailing address registered with the DRE is within the service area of the MLS. If more than one principal broker in the same firm elects to be a participant, the number of real estate licensees in the office will only be used once in calculating the recurring participation fees. A broker participant is not obligated to pay recurring participation fees or other MLS fees and charges for real estate licensees affiliated with the participant or the participant's firm if such licensees work out of a branch office of the participant or the participant's firm which is located beyond the MLS service area and does not participate in or benefit from the MLS.

The recurring participation fee of each appraiser participant shall be an amount times the total number of (1) the appraiser participant plus (2) the number of appraisers who have access to and use of the MLS, who are employed by or affiliated as independent contractors with such participant or the participant's firm within the service area of the MLS. If more than one principal appraiser in the same firm elects to be a participant, the number of appraisers in the firm will only be used once in calculating the recurring participation fees. An appraiser participant is not obligated to pay recurring participation fees or other MLS fees and charges for licensed or certified appraisers affiliated with the participant or the participant's firm if such appraisers work out of a branch office of the participant or the participant's firm which is located beyond the MLS service area and does not participate in or benefit from the MLS.

#### **5.1.6 Certification of Nonuse**

Participants may be relieved from payment under section 5.1.2 and 5.1.5 hereunder by certifying in writing to the MLS that a licensed or certified person in the office is engaged solely ~~in activities that do not require a real estate license or certification, or that the real estate licensee or licensed or certified appraiser will not use or benefit from the MLS or MLS compilation in any way. In the event a real estate licensee or appraiser is found in violation of the nonuse certification, the participant shall be subject to all MLS fees dating back to the date of the certification but not more than twelve months. and~~ exclusively in a specialty of the real estate business separate and apart from listing, selling, leasing, or appraising the type of properties which are required to be filed with the MLS. The participant and subscriber may also be subject to any other sanction imposed for violation of MLS rules including, but not limited to, a citation and suspension or termination of participation rights and access to the service.

### **7.15 Estate Sale, Probate, Bankruptcy, Lender Approval, Auction and REO/New Subdivision Listings**

#### 7.15.4 Lender Owned Listings (REOs) and New Subdivision Sales

Compensation offered through the MLS to cooperating brokers on listings in which the seller is a lending institution or its assignee (commonly referred to as "REO" listings) or a new subdivision sales office is for the amount published therein unless the listing broker indicates on the MLS the following: (a) the published compensation is a percent of the gross selling price minus concessions, credits or upgrades accepted by the buyer (net selling price); (b) this fact is clearly communicated to cooperating brokers in the listing and (c) the accepted contract to purchase ultimately includes the specific dollar amount of the seller concessions. Listings qualifying under this section must be so identified upon entry into the system