

Southern Oregon Multiple Listing Service, Inc.

RULES and REGULATIONS

Last Certified by NAR October 2019

Most Recent Changes Approved by SOMLS Board of Directors April 2020

TABLE OF CONTENTS

SECTION 1 – GENERAL RULES

1-1: Collaboration Rules	1
1-2: Administration of Participant Firms	1
1-3: Compliance with Rules/Authority to Impose Discipline	1
1-4: Applicability of Rules to Users and Subscribers.....	2
1-5: Orientation	2
1-6: Additional Training Requirements	2
1-7: Access to Comparable and Statistical Information.....	2

SECTION 2 – LISTINGS

2-1: Listings.....	3
2-2: Compensation and Concession.....	4
2-3: Changes.....	4
2-4: Auditing.....	4
2-5: Tour	5
2-6: Authorization	5

SECTION 3 – KEY BOX SYSTEM

3-1: Key Boxes.....	6
3-2: Key Box Keys.....	7

SECTION 4 – LICENSED AND UNLICENSED USERS

4-1: Licensee Changes	8
4-2: Clerical Users.....	8
4-3: Broker Load	9
4-4: Reciprocal Participants and Subscribers	10
4-5: Appraiser Participants and Subscribers.....	10
4-6: Personal Assistants.....	11

SECTION 5 – SUSPENSIONS, RESIGNATIONS, AND TERMINATIONS

5-1: Listings of a Suspended Participant and/or Subscriber.....	11
5-2: Listings of a Terminated Participant	12
5-3: Listings of a Resigned Participant	12

SECTION 6 – MEETINGS AND COMMUNICATIONS

6-1: Meetings	12
6-2: Communications	13
6-3: Rosters	13

SECTION 7 – CHARGES AND FEES

7-1: Service Charges and Fees.....	13
7-2: New Participants and Subscribers.....	13
7-3: Monthly Access Fees	14
7-4: Compliance	14
7-5: Listing Fees.....	14
7-6: Late Fees	15
7-7: Non-Honored Checks.....	15
7-8: Subscription Waivers	15

SECTION 8 - ENFORCEMENT

8-1: Definitions	17
8-2: Consideration of Alleged Violations	17
8-3: Violation of Rules and Regulations	18
8-4: Complaints on Unethical Conduct	18
8-5: Breaching Confidentiality of MLS System Login Credentials	18
8-6: Office Exclusives and Clear Cooperation	18
8-7: Reporting Fines.....	18
8-8: Appeal.....	19
8-9: Confidentiality	20

SECTION 9 - AMENDMENTS

9-1: Changes in Rules and Regulations	20
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APPENDIX A

Schedule of Fees, Fines, and other Charges	21
--	----

APPENDIX B

Shared Database Collaboration Rules

SECTION 1 – GENERAL RULES

1-1: Listing Subject to Rules and Regulations.....	1
1-2: No Control of Commission Rates or Fees Charged by Participants	1
1-3: Confidentiality of MLS Information	1
1-4: MLS Responsibility for Accuracy and Timeliness of Information	1
1-5: Information for Participants Only.....	1
1-6: Accuracy and Auditing of Listing Content	2
1-7: Complaints of Unauthorized Use of Listing Content.....	2
1-8: MLS Rules Violations	2

SECTION 2 – LISTING PROCEDURES

2-1: Definitions	2
2-2: Listing Procedures.....	4
2-3: Listing Agreements.....	5
2-4: Property Data Forms	5
2-5: Limited Service Listings.....	5
2-6: Compensation Specified on Each Listing.....	6
2-7: Extension of Compensation Through Reciprocal Data Sharing	7
2-8: Compensation Types.....	7
2-9: Bonus Listings	7
2-10: Listing Price Specified	7
2-11: Remarks.....	7
2-12: Participant as Principal	8
2-13: Pictures	8
2-14: Listing Multiple Unit Properties	8
2-15: Co-op Listings	9
2-16: Dual Listings.....	9
2-17: Office Exclusives	9
2-18: Exemptions, Contingencies, and Conditions.....	9
2-19: Inactivation/Withdrawal Prior to Expiration.....	10
2-20: Expiration, Extension, and Renewal	10

SECTION 3 – REPORTING PROCEDURES

3-1: Status Definitions	10
3-2: Changes.....	11
3-3: Third Party Approval Listings.....	11

3-4: Coming Soon	11
3-5: Sale Contingencies	12
3-6: Pending Sales	13
3-7: Termination of a Pending Sale	13
3-8: Closed Sales	13
3-8: Comp Only	13
SECTION 4 – ADVERTISING & INTERNET	
4-1: Advertising of Listings Submitted to SOMLS	14
4-2: Data Access	14
4-3: Broker Reciprocity (IDX).....	14
4-4: Virtual Office Websites (VOW)	17
4-5: AVP’s & Third Party Vendors	21
SECTION 5 - COMPILATIONS	
5-1: Definition	22
5-2: Ownership and Copyright	22
5-3: Limitations	22
5-4: Display	23
5-5: Reproduction.....	23
5-6: Distribution	24
5-7: Access to Compilations	24
SECTION 6 – SHOWING AND SELLING	
6-1: Disclosing the Existence of Offers	24
6-2: Availability of Listed Property.....	24
6-3: Showing and Selling	24
6-4: Presentation of Offers.....	25
6-5: Submission of Written Offers	25
6-6: Participant as Purchaser	25
6-7: Right of Cooperating Participant in Presentation of Offer.....	25
6-8: Right of Listing Participant in Presentation of Counter-Offer.....	25
SECTION 7 – RIGHTS, PRIVILEGES, AND RESPONSIBILITIES	
7-1: Use of Term “MLS” Prohibited	26
7-2: “For Sale” Signs	26
7-3: “Sold” Signs.....	26
7-4: Solicitation of a Listing.....	26
SECTION 8 – AMENDMENTS	
8-1: Changes in Rules and Regulations.....	26

**RULES and REGULATIONS
of the Southern Oregon Multiple Listing Service, Inc.
(hereinafter referred to as “SOMLS”)**

Last Certified by NAR October 2019
Most Recent Changes Approved by SOMLS Board of Directors April 2020

**SECTION 1
GENERAL RULES**

**SECTION 1-1
COLLABORATION RULES**

The attached Shared Database Collaboration Rules and Regulations (hereinafter “Collaboration Rules”) are incorporated into and made a part of these Rules and Regulations as Appendix B. If there is any conflict between the Collaboration Rules and these Rules and Regulations, these Rules and Regulations shall control.

(adopted 4/20)

**SECTION 1-2
ADMINISTRATION OF PARTICIPANT FIRMS**

SOMLS does not become involved with the administration of the Participant’s firm(s) and has no contract or contractual obligation to or with the Participant’s clients.

**SECTION 1-3
COMPLIANCE WITH RULES/AUTHORITY TO IMPOSE DISCIPLINE**

By becoming and remaining a Participant or Subscriber in SOMLS, each Participant and Subscriber agrees to be subject to the Rules and Regulations and any other SOMLS governance provision. SOMLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other SOMLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- A.** Letter of warning.
- B.** Letter of reprimand.
- C.** Attendance at an appropriate course or seminar which the Participant or Subscriber can reasonably attend, taking into consideration cost, location, and duration.
- D.** Appropriate, reasonable fine not to exceed \$15,000.00.
- E.** Suspension of SOMLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year.
- F.** Termination of SOMLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

NOTE: A Participant or Subscriber may be placed on probation. Probation is not a form of discipline. What a Participant or Subscriber is placed on probation, the discipline is held in abeyance for a stipulated period of time not to exceed one (1) year. Any subsequent finding of a violation of the SOMLS Rules during the probationary period may, at the discretion of the Board of Directors, result in 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. That 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.

The following action may be taken for noncompliance with the rules:

- A.** For failure to pay any service charge or fee, the steps as outlined in section 8-6 of these Rules and Regulations shall apply.
- B.** For failure to comply with any other rule, the provisions of Section 9 shall apply.

(amended 5/16)

SECTION 1-4

APPLICABILITY OF RULES TO USERS AND SUBSCRIBERS

Non-principal brokers, appraisers, and others authorized to have access to information published by SOMLS are subject to these Rules and Regulations and may be disciplined and/or fined for violations thereof as outlined in Section 9 of these Rules and Regulations provided that the user or Subscriber has signed an agreement acknowledging that access to and use of SOMLS information is contingent on compliance with the Rules and Regulations. Further, failure of any user or Subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the Participant to the same or other discipline. This provision does not eliminate the Participant's ultimate responsibility and accountability for all users or Subscribers affiliated with the Participant.

These rules allow Participants, Subscribers, and SOMLS staff to report inaccuracies in listing information and/or violations of these rules. SOMLS staff has the authority, but not the duty, to correct the information upon notification to the listing Subscriber and Participant. *(adopted 10/11)*

SECTION 1-5

ORIENTATION

SOMLS will provide an orientation course for all new or renewing (if period of inactivation was greater than twelve (12) months) Participants and Subscribers. It shall be a *mandatory* course of instruction on use of the MLS System, an overview of listing forms, and the SOMLS Rules and Regulations related to listings and it must be completed within ninety (90) days of application. Participants and Subscribers shall be given the opportunity to complete any mandated orientation remotely.

A fifty-dollar (\$50.00) application fee shall be charged to all new or renewing (if period of inactivation was greater than twelve (12) months) Participants and Subscribers. Upon completion of the required course within the required time frame, twenty-five (\$25.00) dollars of the application fee will be credited to the User's next monthly fee.

In the event that orientation is not completed within ninety (90) days of application, the entire application fee will be forfeited to SOMLS, and the applicant will receive a ten (10) day grace period to complete the course. Should the applicant then fail to complete the course within the grace period, but still desire to have access to SOMLS, request must be made to the SOMLS Board of Directors to grant a new application period. A granting of the request will require payment of a new application fee. Any applicant may only have two (2) application periods within any twelve (12) month interval.

(amended 4/20)

SECTION 1-6

ADDITIONAL TRAINING REQUIREMENTS

Participants and Subscribers may be required, at the discretion of SOMLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by SOMLS to familiarize Participants and Subscribers with system changes or enhancements and/or changes to SOMLS rules or policies. Participants and Subscribers shall be given the opportunity to complete any mandated additional training remotely.

(amended 9/18)

SECTION 1-7

ACCESS TO COMPARABLE AND STATISTICAL INFORMATION

At the discretion and authorization of the SOMLS Board of Directors, SOMLS may make available to those who are actively engaged in real estate brokerage, property management, mortgage financing, appraising, land development, or building, but who do not participate in SOMLS, printed information other than current listing information that is generated wholly or in part by SOMLS including, but not limited to, "comparable" information, "sold" information, and statistical reports.

Said reports will be available to authorized individuals for a fee as established by the SOMLS Board of Directors. This information is provided for the exclusive use of authorized individuals and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm except as otherwise provided for in these Rules and Regulations.
(amended 5/09)

SECTION 2 **LISTINGS**

SECTION 2-1 **LISTINGS**

- A.** SOMLS shall accept exclusive right-to-sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement, which make it possible for the listing Participant to offer compensation to the other Participants of SOMLS acting as subagents, buyer agents, or both.
(amended 5/09)
- B.** A listing is “submitted” to SOMLS by:
1. the Participant and/or Subscriber filing hard copy forms with the SOMLS staff for entry into the system; or
 2. entry into the system by an individual Participant, Subscriber, or Clerical User who is duly authorized to “Broker Load” listings as outlined in Section 4-3 of these Rules and Regulations.
(adopted 5/09)
- C.** Listings taken by a Participant of the following types of properties are required to be submitted to SOMLS, provided that the Seller has authorized submission:
1. residential (i.e. - single family homes, townhouses, or condominiums)
 2. lot, land, and unimproved commercial
 3. multiple dwelling (i.e. – two-family residential buildings)
 4. commercial (i.e. - buildings or leases)
 5. farm and ranch
- If the listing is:
1. within the scope of the Participant’s real estate broker's license, and
 2. located within the service area of SOMLS, which is currently Jackson and Josephine Counties, Oregon.
- D.** Only listings of the designated types of property located within the service area of SOMLS are required to be submitted to SOMLS. Listings of property located outside the service area of SOMLS will be accepted if submitted voluntarily by a Participant, but are not required by SOMLS.
- E.** Required listings shall be submitted to SOMLS within two (2) business days of the Marketing Date authorized by the Seller in the Listing Agreement. NOTE: per Section 2-2, part A, of the Collaboration Rules, any public marketing of the listing as defined in that section reduces the required entry timeframe to one (1) business day.

In the event a listing is being withheld from SOMLS for the duration of the listing, a written form that includes the requirements of Section 2-17 of the Collaboration Rules must be completed and signed by the Seller and submitted to the SOMLS Office upon request. NOTE: per Section 2-2, part A, of the Collaboration Rules, any public marketing of the listing as defined in that section negates the office exclusivity and requires the listing be submitted to SOMLS within one (1) business day.
(amended 4/20)

- F. The Listing Date entered into the system shall be the Marketing Date entered on the Listing Agreement or the date public marketing first occurred, whichever is earlier.
(amended 4/20)
- G. Net or Open listings are not accepted except where required by law or except by court order.
- H. Failure to submit a required listing within the applicable timeframe may subject the Participant to fine as outlined in Section 8-7 of these Rules and Regulations.
- I. SOMLS provides a residential listing agreement for use by Participants. However, Participants are free to use whatever listing agreement they deem best for their business provided the listing is of a type accepted by SOMLS and the agreement includes the provisions noted Section 2-3 of the Collaboration Rules. SOMLS shall require use of an approved property data form in conjunction with the listing agreement. SOMLS reserves the right to refuse to accept a listing in which the listing agreement does not include the stated provisions or which fails to adequately protect the interests of the public or the Participants.
(amended 4/20)
- J. The clear cooperation provision in Section 2-1, part A, of the Collaboration Rules applies to all listings required to be submitted per part C above except Commercial Sale, Commercial Lease, and Business Opportunity. Multi-lot residential new construction (3+ lots) within the same development may also be excluded from this provision provided that all of the lots are exclusively listed with the same listing Participant.
(adopted 4/20)

SECTION 2-2 COMPENSATION AND CONCESSION

In certain instances, Participants may offer cooperative compensation as a percentage of the net sales price, with the net sales price defined as the gross sales price minus concessions. The listing broker must check the appropriate box in the MLS if the seller is paying compensation on the net sales price and provide explanation in the Concession Comments field.

For the purpose of these Rules and Regulations, concessions are defined as and limited to builder upgrades on new construction, loan points paid by seller on behalf of buyer, and seller-paid buyer closing costs.
(adopted 4/20)

SECTION 2-3 CHANGES

Changes to listing information shall be submitted to SOMLS within two (2) business days. Failure to submit a change within two (2) business days or to follow any of the reporting requirements in this section of these Rules and Regulations and in Sections 2 and 3 of the Collaboration Rules may subject the Participant to a fine in accordance with Section 8-7 of these Rules and Regulations.
(amended 4/20)

SECTION 2-4 AUDITING

- A. Staff has the authority, but not the duty, to delete language that may be considered discriminatory, per Fair Housing guidelines, from listings submitted to the SOMLS system for publication.
- B. When remarks attempt to modify the unilateral offer of compensation, except as outlined in Section 3-3 of the Collaboration Rules, staff will remove the language from the remarks.

- C. Staff has the authority, but not the duty, to remove pictures or virtual tour links from the system that violate the requirements outlined in Section 2-13 of the Collaboration Rules.
- D. Staff is authorized to take corrective action for any reported inaccuracy or error on a listing upon confirmation that the issue reported is inaccurate or in error, following notice to the listing Subscriber and opportunity given for the listing Subscriber to make the correction.
- E. Apart from the items specifically listed in this section, staff has the authority, but not the duty, to conduct audits of listing information submitted by its Participants and Subscribers. Inaccurate information found during such an audit may be corrected by staff upon notification to the listing Subscriber and Participant. If staff requests additional information from the listing Subscriber and/or their Participant and a response is not received within two (2) business days, staff has the authority, but not the obligation, to remove the listing from the system upon notification to the Participant.
- F. If any of these auditing items are done by staff, both the listing Subscriber and Participant will be notified in writing of the action taken by staff.
(amended 4/20)

SECTION 2-5

TOUR

SOMLS may hold tour meeting(s) followed by a tour of properties within SOMLS jurisdiction and submitted to the SOMLS and requested to be on tour. Attendance at a tour meeting and tour is restricted to active and reciprocal licensees in SOMLS. Tour guidelines are established in accordance with established "Best Business Practices" and are amended from time to time to comply with same.

SECTION 2-6

AUTHORIZATION

By the act of submission of any property listing data to SOMLS the Participant represents and warrants that the Participant is fully authorized to license the property listing content as contemplated by and in compliance with this section and these Rules and Regulations, and also thereby does grant to SOMLS license to include the property listing data in its copyrighted SOMLS compilation and also in any statistical report on "Comparables." Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

Each Participant who submits listings content to SOMLS agrees to defend and hold SOMLS and every other Participant harmless from and against any liability or claim arising from any inaccuracy of the submitted listing content or an inadequacy of ownership, license, or title to the submitted listing content.

NOTE: 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 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 the 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.

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. SOMLS will serve as the agent for any Participant or Subscriber upon written request.
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 17 U.S.C. §512.

(amended 3/19)

SECTION 3 **KEY BOX SYSTEM**

SECTION 3-1 **KEY BOXES**

- A.** SOMLS provides access to an electronic key box system for the benefit of its Participants and Subscribers.
- B.** SOMLS shall maintain current records as to all unsold key boxes in inventory.
- C.** Key boxes may not be placed on a property without written authority from the seller to the listing Participant. Key boxes should be removed from a listing within two (2) business days of closing, cancellation, or expiration.
- D.** Any issuing fees, recurring fees, appropriate fines, or other administrative costs shall be established at the discretion of the Board of Directors and set forth in Appendix A of these Rules and Regulations. All key box purchasers, as a condition of purchase, shall agree to be bound by the rules and policies governing the operation of the key box system.
- E.** Member Participants and their affiliated Subscribers as defined in Article 4 of the SOMLS Bylaws shall be eligible to purchase key boxes from SOMLS for a fee per box as stated in Appendix A of these Rules and Regulations.
- F.** SOMLS shall not give out any information about a key box (i.e. – shackle code) to anyone other than the owner of record or said licensee's Participant. Participants and Subscribers who purchase a key box(es) from another SOMLS user are required to notify SOMLS of the change of ownership.

- G.** SOMLS will, if possible, re-program key boxes purchased by Participants and Subscribers from a source other than SOMLS or one of its users for a fee as stated in Appendix A of these Rules and Regulations. Certain factors must apply to allow the box to be re-programmed and the fee will only be charged if the re-programming is possible.
(amended 10/11)

**SECTION 3-2
KEY BOX KEYS**

- A.** An “SOMLS key” is any device by which a key box can be opened. An SOMLS key shall be non-duplicative. By “non-duplicative” it is not necessarily meant that a current patent covers the SOMLS key, but that it cannot be readily copied.
- B.** SOMLS keys must only be obtained from SOMLS or its authorized agent.
- C.** Each SOMLS Member Participant and Appraiser Participant and the Subscribers affiliated with said Participants as defined in Article 4 of the SOMLS Bylaws who are legally eligible for MLS access shall be eligible to hold an SOMLS key subject to their execution of an agreement with SOMLS.
- D.** The SOMLS key shall only be used for the purpose of gaining authorized entry into real property on which a key box has been placed. Extreme care shall be taken by the SOMLS keyholder to ensure that the property key is returned to the key box and that all doors to the listed property and the key box are securely locked upon exit.
- E.** SOMLS may refuse to sell, lease, or license SOMLS keys, may terminate existing SOMLS key agreements, and may refuse to activate or reactivate any SOMLS key held by an individual convicted of a felony or misdemeanor if the crime, in the determination of the Board of Directors, relates to the real estate business or puts clients, customers, or other real estate professionals at risk.
- F.** SOMLS may suspend the right of SOMLS keyholders to use SOMLS keys following their arrest and prior to their conviction for any felony or misdemeanor which, in the determination of the Board of Directors, relates to the real estate business or which puts clients, customers, or other real estate professionals at risk.
- G.** Factors that can be considered in making a determination for Parts E or F of this section include, but are not limited to:
1. The nature and seriousness of the crime.
 2. The relationship of the crime to the purposes for limiting key box access.
 3. The extent to which access (or continued access) might afford opportunities to engage in similar criminal activity.
 4. The extent and nature of past criminal activity.
 5. Time since criminal activity was engaged in.
 6. Evidence of rehabilitation while incarcerated or following release.
 7. Evidence of present fitness.
- H.** Any deposits, issuing fees, recurring fees, appropriate fines, other administrative fees, or refunds shall be established at the discretion of the Board of Directors and set forth in Appendix A of these Rules and Regulations. All SOMLS keyholders, as a condition of the SOMLS key agreement, shall agree to be bound by the rules and policies governing the

operation of the key box system.

- I. Licensees shall pay the required deposit, if any, for an SOMLS key plus an SOMLS key processing fee as stated in Appendix A of these Rules and Regulations.

J. SECURITY:

In order to maintain security of the SOMLS key to prevent its use by unauthorized persons, SOMLS keyholders shall:

1. Keep the SOMLS key in their possession or in a safe place at all times and at all times be accountable to SOMLS for the SOMLS key.
2. Not disclose to any other party the keyholder's PIN.
3. Not loan the SOMLS key to or permit the SOMLS key to be used by any person for any purpose.
4. Not assign, transfer, or pledge their SOMLS key to any other person for any purpose.

(amended 4/20)

SECTION 4
LICENSED AND UNLICENSED USERS

SECTION 4-1

LICENSEE CHANGES

- A. Participants must report changes to licensees affiliated with said Participant to SOMLS, within two (2) business days of action of Participant using the appropriate form.
 1. A Participant is to note the date the licensee is licensed with said Participant when adding a new licensee or when transferring an existing Subscriber from another Participant. A transfer fee as stated in Appendix A of these Rules and Regulations will be charged to Subscribers transferring from one SOMLS Participant to another SOMLS Participant provided the transfer occurs within a thirty (30) day period. A Subscriber who inactivates from an SOMLS Participant and re-activates with another or same SOMLS Participant more than thirty (30) days from the date of the inactivation will be charged an activation fee as stated in Section 7-2, Part D.
 2. When deleting a licensee, the Participant is to note the date the licensee's license is sent to the Oregon Real Estate Agency.
 3. Fees are payable based upon the date the form is received and changes are made active in the SOMLS system. Participants must notify SOMLS of Subscriber changes and changes to Participation PRIOR to the first day of the month in order to receive credit for billed monthly access fees.
- B. If a Participant fails to notify SOMLS of the addition of a licensee within the prescribed time period, the Participant may be charged an administrative fee as stated in Appendix A of these Rules and Regulations and the Subscriber may be billed for monthly access fees retroactive to the date the licensee was first licensed with the Participant.
- C. If a Participant fails to notify SOMLS of the deletion of a licensee until after the first of the month, the Participant will be billed for the Subscriber's monthly fees if Subscriber has not already paid.

(adopted 10/13)

SECTION 4-2

CLERICAL USERS

- A. Clerical Users are unlicensed individuals under the direct supervision of an SOMLS Participant who perform only administrative and clerical tasks that do not require a real

estate license or appraisal certification or license, and who have signed an agreement to abide by the SOMLS Rules and Regulations, as from time to time amended. Each Participant shall provide SOMLS with a list of all Clerical Users employed by or affiliated as independent contractors with the Participant and shall notify SOMLS of any changes, additions, or deletions within two (2) business days. Participants may be assessed application fees, monthly administrative fees, or other fees as determined by the Board of Directors for each Clerical User.

- B.** Clerical Users may have access to SOMLS information solely under the direction and supervision of the Participant. Clerical Users may not provide any SOMLS information to persons other than the Participant under whom they are registered. Access by Clerical Users to the database is solely for clerical and administrative functions for the Participant under whom the Clerical User is registered. Clerical Users shall not share their Login I.D. and password with any customer, client, or other user or non-user of SOMLS, whether licensed or un-licensed.

(amended 9/18)

SECTION 4-3 BROKER LOAD

- A.** "Broker Load" is a data entry method that allows Participants to maintain direct control over input and management of their own listings. A Participant using Broker Load shall be responsible for entering and maintaining all of said Participants listings and changes. A Participant who chooses to not utilize Broker Load will incur listing fees as outlined in Section 7-5 of these Rules and Regulations.

- B.** A Participant who wishes to maintain Broker Load must choose one of the following two options:

OPTION 1: Only the Participant, associated Clerical Users, and those Subscribers who are employed as office staff for the Participant and perform their duties for the benefit of the entire firm, shall be authorized to enter and maintain listings in the SOMLS system.

OR

OPTION 2: In addition to the Participant and associated office staff/Clerical Users who are authorized to enter and maintain listings for the entire firm, the Participant may allow some or all affiliated Subscribers to be personally responsible for entering and maintaining said Subscriber's individual listings.

Under the provisions of either option above, the Participant, office staff/Clerical Users, and each Subscriber must complete the necessary training steps outlined further in this section, and must sign the Broker Load Agreement with SOMLS prior to being granted access to Broker Load.

- C.** All individuals utilizing Broker Load shall be responsible for the data he/she enters into the SOMLS system. Further, the Participant shall accept ultimate responsibility for the data entered into the SOMLS system by either licensed office staff, Clerical Users, or an individual Subscriber.
- D.** Once a Participant is authorized for either option of Broker Load, any listings submitted to SOMLS Staff for entry shall incur a fee as defined in Section 7-5 of these Rules and Regulations. Notwithstanding, the Executive Officer can approve a waiver of the fees under extenuating circumstances.
- E.** SOMLS Staff shall input changes to listings ONLY if the listing was originally input by SOMLS Staff.** Notwithstanding, the Executive Officer can approve a waiver of the rule under extenuating circumstances.

****"Sold" status changes will be accepted for input by SOMLS Staff for ALL listings.*

(amended 10/11)

SECTION 4-4

RECIPROCAL PARTICIPANTS AND SUBSCRIBERS

- A.** Reciprocal Participants shall be charged a reciprocal monthly access fee as stated in Appendix A of these Rules and Regulations per reciprocal firm location even if said Participant is an SOMLS Participant in another Participation category as defined in Article 4 of the SOMLS Bylaws.
- B.** Licensees affiliated with Reciprocal Participants may, on an individual basis, subscribe to SOMLS. The Reciprocal Participant shall be charged a reciprocal monthly access fee as stated in Appendix A of these Rules and Regulations for each licensee affiliated with said Reciprocal Participant who chooses to become a Reciprocal Subscriber.
- C.** Reciprocal Participants are not eligible to purchase key boxes from SOMLS.
- D. LISTINGS:**
 - 1. Reciprocal Participants have the option of submitting listings to SOMLS at said Participant's discretion. The submission timeframe for the initial entry of said listing is waived. HOWEVER, once the listing is in the system, ALL other SOMLS Rules and Regulations do apply, including the reporting timeframes.
 - 2. Reciprocal Participants shall be charged a reciprocal listing fee as stated in Appendix A of these Rules and Regulations for each listing submitted to the SOMLS system for themselves and/or any licensee(s) affiliated with said Participant.
 - 3. All such listings submitted will show the Reciprocal Participant as the listing agent, unless the listing agent is a Reciprocal Subscriber.
- E.** Licensees affiliated with Reciprocal Participants may attend SOMLS classes and tour meetings, even if said licensee is not a Reciprocal Subscriber. Said licensees shall be subject to all SOMLS Rules and Regulations while in attendance at any SOMLS class or meeting. If a licensee affiliated with a Reciprocal Participant wishes to attend an SOMLS education class, said licensee shall be charged the member fee for the class, if applicable.
- F.** All Reciprocal Participants and Subscribers shall have such rights, privileges, and obligations of the SOMLS Bylaws, SOMLS Rules and Regulations, and SOMLS Policies as outlined and defined in the Reciprocal Agreement.
(amended 5/09)

SECTION 4-5

APPRAISER PARTICIPANTS AND SUBSCRIBERS

- A.** Appraiser Participants shall be charged an appraisal monthly access fee as stated in Appendix A of these Rules and Regulations.
- B.** All licensed or certified appraisers affiliated with an Appraiser Participant shall be charged an appraisal monthly access fee as stated in Appendix A of these Rules and Regulations and as per Section 7-3(A) of these Rules and Regulations.
- C.** Registered Appraiser Assistants affiliated with an Appraiser Participant may, on an individual basis, subscribe to SOMLS and are subject to all subscriber rights, privileges, and obligations as outlined in these Rules and Regulations. Registered Appraiser Assistants DO NOT have voting privileges or the eligibility to be an SOMLS Officer or Director. The Appraiser Participant shall be charged an appraisal monthly access fee as stated in Appendix A of these Rules and Regulations for each Registered Appraiser Assistant affiliated with said Appraiser Participant who chooses to become an Appraiser Subscriber

- D. Appraiser Participants and/or Subscribers do not have the right to submit listings to SOMLS as outlined in the SOMLS Bylaws Article 4B(2).
- E. Registered Appraiser Assistants subscribing to SOMLS as defined in Part C of this section shall provide SOMLS with a current copy of their registration each time said registration is renewed.
- F. Per Section 7-3(A) of these Rules and Regulations, Appraiser Participants shall be charged monthly access fees for themselves and each licensed or certified appraiser affiliated with said Participant.
- G. Access to and use of any and all SOMLS information is limited to ONLY Participants and Subscribers of SOMLS, as outlined and defined further in Section 5 of the Collaboration Rules.
(amended 1/11)

SECTION 4-6

PERSONAL ASSISTANTS

- A. A personal assistant is an individual, licensed or un-licensed, employed by or affiliated with a Participant or Subscriber, whose tasks and duties are only for the benefit of the employing Participant or Subscriber. Personal assistants, whether licensed or un-licensed, must be registered with SOMLS and agree to abide by the SOMLS Rules and Regulations, as from time to time amended.
- B. A licensed personal assistant will have his/her own login ID and password as that individual will also be a Subscriber of SOMLS. The licensed personal assistant will have all of the Subscriber rights, privileges, and obligations as outlined elsewhere in these Rules and Regulations and the SOMLS Bylaws.
- C. An un-licensed personal assistant may only have access to SOMLS when registered with SOMLS, been given his/her own login ID and password, and has acknowledged that SOMLS information will be accessed solely under the direction and supervision of the Participant or Subscriber with whom he/she is affiliated or employed. An unlicensed personal assistant may not provide any SOMLS information to persons other than the individual under whom he/she is registered. Unlicensed personal assistants may be assessed application fees, monthly administrative fees, or other fees as determined by the Board of Directors.
- D. Whether licensed or un-licensed, a personal assistant is NOT allowed to utilize the login ID and password of the licensee with whom he/she is affiliated or employed per section 1-5 of the Collaboration Rules.
- E. Personal assistants (whether licensed or unlicensed) shall not share any known login IDs and passwords with any customer, client, or other user or non-user of SOMLS.
(amended 4/20)

SECTION 5

SUSPENSIONS, RESIGNATIONS, & TERMINATIONS

SECTION 5-1

LISTINGS OF A SUSPENDED PARTICIPANT AND/OR SUBSCRIBER

- A. If a Participant is suspended from SOMLS for failure to pay appropriate dues, fees, or charges, or for failing to abide by any other participation or subscription duty (i.e. violation of the Code of Ethics, Association Bylaws, SOMLS Bylaws, or SOMLS Rules & Regulations), all listings currently submitted to SOMLS by said suspended Participant

shall be retained in SOMLS for thirty (30) days or until sold, withdrawn, or expired (whichever comes first), but shall not be renewed or extended by SOMLS beyond the termination date of the listing agreement in effect when the suspension became effective. It is the Participant's responsibility to notify SOMLS of listings still in effect upon completion of the suspension.

- B.** If a Participant or Subscriber is suspended from SOMLS, because his/her license has been suspended for a temporary time period by the Oregon Real Estate Agency, listings in the system under said Participant's or Subscriber's name will be handled as follows:
1. In the event that the suspension is for a Subscriber, the listings will be transferred to the Participant's name with whom the Subscriber is affiliated for the duration of the suspension.
 2. In the event that the suspension is for a Participant who has Subscribers affiliated with him/her, said Participant may designate a Principal Broker affiliated with said Participant (SOMLS Bylaws, Article 4, Section C) and any listings in the suspended Participant's name will be transferred to the designee's name for the duration of the suspension.
 3. In the event that the suspension is for a Participant who is a sole practitioner, the listings will be changed to "withdrawn" status in the system for the duration of the suspension.

In any of the aforementioned instances, the Participant is responsible to notify SOMLS of listings still in effect upon completion of the suspension.

(amended 5/09)

SECTION 5-2

LISTINGS OF A TERMINATED PARTICIPANT

If a Participant is terminated from SOMLS for failure to pay appropriate dues, fees, or charges, or for failing to abide by any other participation or subscription duty (i.e. violation of the Code of Ethics, Association Bylaws, SOMLS Bylaws, or SOMLS Rules & Regulations) all listings currently submitted to SOMLS by the terminated Participant shall be removed from SOMLS. Listings may be resubmitted to SOMLS upon the terminated Participant's reactivation and payment of any applicable fees and/or fines.

(amended 5/09)

SECTION 5-3

LISTINGS OF A RESIGNED PARTICIPANT

If a Participant resigns from SOMLS, SOMLS is not obligated to provide MLS services, including continued inclusion of the resigned Participant's listings in SOMLS' compilation of current listing information. Prior to the removal of the resigned Participant's listings from SOMLS, the resigned Participant will be advised in writing of the intended removal so that the resigned Participant may advise his/her clients.

SECTION 6

MEETINGS AND COMMUNICATIONS

SECTION 6-1

MEETINGS

- A.** The meetings of SOMLS Participants or the SOMLS Board of Directors for transaction of SOMLS business shall be held in accordance with the provisions of Article 7 of the SOMLS Bylaws.
- B.** Animals are not allowed at any SOMLS meeting, event, or class without prior approval from the President, whether it is held at the SOMLS office or otherwise, and may not be taken to any showings and/or viewings of properties listed with SOMLS without prior

approval from the listing agent or seller, excluding such animals as may present as an aid for a disability.
(adopted 7/08)

SECTION 6-2 COMMUNICATIONS

- A. The official method of disseminating information (including, but not limited to, notices of meetings, bylaws or rules changes, etc.) to Participants and Subscribers, shall be by electronic or printed material and shall be distributed through electronic means or U.S. Mail.
- B. Flyers for classes or events not sponsored by SOMLS will not be disseminated without prior approval from the Board of Directors.
(adopted 5/09)

SECTION 6-3 ROSTERS

SOMLS Rosters are provided to users for their convenience. Rosters shall not be used for non-real estate related marketing purposes, political purposes, soliciting charitable contributions, or for any other purpose not related to SOMLS users' real estate related business or activities. Rosters shall not be provided to a non-user without prior approval from the Board of Directors.
(amended 5/09)

SECTION 7 CHARGES AND FEES

SECTION 7-1 SERVICE CHARGES AND FEES

- A. The established service charges and fees are in effect to defray the costs of operation and are subject to change from time to time by action of the SOMLS Board of Directors.
- B. Monthly access fees, miscellaneous charges, recurring data feed fees, late fees, and all other fees are established by the SOMLS Board of Directors and are due in full on a monthly basis for each Participant and licensee affiliated with the Participant (Subscriber).
- C. The fees charged to the Participant associated with the set-up and receipt of a data feed shall be as determined by the Board of Directors and as stated in Appendix A of these Rules and Regulations. Affiliated VOW Partners and Third Party Vendors shall be responsible for their own expenses and costs and SOMLS shall have no obligation to reimburse for any expenses or costs incurred by the Affiliate VOW Partner or Third Party Vendor in providing service to the Participant.
(amended 4/20)

SECTION 7-2 NEW PARTICIPANTS AND SUBSCRIBERS

- A. NEW PARTICIPANT FEE:
An applicant for participation in SOMLS shall pay a new participant fee as stated in Appendix A of these Rules and Regulations with such fee to accompany the application. Application shall be made and the new participant fee paid in the event of a change in the Participant of any firm. A change of name of firm, without a change of Participant, shall not cause said firm to incur an additional new participant fee.
- B. RENEWING PARTICIPANT FEE:
If an inactive Participant wishes to reactivate his/her Participation and at the time of inactivation was a user in good standing the following reactivation fees would apply.
 - 1. If the reactivation is within one (1) year, the fee is as stated in Appendix A of these

Rules and Regulations.

2. If the reactivation is within two (2) years, the fee is as stated in Appendix A of these Rules and Regulations.
3. If the reactivation is after two (2) years, the Participant is considered to be new and shall make application and pay fees as defined in Part A of this Section.

C. ADDITIONAL FIRMS:

If an active Participant opens an additional firm (whether a branch of the existing firm or another firm name altogether) and desires licensees at said firm to be part of SOMLS, and said Participant will also be the Participant of the new firm, the Participant will be charged a branch set-up fee as stated in Appendix A of these Rules and Regulations. If the Participant desires to designate a separate Participant for the additional firm then application and fees would be as defined in part A of this section. An additional firm with same Participant shall not entitle said Participant to an additional vote in SOMLS matters.

D. All new and renewing (if period of inactivation was greater than thirty (30) days) Subscribers will be charged an activation fee as stated in Appendix A of these Rules and Regulations.

E. New Participants and Subscribers will be charged, for their first month, the full applicable monthly access fee or, if activating after the 15th of the month, half the monthly access fee, as stated in Appendix A of these Rules and Regulations.

(amended 9/18)

SECTION 7-3

MONTHLY ACCESS FEES

A. All active Participants and licensees affiliated with the Participant (Subscribers) will be charged a monthly access fee unless the licensee has received a waiver per Section 7-8 below. Monthly access fees shall be as stated in Appendix A of these Rules and Regulations.

B. Participants who have multiple firm locations shall not be required to pay multiple monthly access fees for themselves, except as defined in Section 4-4 of these Rules and Regulations.

C. All active unlicensed clerical users affiliated with a Participant and unlicensed personal assistants affiliated with a Subscriber will be charged a monthly administrative fee as stated in Appendix A of these Rules and Regulations.

(amended 9/18)

SECTION 7-4

COMPLIANCE

Failure to pay any undisputed service charge or fee within ten (10) days of the date due shall cause SOMLS services to be suspended and additional action taken as outlined in Section 7-6 below, provided that two (2) business days' notice has been given.

(amended 10/11)

SECTION 7-5

LISTING FEES

A listing fee as stated in Appendix A of these Rules and Regulations shall be charged for all listings submitted to SOMLS Staff for input into the SOMLS system. Listings submitted to the system by "broker load" will not incur a listing fee.

(adopted 11/03)

SECTION 7-6

LATE FEES

- A.** All charges are due on the first business day of the month and are late the first business day after the 10th of the month.
- B.** If all fees and charges are not paid in full by the 1st business day after the 10th of the month, access and services will be suspended and a late fee will be assessed. Provided that the individual has not made their payment late more than one (1) time in the past twelve (12) months, the standard late fee as stated in Appendix A of these Rules and Regulations will be assessed. Upon occurrence of a second (2nd) late payment within the past twelve (12) months, the late fee will increase to the amount stated in Appendix A of these Rules and Regulations and will remain at that level until the number of late payments within the past twelve (12) months is less than two (2).
- C.** In the event the late fee and suspension is a first-time occurrence for a Participant or Subscriber AND the individual is not already registered to have the payment automatically charged to a credit or debit card each month ("auto-pay"), upon request of the Participant or Subscriber, the CEO has the authority to waive the late fee provided that the individual is not already registered for auto-pay and registers for auto-pay prior to the next billing cycle.
- D.** If charges become two (2) months past due, the individual will be terminated.
- E.** Access and services may be reinstated after suspension, but prior to termination, provided that all charges and late fees are brought current.
- F.** In the event a Participant is suspended for non-payment Staff will take additional action as outlined in Section 6-1. If the amount becomes two (2) months past due and the Participant is terminated per paragraph B of this section, the licensees affiliated with the Participant will be given notice that they have five (5) business days to move their affiliation to another Participant or they will lose SOMLS access.
- G.** In the event a Subscriber is terminated for non-payment and the individual remains licensed with the Participant following the termination, the Participant will be billed for the licensee.

(amended 3/17)

SECTION 7-7

NON-HONORED CHECKS

Checks not honored by the financial institution shall incur a service fee as stated in Appendix A of these Rules and Regulations. Payment of the amount of the non-honored check plus the service fee must be delivered to the SOMLS office within two (2) business days. Payment must be made by credit/debit card, cashier's check, bank money order, or in cash. If the non-honored check has not been rectified within two (2) business days, the individual may be subject to additional penalties under Sections 7-4 and 7-6 of these Rules and Regulations.

SECTION 7-8

SUBSCRIPTION WAIVERS

- A.** In recognition of the sacrifice of military service, and in concert with RVAR, SOMLS will credit that portion of monthly MLS fees for Subscribers who are called to active duty in the National Guard or Ready Reserve.

Prior to the date of active duty, the Subscriber will provide proof of activation (letter, orders, etc.) and the date the suspension will take effect. SOMLS will credit the Subscriber's monthly fees from that date through the end of the period of service. Credit will be allowed even if the Subscriber's real estate license remains active with the Participant. Reactivation of the Subscriber's SOMLS service must be within thirty (30) days of end of

military activation period. All fees associated with reactivation of subscription will be waived.

- B.** SOMLS will provide Participants a no-cost waiver of SOMLS fees and charges for any real estate licensee or licensed or certified appraiser affiliated with the Participant who can demonstrate subscription to a different MLS or Commercial Information Exchange (“CIE”) where the Participant also participates. The waiver shall be completed by the Participant for certification of non-use of SOMLS services by their licensees and will need to be renewed each calendar year to remain in effect.

A waived individual may not derive any benefit from SOMLS services. Therefore, a waived individual may NOT:

- a. Be a listing broker for any active listing in the SOMLS system.
- b. Possess, control, or use an SOMLS key box access device to enter, view, or show any property that is listed in the SOMLS system.
- c. Directly or indirectly access, or use in any manner whatsoever, the listing information stored in the SOMLS system. Such access and use includes, but is not limited to:
 - i. direct access or use of the SOMLS system; and
 - ii. use of other services or devices provided by SOMLS or its affiliated or licensed vendors/suppliers that permit access to, and use of, any listing information from the SOMLS system.
- d. Use, directly or indirectly, in any manner whatsoever, information from the SOMLS system to:
 - i. list properties for sale or lease;
 - ii. identify or locate properties for any potential buyers or lessees; or
 - iii. participate in listing or sales activity requiring licensure for any properties listed in the SOMLS system.
- e. Be part of a designated real estate “Team” where one or more of the other Team members are subscribers to SOMLS.

Violation of any of the above conditions will result in automatic revocation of the waiver for the individual recipient. The Participant will be invoiced for SOMLS subscription fees, retroactive for one billing year or to the date SOMLS service was first waived, whichever is less, plus a \$1,000 non-compliance fee for each waiver recipient that has his or her waiver revoked. The invoice will be due within seven (7) calendar days after the waiver recipient becomes ineligible. Failure to pay the amounts owed by the due date will result in the MLS access for the Participant and all Subscribers associated with the Participant being suspended until all fees have been paid.

If the Participant notifies SOMLS within two (2) business days if any waived individual affiliated with the Participant becomes ineligible for a waiver and simultaneously with such notice to SOMLS, either immediately informs the waived individual that they must subscribe to SOMLS within two (2) business days and pay the applicable retroactive fees OR severs the firm’s relationship with the licensee, then the Participant shall not incur the non-compliance fee.

In the event the waived licensee utilized another Subscriber’s login credentials to access the SOMLS system, then Section 9-5 of these Rules and Regulations shall apply.

(amended 3/19)

SECTION 8 ENFORCEMENT

SECTION 8-1 DEFINITIONS

A. Chronic:

For the purpose of this section, “chronic” is defined to be three (3) or more violations of the same rule in a ninety (90) day period.

B. Enforcement Process:

The President and the Advisory Directors of the Board of Directors and will meet as necessary to consider alleged violations of the Rules and Regulations. The President will be the Chair and the President’s vote on matters will only count in the event of a tie vote of the Advisory Directors.

C. Major Violations:

For the purpose of this section, a “major” violation of a rule is one that the violation thereof could potentially harm the public trust or the cooperative relationship between SOMLS Participants.

D. Minor Violations:

For the purpose of this section, a “minor” violation of a rule is one in which the violation does not constitute harm to the public trust or to other SOMLS Participants and for which the sanction is specifically outlined in these Rules and Regulations.

(amended 2/12)

SECTION 8-2 CONSIDERATION OF ALLEGED VIOLATIONS

A. The Board of Directors shall grant the Executive Officer the latitude to govern rules violations in the following manner:

1. If a Participant and/or Subscriber is found to have a minor violation as noted in the definitions above, whether by discovery of SOMLS Staff or by a Participant and/or Subscriber contacting Staff (verbally or in writing), the Executive Officer has the authority to correct the problem and notify said Participant and/or Subscriber of any changes made. If applicable, the Participant and/or Subscriber will also be notified of the fine and/or fee, or potential thereof, incurred by the violation as outlined in Appendix A of these Rules and Regulations.
2. Alleged major rule violations will only be accepted in writing and all such complaints must be signed to be considered under Part B of this section. In the event that a Staff member discovers a potential major rule violation and a written complaint gets filed, the Executive Officer will act as the Complainant.
3. Any fine incurred for a single minor violation that is greater than \$200.00, or if there are multiple minor violations by a single Participant or Subscriber within a five (5) business day period in which the cumulative total is greater than \$200.00, said violation(s) will be remanded to the Enforcement Process for consideration.
4. If a Participant and/or Subscriber demonstrates chronic violations of a particular rule, the Executive Officer may submit a written complaint for consideration of further action beyond the automatic sanction associated with the particular rule.
5. If a written complaint is filed, the Complainant will only be made known to the Respondent if the complaint is forwarded to the Board of Directors for consideration of action.

B. The Board of Directors, through its Enforcement Process, shall give consideration to all

written and signed complaints having to do with a violation of the Rules and Regulations. By becoming and remaining a Participant, each Participant agrees to be subject to these Rules and Regulations, the enforcement of which is at the sole discretion of the SOMLS Board of Directors.

(amended 3/19)

SECTION 8-3 VIOLATION OF RULES AND REGULATIONS

If, through the Enforcement Process, it is determined that the alleged offense is a violation of these Rules and Regulations and does not involve a charge of alleged unethical conduct or request for arbitration and action for the alleged offense is not specifically outlined elsewhere in these Rules and Regulations, it may be administratively considered and action recommended to the SOMLS Board of Directors. A hearing panel of three (3) voting members of the Board of Directors will be appointed by the President Elect, or the immediate Past President if the President Elect has a conflict of interest or is unavailable. The Participant and/or Subscriber has the right to appear before the panel to state their case and at the hearing panel's discretion, the complainant may be asked to appear. The hearing panel may direct the imposition of sanction in the form of reprimand and/or fine as stated in Appendix A of these Rules and Regulations, suspension, and/or termination of participation or subscription. All actions of a hearing panel will be ratified by the Board of Directors (excluding hearing panel members) before being considered final. The recipient of such sanction may appeal the decision as outlined in Section 8-8 (C).

(amended 5/09)

SECTION 8-4 COMPLAINTS ON UNETHICAL CONDUCT

All complaints of unethical conduct or requests for arbitration shall be referred by the SOMLS Board of Directors to the Rogue Valley Association of REALTORS® for processing in accordance with the professional standards procedures of the Association.

(amended 10/04)

SECTION 8-5 BREACHING CONFIDENTIALITY OF MLS SYSTEM LOGIN CREDENTIALS

If a Participant, Subscriber, Clerical User, or Personal Assistant (whether licensed or un-licensed) is found to be in violation of Section 1-5, part A, of the Collaboration Rules, the individual shall incur a fine as stated in Appendix A of these Rules and Regulations. If the same individual is found in violation of Section 1-5, part A, a second time within a 36-month period, they will be suspended from SOMLS for a period of 90-days and incur the fine as stated in Appendix A of these Rules and Regulations. If a third violation occurs within a 36-month period, it will be administratively considered and further action taken by the SOMLS Board of Directors, up to a \$15,000 fine and/or suspension or termination from SOMLS.

(adopted 5/17)

SECTION 8-6 OFFICE EXCLUSIVES AND CLEAR COOPERATION

A first time violation of either Section 2-2, part A, or Section 2-17 of the Collaboration Rules shall require the Subscriber and Participant to submit to SOMLS acknowledgement of review of the "Education Review and Certification for Understanding the Purpose of the MLS" form within five (5) business days of notification from SOMLS of the violation. Failure to comply with this requirement shall incur a fine as noted in Section 8-7 of these Rules and Regulations.

Subsequent violations of this rule shall incur fines and/or sanctions as noted in Section 8-7 of these Rules and Regulations.

(adopted 4/20)

SECTION 8-7 REPORTING FINES

If a listing is found in which the Participant failed to enter or report in a timely manner as outlined

in these Rules and Regulations, the Participant shall incur a fine as set forth further in this section.

- A. For a first occurrence within a twelve (12) month period, notification of a fine as stated in Appendix A of these Rules and Regulations shall be sent to the Participant. The notification shall include the nature of the violation (i.e. late reporting or a status violation) and an opportunity for the fine to be waived if the Participant and listing broker complete an "Education Review and Certification for Understanding the Purpose of the MLS" form and return it to SOMLS within five (5) business days of notification.

Failure to complete and return the aforementioned form within five (5) business days of notification will negate the waiver of the fine and it will be due and payable on the sixth (6th) business day.

- B. For a second occurrence of the same nature within a twelve (12) month period, a fine as stated in Appendix A of these Rules and Regulations shall be issued to the Participant. Further both the Participant and the listing broker will be required to again complete an "Education Review and Certification for Understanding the Purpose of the MLS" form and return it to SOMLS within five (5) business days of notification. Completion of the Education form within the required timeframe will not negate the fine. Failure to complete the Education form within the required timeframe shall result in the fine being doubled.
- C. For a third occurrence of the same nature within a twelve (12) month period, a fine as stated in Appendix A of these Rules and Regulations shall be issued to the Participant. Further both the Participant and the listing broker will be required to attend a meeting with at least two members of the SOMLS leadership (President, President Elect, Immediate Past President, or CEO) within thirty (30) days to review the obligation of Participants and Subscribers to abide by the SOMLS Rules and Regulations.
- D. For a fourth occurrence of the same nature within a twelve (12) month period, the Participant and listing broker will be required to appear before the Board of Directors at their next regularly scheduled meeting for determination of further action.

(amended 4/20)

SECTION 8-8 APPEAL

- A. Participants and/or Subscribers have the right to appeal any fines, fees, and/or sanctions as outlined in parts B and C of this section.
- B. Any fines, fees, and/or sanctions imposed automatically by these Rules and Regulations may be appealed to the SOMLS Board of Directors within twenty (20) days of receipt of the notice of said fine, fee, and/or sanction. An appeal panel of three (3) voting members from the SOMLS Board of Directors will be appointed by the President Elect, or by the immediate Past President if the President Elect has a conflict of interest or is unavailable. An appeal "hearing" will be scheduled at the convenience of the appeal panel. The Participant and/or Subscriber has the right to appear before the panel and state their case and at the appeal panel's discretion, the complainant may be asked to appear. The decision made by the appeal panel in such instances is final and further appeal cannot be made.
- C. Any fines, fees, and/or sanctions administratively considered and action imposed by a hearing panel, may be appealed within twenty (20) days of receipt of the hearing panel's decision. An appeal panel of three (3) voting members from the RVAR Board of Directors who are not also on the SOMLS Board of Directors will be appointed by the SOMLS President Elect, or by the immediate SOMLS Past President if the President Elect has a conflict of interest or is unavailable. An appeal "hearing" will be scheduled at the convenience of the appeal panel. The Participant and/or Subscriber has the right to appear before the panel and state their case and at the appeal panel's discretion, the complainant may be asked to appear. The decision made by the appeal panel in such

instances is final and further appeal cannot be made back to the SOMLS Board of Directors.
(amended 11/07)

**SECTION 8-9
CONFIDENTIALITY**

The allegations, findings, and decisions rendered in the enforcement process are confidential and shall not be reported or published by a member of the Board of Directors or Staff, any member of a tribunal, or any party under any circumstances unless approved by the Board of Directors and agreed to by the SOMLS attorney or from court order or subpoena.
(adopted 8/16)

**SECTION 9
AMENDMENTS**

**SECTION 9-1
CHANGES IN RULES AND REGULATIONS**

The Rules and Regulations may be changed as set forth in Article 6(F5) of the SOMLS Bylaws.

Southern Oregon Multiple Listing Service, Inc.
RULES AND REGULATIONS
APPENDIX A

SOMLS Schedule of Fees, Fines, and other Charges

<u>FEES</u>	<u>Price</u>
Activation Fee for new or renewing Participants/Subscribers.....	\$ 30.00
Administrative Fee: Unreported Licensee.....	\$ 100.00
Branch Set-up Fee.....	\$ 100.00
Capital Contribution Fee: New.....	\$ 500.00
Capital Contribution Fee: Renewing within 1yr.....	\$ 100.00
Capital Contribution Fee: Renewing within 2yrs.....	\$ 250.00
Key Box: Purchase - New (per box).....	\$ 109.00
Key Box: Purchase – Used (per box).....	\$75.00
Key Box: Reprogramming or Deprogramming (per box).....	\$25.00
Key: eKey Basic Monthly Fee.....	\$ 13.00
Key: eKey Professional Monthly Fee.....	\$ 24.00
Late Fee.....	\$ 25.00
Late Fee upon a second occurrence in a 12-month period.....	\$ 50.00
Listing Fee: Non-Broker Loaded Listings (per listing).....	\$ 12.50
Monthly Access Fee: New Participants/Subscribers First Month.....	\$ 57.00 or \$28.50
Monthly Access Fee: Recurring (per month).....	\$ 57.00
Monthly Access Fee: Clerical Users and Personal Assistants.....	\$ 10.00
Service Fee: Non-Honored Check.....	\$ 30.00
Transfer Fee.....	\$ 5.00
 <u>FINES</u>	
Fine: Late Reporting or Status Violation 1st Occurrence.....	\$ 100.00
Fine: Late Reporting or Status Violation 2 nd Occurrence w/in 12 mos.....	\$ 200.00
Fine: Late Reporting or Status Violation 3 rd Occurrence w/in 12 mos.....	\$ 500.00
Fine: Sharing Login Credentials.....	\$ 1,000.00
Fine: Violation of Rules.....	\$ 15,000.00 maximum

SOMLS RULES AND REGULATIONS

APPENDIX B

SHARED DATABASE COLLABORATION RULES and REGULATIONS for the Oregon Data Share: Central Oregon Association of REALTORS® MLS (“MLSCO”), Klamath County Association of REALTORS® MLS (“KCAR”), and Southern Oregon Multiple Listing Service (“SOMLS”) (hereinafter referred to collectively as “MLS”)

SECTION 1 **GENERAL RULES**

SECTION 1-1

LISTINGS SUBJECT TO RULES AND REGULATIONS

Any listing to be submitted to the MLS is subject to these Rules and Regulations upon signature and/or initials of the Participant. Any violation of or failure to comply with these Rules and Regulations may subject the Participant, Subscriber, and/or User to fines, fees, and/or sanctions in accordance with the policies of the Participant’s primary MLS.

SECTION 1-2

NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS

MLS does not fix, control, recommend, suggest, or maintain commission rates or fees for services rendered by Participants. Further, MLS does not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-participants.

MLS does not make a rule requiring the listing broker to disclose the amount of total negotiated commission in the listing contract and MLS does not publish the total negotiated commission on a listing which has been submitted to MLS by a Participant. MLS does not disclose in any way the total commission negotiated between the seller and the listing broker.

SECTION 1-3

CONFIDENTIALITY OF MLS INFORMATION

Any information provided by MLS to the Participants shall be considered official MLS information. Such information shall be considered confidential and shall be for the exclusive use of Participants and Subscribers affiliated with said Participant (including both real estate licensees and certified or licensed appraisers).

In accordance with NAR Multiple Listing Policy Statement 7.85, MLS, collectively and each participating MLS individually, may use MLS data for purposes consistent with the defined purposes of the MLS as defined in NAR policy and the MLS’s data share agreement. Use of listing data by the MLS for purposes other than the defined purposes of the MLS shall require Participants’ consent consistent with NAR policy and the MLS’s data share agreement.

SECTION 1-4

MLS RESPONSIBILITY FOR ACCURACY AND TIMELINESS OF INFORMATION

MLS does not verify the information provided and disclaims any responsibility or liability arising from any inaccuracy or inadequacy of said information, for typographical errors by MLS, or for any delay in dissemination of such information. Each Participant agrees to hold MLS harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

SECTION 1-5

INFORMATION FOR PARTICIPANTS ONLY

- A.** Login I.D.’s and passwords issued to Participants, Subscribers, and Users for the MLS system and the MLS website shall NOT be shared with any customer, client, or other User or non-user of MLS, whether licensed or un-licensed.

- B. Any listing submitted to MLS may only be made available to clients or customers in a “client” format, which excludes confidential information only available to authorized Participants, Subscribers, and Users.

SECTION 1-6

ACCURACY AND AUDITING OF LISTING CONTENT

These rules allow Participants, Subscribers, Users, and MLS staff to report inaccuracies in listing information and/or violations of these rules. MLS staff has the authority, but not the duty, to correct the information upon notification to the listing broker and their Participant. The report will be addressed by the primary MLS for the listing broker.

SECTION 1-7

COMPLAINTS OF UNAUTHORIZED USE OF LISTING CONTENT

Any MLS Participant who believes another MLS Participant has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to the MLS Shared Database Advisory Council (“Council”) if the complaint involves Participants of different MLSs, or the complaining Participant’s primary MLS Board of Directors if the complaint involves Participants of the same MLS. Such notice shall be in writing, specifically identifying the allegedly unauthorized content, and be delivered to the Council or Board of Directors, as appropriate, 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 outlined in this Section 1-7 of these Rules and Regulations.

Upon receiving a notice, the Council or Board of Directors, as appropriate, will send the notice to the Participant who is accused of unauthorized use. Within ten (10) days from receipt, the Participant must either: 1) remove the allegedly unauthorized content, or 2) provide proof to the Council or Board of Directors, as appropriate, that the use is authorized. Any proof submitted will be considered by the Council or Board of Directors, as appropriate, and a decision of whether it establishes authority to use the listing content will be made within thirty (30) days.

If the Council or Board of Directors, as appropriate, determines that the use of the content was unauthorized, the Council or Board of Directors, as appropriate, will issue a request to remove and/or stop the use of the unauthorized content within ten (10) days of transmittal of the request. If the Council has considered the matter and made a determination, then the Council will also refer the matter to the Board of Directors of the Participant’s primary MLS for further consideration of violation of the applicable local Rules and Regulations.

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

SECTION 1-8

MLS RULES VIOLATIONS

MLS Participants may not take legal action against another MLS Participant for alleged rule violation(s) unless the complaining Participant has first exhausted the remedies provided by the primary MLS of the Participant accused of a violation.

SECTION 2

LISTING PROCEDURES SECTION

SECTION 2-1

DEFINITIONS

A. Property Types

1. Residential: single family homes, condominiums, townhouses, new construction or homes-to-be-built affixed to the land and which are not personal property.
2. Land: residential lots, rural land, unimproved commercial or industrial, multi-family

- (zoned), and subdivisions.
3. Residential Income: residential property with more than one dwelling unit attached or detached.
 4. Farm: properties with income production from farming or ranching activities.
 5. Commercial Sale: property for sale that is zoned or designated for commercial or business use with or without a structure.
 6. Commercial Lease: property for lease that is zoned or designated for commercial or business use with or without a structure.
 7. Business Opportunity: business opportunities which may or may not include real property.
 8. Mobile Home: a titled dwelling in a park or on leased land that is considered personal property and the sale of which does not include any land. For properties listed and sold in this category, the real estate firm is required to hold an Oregon Manufactured Structure Dealer's License to show or sell.

B. Residential Subtypes

1. Single Family Residence: single family dwellings (including homes to-be-built). These include detached single family dwellings, single family dwellings with guest unit, or zero lot line dwellings.
2. Condominium: single family dwellings in which the land and/or buildings in the project are jointly owned and maintained by a unit-owners association.
3. Townhouse: single family dwellings in which each building and the land under it are individually owned, but in which there are common elements owned and/or maintained by a homeowner's association.
4. Manufactured on Land: single family dwelling that is constructed almost entirely in a factory and is transported to the building site. The sale must include both the structure and the land.
5. Timeshare: property with a particular form of ownership or use rights, in which multiple parties hold rights to use the property and each shareholder is allotted a period of time. Units may be on a partial ownership, lease, or "right to use" basis, in which the shareholder may hold no claim to ownership of the property. This may also be referred to as deeded share in some counties.
6. Residential Leased Land: property including a dwelling structure in which there is a permit and/or lease issued for the land usage.
7. Stock Cooperative: single family residence where a corporation owns the entire real property and the buyer does not receive a deed, but a share of stock in the corporation tied to the right to a specific home on the property.

C. Land Subtypes

1. Residential Lots: bare land with City or Uniform Construction Code residential zoning, either single or multi-dwelling.
2. Commercial: bare land with commercial zoning.
3. Industrial: bare land with industrial zoning.
4. Agriculture: bare land used for farming or ranching.
5. Rangeland: bare land used for grazing - may or may not have grazing rights.
6. Recreational Only: bare land that may only be utilized for recreational purposes, such as camping and hunting.
7. Investment: bare land that is potentially dividable or already known to be dividable.

D. Residential Income Subtypes

1. Duplex: dwelling with two attached units.
2. Triplex: dwelling with three attached units.
3. Quadruplex: dwelling with four attached units.
4. Multi-Family: dwelling with five or more attached units OR detached, multiple single-family dwellings on the same tax lot.

E. Farm Subtypes:

1. Agriculture: property deriving income primarily from crop production.

2. Dairy: property deriving income primarily from dairy production.
3. Ranch: property deriving income primarily from livestock.
4. Hobby: property with one or more farming or ranching activities that may or may not derive income.

F. Mobile Home Subtypes

1. In-Park: manufactured dwelling in a mobile home or RV park where the dwelling is considered personal property.
2. On Leased Land: manufactured dwelling on leased land where the dwelling is considered personal property.

G. Agreement Types

1. The exclusive right-to-sell listing is the conventional form of listing contract in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.
2. The exclusive agency listing contract authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on a blanket unilateral basis, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. This type includes limited service listings.

**SECTION 2-2
LISTING PROCEDURES**

A. CLEAR COOPERATION:

Within one (1) business day of marketing a property to the public, the listing Participant 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), multi-brokerage listing sharing networks, and applications available to the general public.

Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Policy. This applies to listings required to be submitted per the local MLS rules applicable to the listing and listings exempt from distribution under Section 2-18 of these Rules and Regulations, and any other situation where the listing broker is publicly marketing an exclusive listing that is required to be filed with the service and is not currently available to other MLS Participants.

- B.** MLS will accept, **for informational purposes only**, listings for in-park or on-leased-land manufactured structures that are considered to be personal property from Participants who hold a current license/certification as required by the State of Oregon.
- C.** Listings of homes not yet built (build-to-suit) will be accepted as long as the listings are so designated and the corresponding fields are completed in the MLS system. If a picture of a model home is included with the listing, the Public Remarks must disclose that the picture is a model only.
- D.** In new subdivisions that have tentative plat approval but do not yet have final plat approval, listings of lots or "Build-to-suit" packages will be accepted provided negotiation is legally allowed.
- E. AUCTION PROPERTIES:** Listings of properties that are being sold at auction may be submitted to the MLS system. The listing broker must include instructions for how to make offers in the Private Remarks and any additional information or instructions should be added to the Private Remarks or attached to the listing. Any applicable fields in the MLS system related to auction properties must also be completed. The selling broker should be entered in the buyer's agent field on the auction website, if applicable.

By submission of the property to the MLS system, the listing Participant is making a unilateral offer of compensation to a cooperating Participant and the property being sold at auction does

not relieve the listing Participant of this obligation as outlined in Section 2-6 of these Rules and Regulations.

Auction listings must include the following as the first sentence of the Public Remarks:
“Auction: list price is bidding start price and may differ from seller’s reserve.”

SECTION 2-3 LISTING AGREEMENTS

The listing agreement of a property submitted to MLS by the listing broker shall include a provision expressly granting the listing broker authority to advertise; to file the listing with MLS; to provide timely notice of status changes of the listing to MLS; and to provide sales information including selling price to MLS upon sale of the property. Additionally, the listing agreement shall also include a provision that the seller acknowledges that photos may continue to be displayed in the MLS system and the world wide web after the sale, termination, expiration or withdrawing of the Property. Lastly, the listing agreement shall assure that no listing filed with MLS establishes, directly or indirectly, any contractual relationship between MLS and the client (buyer or seller).

SECTION 2-4 PROPERTY DATA FORMS

- A.** All listings submitted to MLS must be on the approved property data form and bear the date and the signature or initials of the Participant, or his/her designated broker, signifying acceptance by the Participant of all responsibility and liability for the information submitted to MLS. No data will be published by MLS without the initials or signature of the Participant or in the event of Participant’s absence, the Participant’s authorized representative.
- B.** Property data forms submitted to MLS shall bear a definite and final termination date as negotiated between the Participant and the seller(s).
- C.** All listings submitted to MLS shall be complete in every detail ascertainable. At a minimum, fields on the property data form designated as required fields must be completed with accurate information. Inaccuracies shall be addressed by the Participant’s primary MLS per Section 1-8 of these Rules and Regulations.

The requirement for accuracy includes, but is not limited to:

- 1. Address should match county records, unless the county situs address is different than the commonly known address, which should then be noted in the Private Remarks.
- 2. Parcel Number must be exactly as shown in county records. Note: in some counties this is called Tax Account Number, Account Number, or Parcel ID.
- 3. Map pin placement needs to be in the correct location.
- 4. Lot size should match county records and if it doesn’t, then explain in Private Remarks.
- 5. Square feet of the dwelling should match county records and if it doesn’t, then explain in Private Remarks.
- 6. Timeshare listings are designated with a specific unit number.

SECTION 2-5 LIMITED SERVICE LISTINGS

Listing agreements under which the listing broker will not provide one, or more, of the following services:

- 1. arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s);
- 2. accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s);
- 3. advise the seller(s) as to the merits of offers to purchase;
- 4. assist the seller(s) in developing, communicating, or presenting counter-offers; OR
- 5. participate on the seller’s(s’) behalf in negotiations leading to the sale of the listed property;

will be identified by marking Exclusive Agency in the Agreement Type field and noting “Limited Representation” in the Private Remarks, so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers’ clients, prior to initiating efforts to show or sell the property.

The listing Participant in these types of listings is still responsible for updating the listing status within the local MLS’s required timeframes.

SECTION 2-6 COMPENSATION SPECIFIED ON EACH LISTING

The listing Participant shall specify on each listing submitted to MLS, the compensation offered to other MLS Participants for their services in the sale of the listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating Participant’s performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing Participant’s obligation to compensate any cooperating Participant as the procuring cause of a sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing Participant and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing Participant to collect a commission pursuant to the listing agreement.

In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel of the Association of REALTORS® where the listing Participant is primary based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing Participant to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing Participant 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 Participant communicated to cooperating Participant(s) that the commission established in the listing agreement might not be paid.

In filing a property with MLS, the listing Participant is making blanket unilateral offers of compensation to the other MLS Participants and shall therefore specify on each listing submitted to MLS, the compensation being offered to other MLS Participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what the compensation shall be prior to any endeavor to sell.

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

1. By showing a percentage of the gross selling price.
2. By showing a definite dollar amount.

NOTE: Compensation specified cannot be zero (0).

The listing Participant retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents or in other agency or non-agency capacities defined by law).

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

NOTE: For compensation specifications related to third-party approval listings (i.e. – short sales), see Section 3-3.

SECTION 2-7

EXTENSION OF COMPENSATION THROUGH RECIPROCAL DATA SHARING

The offer of compensation made by the listing Participant, as required under Section 2-6, is further extended on the same terms and conditions to all other Participants of MLSCO, KCAR, and SOMLS as each are a part of the Oregon Data Share. For clarity, the offer of compensation made on a listing filed with MLSCO, KCAR, or SOMLS will extend to all Participants of MLSCO, KCAR, and SOMLS.

SECTION 2-8

COMPENSATION TYPES

- A. Fixed: a fixed percentage of the gross selling price or definite dollar amount.
- B. Tier: a percentage of the gross selling price or definite dollar amount that is tiered at different levels based on selling price. The amount offered for each tier shall be clearly explained in the Tier Comments field. The tiered offer of compensation to a cooperating broker, NOT the total commission, must be outlined in Tier Comments so that the compensation being offered to all Participants in the MLS is clear and concise.
- C. Variable: a dual or variable rate commission is one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing Participant without assistance and a different commission if the sale/lease results through the efforts of a cooperating Participant; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing Participant either with or without the assistance of a cooperating Participant and a different commission if the sale/lease results through the efforts of the seller/landlord.

The listing Participant shall, in response to inquiries from potential cooperating Participants, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating Participant is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

SECTION 2-9

BONUS LISTINGS

In accordance with State law, any publication by MLS indicating a bonus to be paid by the seller(s) for the sale of the property must state that the bonus will be paid by the seller to the selling firm, not to the selling licensee, and must clearly state the terms and conditions of the bonus offer.

SECTION 2-10

LISTING PRICE SPECIFIED

- A. The full gross listing price of a property for sale as stated in the listing contract will be included in the information published in MLS' Compilation of current listings, unless the property is subject to auction.
- B. Any change in listing price, or any other change in the listing agreement, shall be made only when authorized in writing by the seller and shall be submitted to MLS after the authorized change is received by the listing Participant.

SECTION 2-11

REMARKS

- A. All listing licensee contact information (including, but not limited to name, phone numbers, email addresses, or internet/website information) and any other third party internet/website information is prohibited from the Public Remarks section of a listing and if found, may be removed by MLS staff.
- B. Any hyperlinks to a website or email address or any other link that takes the User outside of the MLS system are prohibited from the Public Remarks, with the exception of third party links

necessary for offer requirements (such as HUD or Homepath). If found, unallowed links may be removed by MLS staff upon notification to the Subscriber or Participant.

- C. Any supplemental contact information for the listing licensee or the seller must be in the Private Remarks section of the listing.

SECTION 2-12

PARTICIPANT AS PRINCIPAL

If a Participant or any licensee (including licensed or certified appraisers) affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through MLS, that person shall disclose that interest when the listing is submitted to MLS and such information shall be disseminated to all MLS Participants.

SECTION 2-13

PICTURES

- A. "Pictures" for the purpose of these rules include photographs, professional renderings, plat maps, and maps of the subject property. Hand drawn sketches or text are **NOT** allowed as a picture. Pictures shall not display recognizable real estate signage – including logos, company name or colors, or contact information. Pictures shall not include any direct or indirect branding or any personal or company advertising. Pictures including hand drawn sketches, text, real estate signage, or branding are subject to removal.
- B. Pictures displaying signs of businesses and/or the commercial real estate that is for sale or lease may appear on listings in the Commercial or Business Opportunity categories. Builder signs are permissible provided that the sign itself is not the primary subject matter of the picture and all contact information, including phone numbers and websites, are obscured.
- C. Participants and/or Subscribers must submit at least one picture for each listing, unless expressly directed by the Seller that photographs of their property may not appear in MLS Compilations. In such instances, MLS will provide a generic "Seller Does Not Authorize Photos" image to be submitted. Pictures must be submitted in an acceptable format, as required by the MLS system in use.
- D. Pictures, videos, virtual tours, and other similar media are subject to copyright law. Prior to any submission or any use of such media Participants, Subscribers, and other Users must obtain express written permission from the copyright holder or owner (e.g. a license agreement). Participants, Subscribers, and other Users are prohibited from copying media from listings, including previous or expired listings, without the express written permission of the owner of the rights of the specific media.
- E. Participants and/or Subscribers may add virtual tour links as desired and as allowed for by the MLS system in use. Virtual tour links submitted to the MLS system may NOT include direct or indirect "branding" or any personal or company advertising. Additionally, any platform used for virtual tours that are linked in the MLS system must not allow for the listing broker or Participant to be contacted in any way. These prohibitions apply only to virtual tours uploaded to the MLS system and do not apply to tours displayed on a member's personal or company website for their own listings.

DEFINITION: "Branding" is text, images, audio, or hyperlinks contained in the virtual tour or in the frame around the virtual tour advertising a real estate licensee, a real estate company, or real estate services.

SECTION 2-14

LISTING MULTIPLE UNIT PROPERTIES

Listings consisting of multiple units, which may be sold either as a group or separately, must identify the individual units to be sold on both the listing agreement and the property data forms. When part of a

listed property has been sold, proper notification must be given to MLS per Section 3 of these Rules and Regulations.

SECTION 2-15 CO-OP LISTINGS

When properties are jointly listed with more than one MLS Participant, that fact must be disclosed in the appropriate section of the property data form.

Active listings of non-Participants may not be displayed in the MLS database. Listings of non-Participants where the listing is co-listed with an MLS Participant may only be submitted to the MLS database if the MLS Participant is named in the listing agreement as an agent of the seller.

SECTION 2-16 DUAL LISTINGS

A listing is not permitted to be entered into multiple property types and/or subtypes within the MLS, with the exception of the following:

1. Commercial Sale and Commercial Lease property types if the subject property is both for sale and for lease.
2. Instances where a seller with two or more properties for sale, with separate Parcel ID numbers, is willing to sell both properties together or individually.

If you are entering dual listings under one of the above two scenarios, you must enter the listings including **ALL** required fields and save the listings as incomplete. After saving the listings as incomplete, you must notify your local MLS staff that they need to activate the listings on your behalf. Staff will link the listings together, so that when one listing closes the other(s) will automatically be canceled.

SECTION 2-17 OFFICE EXCLUSIVES

If the seller withholds consent for the listing to be disseminated by MLS, the Participant may then take an "Office Exclusive" Listing and said listing shall not be disseminated to Participants. The seller must complete a written form certifying that he/she does not desire the listing to be disseminated by the MLS, that he/she understands the potential ramifications of not submitting the listing to the MLS, and that he/she is excluding the listing from the MLS entirely by his/her choice. The completed certification must be submitted to the Participant's primary MLS upon request.

If the seller later decides to have the listing disseminated, the listing shall be submitted to MLS within the local MLS's required timeframe or within one (1) business day of marketing occurring as outlined in Section 2-2, part A, whichever is sooner. Making the listing available to clients of other licensees within the listing Participant's firm does not constitute marketing under Section 2-2, part A.

SECTION 2-18 EXEMPTIONS, CONTINGENCIES, AND CONDITIONS

- A. Exclusive agency listings and exclusive right to sell listings with named prospects excluded must be clearly distinguished from other exclusive right to sell listings in the Private Remarks. Participants will be notified of excluded prospects by the term "Excluded prospects, call listing broker" in the Private Remarks. Exclusive Agency, if applicable, will be noted in the Agreement Type field in the MLS and explained in the Private Remarks.
- B. Any contingencies of any term in a listing shall be specified and noticed to the Participants in the Private Remarks. If confidential, the listing Participant may enter "Contingency, call listing broker for details."
- C. Any conditions of the showing or sale of a listing shall be specified and noticed to the Participants by a brief explanation of what the condition is in the Private Remarks section of the listing.

SECTION 2-19

CANCELATION OR WITHDRAWAL OF A LISTING PRIOR TO EXPIRATION

If requested by the seller, listed property may be withdrawn in the MLS upon execution of an MLS Change Form. Upon withdrawing a listing at the request of the seller, MLS will notify the Listing Participant. A seller does not have the unilateral right to require MLS to change the status of a listing without the listing Participant's concurrence. However, if a Participant reasonably fails to act and a seller can document that the exclusive relationship with the listing Participant has been terminated, MLS may cancel the listing at the request of the seller.

SECTION 2-20

EXPIRATION, EXTENSION, AND RENEWAL OF LISTINGS

Listings submitted to MLS will automatically be removed from the Compilation of current listings on the expiration date specified in the agreement, unless prior to that date, or up to 60-days following the date, notice is submitted to the MLS system that the listing has been extended or renewed. If the listing is renewed within sixty (60) days of the natural expiration date, the Participant has the option of renewing the existing listing or entering it as a new listing. If a listing is canceled or withdrawn prior to the natural expiration date, it may not be entered as a new listing until it has been off the market for at least sixty (60) days. If the listing is renewed more than sixty (60) days after the expiration, the Participant may enter it as a new listing. However, no person may take any action that would have the effect of misleading the public as to the number of days a property has been on the market, including, but not limited to, terminating a listing early for the purpose of re-entering the property as a new listing.

SECTION 3 **REPORTING PROCEDURES**

SECTION 3-1

STATUS DEFINITIONS

- A. Active:** a listing that is not subject to a previously accepted offer to purchase.
- B. Active w/Contingency:** a listing with an accepted offer to purchase which includes a contingency allowing the first buyer to be bumped by a subsequent buyer and which meets the requirements outlined in Section 3-5 of these Rules and Regulations.
- C. Active Short Sale:** a listing with an accepted offer that requires third-party approval and the third-party has either authorized the seller to accept additional offers that are not in a back-up position and all accepted offers will be promptly submitted to the third party for approval OR is accepting additional offers that are in a back-up position and will not be submitted to the third-party for approval unless the offer is moved to first position. When this status is used, the Private Remarks must include an explanation of which of the two previously noted scenarios applies to the listing.
- D. Coming Soon:** a listing that is available for MLS Participants and Subscribers, but that is not ready for widespread marketing. See Section 3-4 of these Rules and Regulations for additional information about and requirements of this status.
- E. Pending:** a listing that is subject to an accepted offer where the seller is not able to accept an additional written offer to purchase except those that are in a back-up position.
- F. Closed:** a listing in which all the terms of the agreement between the principals have been completed and there has been a transfer of interest in the property.
- G. Expired:** a listing in which the listing agreement between the seller and the listing Participant has naturally expired.
- H. Canceled:** a listing in which the listing agreement between the seller and the listing Participant has been canceled prior to the natural expiration.
- I. Withdrawn:** a listing in which the listing agreement between the seller and the listing Participant

has not expired or been canceled, but the seller does not want the property marketed through MLS for a period of time.

- J. For the purpose of these rules, an offer in “back-up position” is one where the seller is subject to a previously accepted offer and is not obligated to perform on the new offer until the previously accepted offer has been terminated.

SECTION 3-2 CHANGES

Changes to the listing information shall be submitted to MLS within the local MLS’s required timeframe.

SECTION 3-3 THIRD PARTY APPROVAL LISTINGS

- A. DEFINITION: “third party approval” listings are those which require the seller to obtain approval of the sale transaction by one or more third parties. These may include short sales, bankruptcy sales, and other sales requiring the approval of a third party.
- B. QUALIFICATION: A third party approval listing must include the following two features:
 - 1. The seller does not have the authority to close a sale without the approval of a third party;
 - 2. If closed at the price listed, there would not be sufficient funds to satisfy or fully discharge all liens and closing costs, including real estate commissions.
- C. REPORTING:
 - 1. The listing broker must disclose potential third party approval listings when reasonably known and must designate them as such in the required Special Listing Conditions field in the MLS system.
 - 2. After the seller’s acceptance of an offer, a third party approval listing must be made Pending or Active Short Sale, subject to the requirements of Section 3-1, part C.
 - 3. Upon the third party’s approval of an offer in a multiple offer scenario or upon the third party no longer soliciting back-up offers, the listing shall be changed to Pending within the local MLS’s required timeframe.
- D. COMMISSION: 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. 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 Participant will be reduced within two (2) business days of receipt of notification from the lender.

NOTE: The language in the Private Remarks shall only communicate how THE REDUCTION in the gross commission shall be apportioned, not the ENTIRETY of the gross commission. If the listing Participant chooses to disclose, the language in the Private Remarks shall be the following:

If the third party requires a commission reduction, that reduction shall be apportioned _____ to the Cooperating Participant and _____ to the Listing Participant.

SECTION 3-4 COMING SOON

- A. Coming Soon is an optional status that may be used upon seller’s authorization and seller can authorize whether or not they want showings during the Coming Soon period with such authorization noted in the Private Remarks. A listing may not be in Coming Soon status for more than thirty (30) days and will automatically switch to Active after thirty (30) days or on the Projected

Active Date noted in the MLS (Marketing Date on the MLS Listing Agreement), whichever is sooner. Listings in Coming Soon status will not be available for the client portals or included in any IDX, back office, or syndication data provided by MLS. Days on Market do not accrue while in this status. Submitting a listing to the MLS in Coming Soon status, whether showings are allowed or not, meets the requirements of Section 2-2, part E.

NOTE: If the seller prohibits showings, offers from cooperating brokers may still be made and must be presented to the seller.

- B. Coming Soon listings are included in data feeds to VOWs. In the event the VOW includes an IDX display, Coming Soon listings may only be displayed on the VOW display (i.e. – the portion of the VOW that may only be accessed by consumers complying with the requirements of Section 4-4C of these Rules and Regulations) and may NOT be displayed on the portion of the website viewable by the general public.
- C. All required fields must be completed for Coming Soon status, including submission of at least one (1) photo. As a listing in this status is not transmitted outside of the MLS as noted in part A above, a listing broker entering a Coming Soon listing may either upload one or more property photos or may temporarily use the MLS provided “Photos Coming Soon” jpeg. If utilizing the latter, property photos are required to be uploaded prior to the listing becoming Active.
- D. For new construction and properties undergoing renovations prior to being sold, the listing broker may enter \$1 in the listing price while in the Coming Soon status and explain the listing price delay in the Private Remarks. The actual listing price must be entered prior to the listing becoming Active. NOTE: If the listing price is updated within 24 hours of the listing changing to Active, it will appear as both a New Listing and a Price Change on the Hot Sheet. Additionally, if the User has customized the timeframe on the Hot Sheet with a longer time period (can be up to 1 week), the listing could still appear in both sections.
- E. A listing may not be in Coming Soon for more than thirty (30) days. In the event, a listing requires more time before being made Active, the listing must be changed to Withdrawn.

SECTION 3-5

SALE CONTINGENCIES

- A. If there is a listing with a written accepted offer AND the seller wishes to have the listing remain active in MLS, the offer must have a contingency-release clause that could cause the offer to be terminated and the listing Participant may change the status to Active w/Contingency. A brief explanation of what the contingency is must be included in the Private Remarks section of the listing. This rule excludes listings that meet the criteria of Section 3-3 of these Rules and Regulations, in which case reporting of said listing follows the requirements outlined in Part C of Section 3-3 of these Rules and Regulations.
- B. If there is a listing with a written accepted offer and the offer has a contingency-release clause, BUT the seller does not wish to continue to market the property, the listing shall be changed to pending in MLS.
- C. If there is a listing with a written accepted offer and the offer has one or more contingencies, but said contingencies do not have a release clause or the release clause is greater than the time set by the local MLS, the listing shall be changed to pending in MLS.
- D. **Removal of Contingencies:** In the event that a contingency is fulfilled or cancelled, the Participant shall report to MLS, removing the words from the remarks and, if applicable, changing the status of the listing.

**SECTION 3-6
PENDING SALES**

- A. Pending sales shall be reported to MLS by the listing Participant except as allowed in Sections 3-3 and 3-5 of these Rules and Regulations.
- B. If negotiations were carried out under the parameters of Section 7-3 of these Rules and Regulations, the cooperating Participant shall report the accepted offer to the listing Participant and the listing Participant shall report it to MLS after receiving notice from the cooperating broker.

**SECTION 3-7
TERMINATION OF A PENDING SALE**

The Listing Participant shall report to MLS any pending sale that has fallen through and the status of the listing shall be adjusted accordingly.

**SECTION 3-8
CLOSED SALES**

- A. Closed sales must be reported by the listing Participant after closing. The "Closing Date" reported shall be the date on which interest in the property was transferred and the selling price shall be the same as recorded with the County.
- B. In the event the listing Participant does not report a closed sale in a timely manner as set by the local MLS, the Selling Participant may submit notice of the change of status to MLS along with adequate public record documentation.
- C. Closed sales of properties in which an MLS Participant or Subscriber represents one of the parties and a real estate licensee who is not an MLS Participant or Subscriber represents the other party OR there is no real estate licensee representation for the other party, shall be accepted into the MLS system by entering "nonmember" into the Listing Member field as the listing agent or selling agent, whichever is applicable, and provided that adequate property information is provided.

**SECTION 3-9
COMP ONLY**

- A. DEFINITION:
Comp Only is a property in which a listing agreement/contract was not Active in MLS, but an MLS Participant or Subscriber was the agent for the buyer or seller and received compensation. Submission of Comp Only listings requires the authorization of the party that the MLS Participant or Subscriber represented in the transaction.
- B. To submit a Comp Only to MLS, all required fields of a property data form must be accurately completed and appropriate closing information entered with at least one (1) photo uploaded.
- C. The following statement must be entered into the Private Remarks section on each Comp Only:
"Comp Only - this information is for statistical purposes only."
- D. If the Comp Only is to be input by MLS staff, the property data form must be clearly marked "Comp Only" across the top of each page.
- E. ONE PARTY LISTING/OFFICE EXCLUSIVE LISTING:
Office Exclusive Listings withheld from MLS for the entire length of the listing (per Section 2-18) and One Party Listings may be reported as a Comp Only upon close of sale.

SECTION 4

ADVERTISING & INTERNET

SECTION 4-1

ADVERTISING OF LISTINGS SUBMITTED TO MLS

Advertising of any listing by an MLS Participant or Subscriber, other than the listing Participant, is permissible **only** with the written consent of the listing Participant or as outlined in Section 4-3 or 4-4.

SECTION 4-2

DATA FEED ACCESS

A Participant may, upon execution of the approved access agreement, obtain information via a data feed directly from the MLS system via means available through the MLS system in use as long as:

1. Access to the computer or computer system receiving the information is strictly limited to the authorized Participant, their Subscribers or Clerical Users, or an approved third-party vendor.
2. The data is utilized solely for the benefit of the Participant and their Subscribers.
3. The Participant and his/her third party vendor, if applicable, have agreed to the terms and conditions, as approved by the Board of Directors, for use of the MLS data.

Access to data feeds will **ONLY** be allowed for Participants in good standing or vendors approved by the MLS to provide technology services to all MLS Participants and Subscribers or individually MLSCO, KCAR, and/or SOMLS to provide technology services to its individual Participants and Subscribers. The data access will only include such fields of data as approved by MLS for the access agreement executed.

SECTION 4-3

BROKER RECIPROCITY (“IDX”)

- A. **IDX Defined:** 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 listing.
- B. **Authorization:** 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 through IDX, 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.

Participants participating in IDX will be responsible for marking the appropriate field in the MLS system for those listings where the seller has opted out of Internet or other electronic advertising as indicated in the Listing Agreement.

- C. **Participation:** Participation in IDX is available to all MLS Participants who are REALTORS® who are engaged in real estate brokerage and who consent to display of their listings by other Participants.
- D. 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.
- E. Participants can obtain listings for IDX display in one of three ways:
 1. Frame the IDX data available in the MLS system;
 2. Use an approved vendor who is receiving IDX data from the MLS; OR
 3. Execute a data license agreement subject to vendor and usage approval by MLS staff. The data will include the raw data of listings of Participants who have not “opted-out” and where “Internet” was checked “yes”.

A Subscriber may, with their Participant's authorization and under the Participant's control and/or supervision, obtain IDX listings for the Subscriber's display utilizing either of the first two options above. If a Subscriber desires to utilize a vendor other than one already approved by the MLS, the Participant has to execute the data license agreement, and retain full control and/or supervision of the Subscriber's display.

- F. 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.
- G. Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs), or other forms of electronic display or distribution.
- H. Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right-to-sell, or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed through IDX must be independently made by each Participant.
- I. Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every twelve (12) hours.
- J. 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.
- K. 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.
- L. Any IDX display controlled by a Participant or, where permitted locally, an MLS Subscriber that a) allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings; or b) displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing; either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by Participants. Except for the foregoing and subject to Section 12, 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.
- M. Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, Participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment.

- N. 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.
- O. 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.
- P. All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.*

**Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. 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 device’s application.*

- Q. Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS Participants and Users (e.g., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed.
- R. Non-principal brokers and sales licensees affiliated with IDX Participants may display information available through IDX on their own Web sites subject to their Participant’s consent and control and the requirements of state law and/or regulation.
- S. All listings displayed pursuant to IDX shall show the MLS as the source of the information.**
- T. 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.**
- U. Listings obtained through IDX feeds from REALTOR® Association MLSs where the MLS Participant holds participatory rights must be displayed separately from listings obtained from other sources. Listings obtained from other sources (e.g., from other MLSs, from non-participating brokers, etc.) must display the source from which each such listing was obtained.**

Note: 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.

***For sections S-U: The MLS may, at its discretion, require use of other disclaimers as necessary to protect Participants and/or the MLS from liability. Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. 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 device’s application.*

- V. 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.
- W. Participants are required to employ appropriate security protection such as firewalls on their websites and displays, provided that any security measures required may not be greater than those employed by the MLS.
- X. Participants must maintain an audit trail of consumer activity on their website and make that information available to the MLS if the MLS believes the IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers.
- Y. 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.

SECTION 4-4 VIRTUAL OFFICE WEBSITE (VOW)

A. VOW Defined

1. 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.
2. As used in the VOW section 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 Virtual Office Websites, 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.
3. “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.
4. As used in the VOW section 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.

B. Scope of Policy

1. 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.
2. 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).
3. 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.

C. 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 e-mail address for each Registrant. The Participant must send an e-mail to the address provided by the Registrant confirming that the Registrant has agreed to the terms of use (described in section 6 below). The Participant must verify that the e-mail 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 e-mail address is associated with only one user name and password.

D. 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, e-mail address, user name, and current password of each Registrant. The Participant must keep such records for not less than one hundred eighty (180) days after the expiration of the validity of the Registrant's password.

E. 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, e-mail 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.

F. 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' ownership of and the validity of the MLS' copyright in the MLS database.
- G.** 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.
- H.** 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.
- I.** 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.
- J.** A Participant's VOW must employ reasonable efforts to monitor for and prevent misappropriation, scraping, and other unauthorized uses 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.
- K.** A Participant's VOW shall not display the 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 e-mail, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.
- L.** 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. Check one.

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

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 searches.

Initials of Seller

- M.** The Participant shall retain such documents noted in part L 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.
- N.** Subject to part O below, 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;
AND/OR
 2. to display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.
- O.** Notwithstanding the foregoing, at the request of a seller, the Participant shall disable or discontinue either or both of those features described in part N 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 part P, 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.
- P.** 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 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.
- Q.** A Participant shall cause the MLS listing information available on its VOW to be refreshed at least once every three (3) days.
- R.** Except as provided in these rules, in the NATIONAL ASSOCIATION OF REALTORS®, VOW policy, or in 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.
- S.** 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.
- T.** 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®.
- U.** 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.
- V.** 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.
- W.** A Participant's VOW may not make available for search by or display to Registrants any of the following information:
1. expired and withdrawn listings.
 2. the compensation offered to other MLS Participants.
 3. the type of listing agreement, i.e., exclusive right-to-sell or exclusive agency.

4. the seller's and occupant's name(s), phone number(s), or e-mail address(es).
 5. instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.
- X.** 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.
- Y.** 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.
- Z.** A Participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm 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.
- AA.** A Participant shall require that Registrants' passwords be reconfirmed or changed every ninety (90) days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.
- BB.** 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.
- CC.** A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.
- DD.** A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.
- EE.** Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.
- FF.** Where a seller affirmatively directs his or her 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 forty-eight (48) hours.

SECTION 4-5

AVPs AND THIRD PARTY VENDORS

A. DEFINITION:

An Affiliated VOW Partner ("AVP") is as defined in part 3 of Section 5-4, part A, of these Rules and Regulations. A Third Party Vendor is any entity or individual, including "parent" offices of franchise operations, other than the Participant who requires data access for a service for the benefit of the Participant. For the purpose of these rules, a service is defined to be a VOW, IDX

site, or software for “back office” applications at the Participant’s firm.

- B.** Except as expressly set forth in the approved access agreement, AVPs and Third Party Vendors shall not, and shall not facilitate, cause, or allow anyone else, to do any of the following:
 - 1. use, display, access, distribute, transfer, alter, or modify the MLS Compilation (as defined in Section 6-1 of these Rules and Regulations), or otherwise create any derivative works of the MLS Compilation,
 - 2. download, distribute, export, deliver, or transmit any of the MLS Compilation, to any computer or other electronic device, except for the service being provided to the Participant, or
 - 3. sell, grant access to, or sublicense the MLS Compilation, or any portion of the MLS Compilation, to any third party.
- C.** The AVP or Third Party Vendor shall take all reasonable steps necessary to protect the MLS Compilation from unauthorized access, distribution, copying or use.
- D.** The execution of the approved access agreement shall in no way grant the AVP or Third Party Vendor participation rights in MLS and access by AVP or Third Party Vendor to the MLS Compilation is strictly derivative of the rights of Participant.

SECTION 5 **COMPILATIONS**

SECTION 5-1 **DEFINITION**

The term MLS Compilation, as used in these Rules and Regulations, shall be construed to include all aggregated and shared data in the MLS system and any format in which property listing data of MLS Participants is collected and disseminated to the Participants, including, but not limited to, bound book, loose leaf binder, computer data base, card file, or any other format whatsoever.

SECTION 5-2 **OWNERSHIP AND COPYRIGHT**

MLSCO, KCAR, and SOMLS, each participating in the shared database and Oregon Data Share, each respectively retain all rights, title, and interest in their portion of each copy of every MLS Compilation created by the MLS.

SECTION 5-3 **LIMITATIONS**

Information from MLS Compilations of current listing information, from statistical reports, and from any sold or comparable report of MLS may be used by MLS Participants and Subscribers as the basis for aggregated demonstrations of market share or comparisons of firms in public mass-media advertising or in other public representations. This authority does not convey the right to include in any such advertising or representation information about specific properties, which are listed with other Participants, or which were sold by other Participants (as either listing or cooperating broker).

Use of information developed by or published by MLS, including, but not limited to, statistical reports, is strictly limited to the activities authorized under a Participant’s license(s) or certification and unauthorized uses are prohibited. At no time shall it be used in such a way that it appears to be developed by or published by anyone other than MLS. Further, none of the foregoing is intended to convey “Participation” or “Membership” or any right of access to information developed or published by MLS where access to such information is prohibited by law.

Any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by MLS or the Association must clearly demonstrate the period of time over which such claims are based and must include the following or substantially similar notice:

NOTE: This representation is based in whole or in part on information supplied and

copyrighted by the Oregon Data Share (KCAR/MLSCO/SOMLS) for the period of (date) through (date).

SECTION 5-4 DISPLAY

- A. Certified or Licensed Appraisers who are MLS Participants or Subscribers shall be permitted to display the MLS Compilation to the parties essential to completion of a transaction and only in conjunction with their ordinary business activities.
- B. All other categories of Participants and those real estate licensee Subscribers affiliated with said Participants shall be permitted to display the MLS Compilation to prospective purchasers or sellers only in conjunction with their ordinary business activities.

SECTION 5-5 REPRODUCTION

- A. Certified or Licensed Appraisers who are MLS Participants or Subscribers shall be permitted to reproduce the applicable portions of the MLS Compilation to the parties essential to completion of a transaction and only in conjunction with their ordinary business activities.
- B. All other categories of Participants and those real estate licensee Subscribers affiliated with said Participants shall not reproduce any MLS Compilation or any portion thereof EXCEPT in the following limited circumstance: Participants or their affiliated real estate licensee Subscribers may reproduce from an MLS Compilation, and distribute to prospective purchasers, a reasonable¹ number of single copies of property listing data contained in an MLS Compilation which relate to any properties in which the prospective purchasers are, or may, in the judgment of the Participants or their affiliated real estate licensees, be interested. Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties other than that in which the prospective purchaser has expressed interest, or in which the Participant or the affiliated real estate licensees are seeking to promote interest, does not appear on such reproduction. These reproductions are to be in the "client" format only and shall not contain information intended only for other MLS Participants and Subscribers ("agent" format).

¹It is intended that the Participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the Participant is seeking to promote interest. The term "reasonable" as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchasers' decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to, the total number of listings in the MLS Compilation, how closely the types of properties contained in such listings coincide with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

- C. Nothing contained herein shall be construed to preclude any Participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the Participant. Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and those real estate licensees affiliated with the Participant who are authorized to have access to such information. Such information may not be transmitted, re-transmitted, or provided in any manner to any unauthorized individual, office or firm.
- D. None of the foregoing shall be construed to prevent any individual legitimately in possession of "current", "sold", "comparable", 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 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 and Regulations.

SECTION 5-6 DISTRIBUTION

The Participant shall at all times maintain control over and responsibility for any MLS Compilation and shall not distribute any copies to persons other than Subscribers who are affiliated with such Participants as licensees, those individuals who are licensed and/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 MLS. Use of information developed by or published by MLS is strictly limited to the activities authorized under the Participants licensure or certification, and unauthorized uses are prohibited. Furthermore, none of the foregoing is intended to convey participation or membership or any right of access of any information developed or published by MLS where access to such information is prohibited by law.

SECTION 5-7 ACCESS TO COMPILATIONS

Each Participant shall be entitled to access to a sufficient number of copies of each MLS Compilation to provide the Participant and each Subscriber affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of said Compilation. The Participant shall pay the fee(s) set by the Participant's primary MLS for each copy.

Participants and their affiliated Subscribers shall acquire by such access only the right to use the MLS Compilation in accordance with these rules.

This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee (or certified or licensed 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 submitted to MLS and who does not, at any time, have access to or use of MLS information or the MLS facility.

SECTION 6 SHOWING AND SELLING

SECTION 6-1 DISCLOSING THE EXISTENCE OF OFFERS

With the seller's approval, listing brokers, in response to inquiries from buyers or cooperating brokers shall disclose the existence of offers on the property. Where disclosure is authorized, the listing broker must also disclose whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a cooperating broker.

SECTION 6-2 AVAILABILITY OF LISTED PROPERTY

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

SECTION 6-3 SHOWING AND SELLING

Appointments for showings and negotiations with the seller for the purchase of listed property submitted to MLS shall be conducted through the listing Participant, except under the following circumstances:

- A. The listing broker gives the cooperating broker specific authority to show and/or negotiate directly;
- OR

- B. After reasonable effort, the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers.

SECTION 6-4

PRESENTATION OF OFFERS

The listing Participant must make arrangements to present the offer as soon as possible or give the cooperating Participant a satisfactory reason for not doing so.

SECTION 6-5

SUBMISSION OF WRITTEN OFFERS

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

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

SECTION 6-6

PARTICIPANT AS PURCHASER

If a Participant or any licensee (including licensed or 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 Participant not later than the time an offer to purchase is submitted to the listing Participant.

SECTION 6-7

RIGHT OF COOPERATING PARTICIPANT IN PRESENTATION OF OFFER

The cooperating Participant (subagent or buyer agent) or their representative have the right to participate in the presentation to the seller or lessor of any offer they secure to purchase or lease. They do not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing Participant. However, if the seller or lessor gives written instructions to the listing Participant that the cooperating Participant not be present when an offer the cooperating Participant secured is presented, the cooperating Participant has the right to a copy of the seller's written instructions. None of the foregoing diminishes the listing Participant's right to control the establishment of appointments for such presentations.

Where the cooperating Participant or their representative is not present during the presentation of the offer, the cooperating Participant can request, in writing, and the listing Participant must provide, as soon as practical, written affirmation stating that the offer has been submitted to the seller, or written notification that the seller has waived the obligation to have the offer presented.

SECTION 6-8

RIGHT OF LISTING PARTICIPANT IN PRESENTATION OF COUNTER-OFFER

The listing Participant or his/her representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He/she does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating Participant is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating Participant that the listing Participant not be present when a counter-offer is presented, the listing Participant has the right to a copy of the purchaser's or lessee's written instructions.

SECTION 7
RIGHTS, PRIVILEGES, AND RESPONSIBILITIES

SECTION 7-1
USE OF TERM "MLS" PROHIBITED

No MLS Participant, Subscriber, or licensee affiliated with any Participant shall, through the name of their firm, their URL's, 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 a Participant shall not represent, suggest, or imply that consumers or others have direct access to the MLS database, or that consumers or others are able to search the MLS database, which is 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 their clients or customers is available on their websites or otherwise.

SECTION 7-2
"FOR SALE" SIGNS

Only the "For Sale" sign(s) of the listing Participant may be placed on a property.

SECTION 7-3
"SOLD" SIGNS

Prior to closing, only the "Pending" or "Sold" sign of the listing Participant may be placed on a property unless the listing Participant and the seller authorizes the cooperating (selling) Participant to post such a sign. After closing, only signage authorized by the new owner may be placed, or remain, on the property.

SECTION 7-4
SOLICITATION OF A LISTING

Participants shall not solicit a listing on property submitted to MLS unless such solicitation is consistent with Article 16 of the National Association of REALTORS® Code of Ethics, its Standards of Practice and its Case Interpretations.

SECTION 8
AMENDMENTS

SECTION 8-1
CHANGES IN RULES AND REGULATIONS

The Rules and Regulations may be amended by the Shared Database Advisory Council and subsequent adoption by the Boards of Directors of each of the participating Associations or Multiple Listing Services.

Last revised/adopted: April 20, 2020 version 1.0