



Northern Great Lakes
REALTORS® MLS

MLS RULES and REGULATIONS
for the
Multiple Listing Service Operations

Table of Contents

LISTING PROCEDURES.....	5
Section 1 - Listing Procedures.....	5
Section 1.1 - Types of Properties.....	6
Section 1.1.1 - Listing Subject to Rules and Regulations of the Service.....	6
Section 1.2 - Detail on Listings Filed with the Service.....	6
Section 1.2.0 - Accuracy of Listing Data.....	7
Section 1.2.1 - Limited Service Listings.....	7
Section 1.3 - Exempt Listings.....	7
Section 1.4 - Change of Status of Listing.....	7
Section 1.5 - Withdrawal of Listing Prior to Expiration.....	7
Section 1.6 - Contingencies Applicable to Listings.....	8
Section 1.7 - Listing Price Specified.....	8
Section 1.8 - Listing Multiple Unit Properties.....	8
Section 1.9 - No Control of Commission Rates or Fees Charged to Participants.....	8
Section 1.10 - Expiration of Listings.....	8
Section 1.11 - Termination Date on Listings.....	8
Section 1.12 – Service Area.....	8
Section 1.13 - Listing of Suspended Participants.....	9
Section 1.14 - Listing of Expelled Participants.....	9
Section 1.15 - Listing of Resigned Participants.....	10
Section 1.16 - Property Addresses.....	10
SELLING PROCEDURES.....	10
Section 2 - Showings and Negotiations.....	10
Section 2.1 - Presentation of Offers.....	10
Section 2.2 - Submission of Written Offers.....	10
Section 2.3 - Right of Cooperating Broker in Presentation of Offer.....	10
Section 2.4 - Right of Listing Broker in Presentation of Counter-offer.....	11
Section 2.5 - Reporting Sales to the Service.....	11
Section 2.6 - Reporting Resolution of Contingencies.....	12
Section 2.7 - Advertising of Listings Filed with the Service.....	12
Section 2.8 - Reporting Cancellation of Pending Sale.....	12
Section 2.9 - Disclosing the Existence of Offers.....	12
Section 2.10 - Availability of Listed Property.....	12
REFUSAL TO SELL.....	12
Section 3 - Refusal to Sell.....	12
PROHIBITIONS.....	12
Section 4 - Information for Participants Only.....	12
Section 4.1 - For Sale Signs.....	13
Section 4.2 - Sold Signs.....	13
Section 4.3 - Solicitation of Listing Filed with the Service.....	13
Section 4.4 - Use of the Terms MLS and Multiple Listing Service.....	13
Section 4.5 - Services Advertised as “Free”.....	13
DIVISION OF COMMISSIONS.....	14
Section 5 - Compensation Specified on Each Listing.....	14
Section 5.0.1 - Disclosing Potential Short Sales.....	15
Section 5.1 - Participant as Principal.....	16

Section 5.2 - Participant as Purchaser	16
Section 5.3 - Dual or Variable Rate Commission Arrangements	16
Section 5.4 - Display of Listing Broker’s Offer of Compensation	16
SERVICE CHARGES.....	16
Section 6 - Service Fees and Charges.....	16
COMPLIANCE WITH RULES.....	17
Section 7 - Compliance with Rules—Authority to Impose Discipline	17
Section 7.1 - Compliance with Rules.....	18
Section 7.2 - Applicability of Rules to Users and/or Subscribers.....	18
MEETINGS	18
Section 8 - Meetings	18
ENFORCEMENT OF RULES OR DISPUTES.....	18
Section 9 - Considerations of Alleged Violations	18
Section 9.1 - Violations of Rules and Regulations	19
Section 9.2 - Complaints of Unethical Conduct.....	19
CONFIDENTIALITY OF MLS INFORMATION	19
Section 10 – Confidentiality of MLS Information.....	19
Section 10.1 - MLS Responsibility for Accuracy of Information	19
OWNERSHIP OF MLS COMPILATION AND COPYRIGHT.....	20
Section 11 – Ownership of MLS Compilation and Copyright.....	20
Section 11.1 - Copyright	20
USE OF COPYRIGHTED MLS COMPILATION*	20
Section 12 - Distribution	20
Section 12.1 - Display.....	20
Section 12.2 - Reproduction	20
USE OF MLS INFORMATION.....	21
Section 13 - Limitations on Use of MLS Information	21
CHANGES IN RULES AND REGULATIONS.....	22
Section 14 - Changes in Rules and Regulations	22
ORIENTATION.....	22
Section 15 - Orientation.....	22
REAL ESTATE TRANSACTION STANDARDS (RETS)	22
Section 16 – Real Estate Transaction Standards (RETS).....	22
INTERNET DATA EXCHANGE (IDX).....	22
Section 17 – Internet Data Exchange (IDX)	22
Section 17.1 Authorization	23
Section 17.2 - Participation.....	23
Section 17.2.1	23
Section 17.2.2	23
Section 17.2.3	23
Section 17.2.4	23
Section 17.2.5	24
Section 17.2.6	24
Section 17.2.7	24
Section 17.2.8	24
Section 17.2.9	24
Section 17.2.10	24
Section 17.2.11	25

Section 17.2.12	25
Section 17.3 Display.....	25
Section 17.3.1	25
Section 17.3.1.1	25
Section 17.3.2	25
Section 17.3.3	25
Section 17.3.4	25
Section 17.3.5	25
Section 17.3.6	26
Section 17.3.7	26
Section 17.3.8	26
Section 17.3.9	26
Section 17.3.10	26
Section 17.3.11	26
Section 17.3.12	26
Section 17.3.13	27
Section 17.4 - Service Fees and Charges	27
VIRTUAL OFFICE WEBSITES (VOWS)	27
SECTION 18 - VIRTUAL OFFICE WEBSITES (VOWS)	27
Section 18.1 – VOW Defined	27
Section 18.2	27
Section 18.2.11	28
Section 18.3	28
Section 18.3.12	29
Section 18.4	29
Section 18.5	29
Section 18.6	30
Section 18.7	30
Section 18.8	31
Section 18.9	31
Section 18.10	31
Section 18.11	31
Section 18.12	31
Section 18.13	31
Section 18.14	31
Section 18.15	32
Section 18.16	32
Section 18.17	32
Section 18.18	32
Section 18.19	32
SYNDICATION POLICY AND PROCEDURE.....	35

LISTING PROCEDURES

Section 1 - Listing Procedures

Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, and are located within the territorial service area of the Northern Great Lakes REALTORS MLS (NGLRMLS) multiple listing service, and are taken by participants shall be delivered to the multiple listing service within 72 hours (three calendar days) or verified receipt of listing agreement by listing broker after all necessary signatures of seller(s) have been obtained:

- a. single family homes for sale or exchange
- b. vacant lots and acreage for sale or exchange
- c. two-family, three-family, and four-family residential buildings for sale or exchange
- d. rentals
- e. commercial

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

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

The multiple listing service shall accept exclusive right-to-sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other participants of the multiple listing service acting as subagents, buyer agents, or both. NGLRMLS reserves the right to require the Listing Agreement for listings entered into the MLS upon request. Failure to comply will result in suspension of MLS services (Adopted 5/24/2022).

The listing agreement must include the seller's written authorization to submit the agreement to the multiple listing service.

The different types of listing agreements include:

- exclusive right-to-sell
- exclusive agency
- open
- net

The service may not accept **net listings** because they are deemed unethical and, in most states, illegal.

Open listings are not accepted except where required by law because the inherent nature of an open listing is such as to usually not include the authority to cooperate and compensate other brokers and inherently provides a disincentive for cooperation.

The **exclusive right-to-sell** listing is the conventional form of listing submitted to the multiple listing service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.

The **exclusive agency** listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right-to-sell listings with named prospects exempt should be clearly distinguished by a simple designation such as a code or symbol from exclusive right-to-sell listings with no named prospects exempt, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right-to-sell listings with no named prospects exempt. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right-to-sell listings with prospect reservations.

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

Note 3: A multiple listing service may, as a matter of local option, accept exclusively listed property that is subject to auction.

Section 1.1 - Types of Properties

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

- residential
- motel-hotel
- residential income
- mobile homes with real property
- mobile homes in parks with appropriate licensure
- subdivided vacant lot
- mobile home parks
- land and ranch
- commercial income
- business opportunity
- industrial
- auction
- homes "to be built" as long as they include the real property

Section 1.1.1 - Listing Subject to Rules and Regulations of the Service

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

Section 1.2 - Detail on Listings Filed with the Service

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

Section 1.2.0 - Accuracy of Listing Data

Participants and subscribers are required to submit accurate listing data and required to correct any known errors.

Section 1.2.1 - Limited Service Listings

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

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

Section 1.3 - Exempt Listings

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

Section 1.4 - Change of Status of Listing

Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with The MLS within seventy-two (72) hours (3 calendar days) after the authorized change is received by the listing broker.

Section 1.5 - Withdrawal of Listing Prior to Expiration

Listings of property may be withdrawn from the multiple listing service by the listing broker before the expiration date of the listing agreement, provided notice is filed with the MLS, including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal.

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller(s) can document that his exclusive relationship with the listing broker has been terminated, the multiple listing service may remove the listing at the request of the seller.
(Adopted 11/96)

A property that is withdrawn may not be relisted by the same agent at the same company as new, unless it is off the market for a 30 day period. It must be reactivated as Back on Market.

Withdrawing a listing and relisting it as new within a 30 day time frame is considered an MLS violation (as

of January 02, 2018). Violators will be fined according to the Incomplete Listing Fine schedule and will be required to withdraw the new listing and reactivate the withdrawn listing. (Adopted 01/18)

Section 1.6 - Contingencies Applicable to Listings

Any contingency or conditions of any term in a listing shall be specified by reporting a listing as “active-under contract taking backups”.

Section 1.7 - Listing Price Specified

The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings, unless the property is subject to auction. In the instance a property is subject to auction, the listing price may be entered as one dollar (\$1).

Section 1.8 - Listing Multiple Unit Properties

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

Section 1.9 - No Control of Commission Rates or Fees Charged to Participants

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

Section 1.10 - Expiration of Listings

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

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

A property that is withdrawn may not be relisted by the same agent at the same company as new, unless it is off the market for a 30 day period. It must be reactivated as Back on Market.

Section 1.11 - Termination Date on Listings

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

Section 1.12 – Service Area

Only listings of the designated types of property located within the service area of the MLS are required to be submitted to the service. Listings of property located outside the MLS’s service area will not be accepted

Service area is “The State of Michigan”

Section 1.12 Continued:

*The jurisdiction service area of multiple listing services owned and operated by associations of REALTORS® is not limited to the jurisdiction of the parent association(s) of REALTORS®. Rather, associations are encouraged to establish multiple listing services that encompass natural market areas and to periodically reexamine such boundaries to ensure that they encompass the relevant market area. While associations are encouraged to work cooperatively to establish market area multiple listing services, the absence of such an agreement shall not preclude any association from establishing and maintaining a multiple listing service whose territory service area exceeds that of the parent association(s) jurisdiction. Where the territory of an MLS exceeds that of the parent association(s), the authority of the MLS to require offices of a participant or a participant's firm to participate in the MLS is limited to offices located within the jurisdiction of the association(s) of REALTORS® that own and operate the MLS or that are parties to a multi-association or regional MLS service agreement. MLSs may **not**, as a matter of local determination, require that each other offices of a firm's offices located within the jurisdiction of the association(s) that own and operate the MLS or that are parties to a multi-association or regional MLS service agreement to participate in the MLS if any office of that firm participates in that MLS. (Revised 5/02) **M***

Section 1.13 - Listing of Suspended Participants

When a participant of the service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership obligation except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended participant shall, at the participant's option, be retained in the service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a participant has been suspended from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, an association MLS is not obligated to provide MLS services, including continued inclusion of the suspended participant's listings in the MLS compilation of current listing information. Prior to any removal of a suspended participant's listings from the MLS, the suspended participant should be advised, in writing, of the intended removal so that the suspended participant may advise his clients.

Section 1.14 - Listing of Expelled Participants

When a participant of the service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the expelled participant shall, at the participant's option, be retained in the service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a participant has been expelled from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, an association MLS is not obligated to provide MLS services, including continued inclusion of the expelled participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled participant's listings from the MLS, the expelled participant should be advised, in writing, of the intended removal so that the expelled participant may advise his clients.

Section 1.15 - Listing of Resigned Participants

When a participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned participant's listings in the MLS compilation of current listing information. Prior to any removal of a resigned participant's listings from the MLS, the resigned participant should be advised, in writing, of the intended removal so that the resigned participant may advise his clients.

Section 1.16 - Property Addresses

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

SELLING PROCEDURES

Section 2 - Showings and Negotiations

Appointments for showings and negotiations with the seller for the purchase of listed property filed with the multiple listing service shall be conducted through the listing broker, except under the following circumstances:

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

Section 2.1 - Presentation of Offers

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

Section 2.2 - Submission of Written Offers

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

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

Section 2.3 - Right of Cooperating Broker in Presentation of Offer

The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker

not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's or lessor's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

Where the cooperating broker is not present during the presentation of the offer, the cooperating broker can request in writing, and the listing broker 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 2.4 - Right of Listing Broker in Presentation of Counter-offer

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

Section 2.5 - Reporting Sales to the Service

Status changes, including final closing of sales/lease and sales/lease prices, shall be reported to the multiple listing service by the listing broker within seventy-two (72) hours (3 calendar days) after they have occurred. If negotiations were carried on under Section 2 a. or b. hereof, the cooperating broker shall report accepted offers and prices to the listing broker within seventy-two (72) hours (3 calendar days) after occurrence and the listing broker shall report them to the MLS within seventy-two (72) hours (3 calendar days) after receiving notice from the cooperating broker.

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property) and to confirm the accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing services to participants and subscribers. In any instance where a governmental body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices.

Note 1: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the MLS; to provide timely notice of status changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the MLS to its participants.

Note 2: In disclosure states, if the sale price of a listed property is recorded, then reporting of the sale price may be required by the MLS. In states where the actual sale prices of completed transactions are not publicly accessible, failure to report sale prices can result in disciplinary action only if the MLS:

1. categorizes sale price information as confidential and

2. limits use of sale price information to participants and subscribers in providing real estate services, including appraisals and other valuations, to customers and clients; and to governmental bodies and third-party entities only as provided below.

Note 3: As established in the Virtual Office Website (“VOW”) policy, sale prices can only be categorized as confidential in states where the actual sale prices of completed transactions are not accessible from public records.

Section 2.6 - Reporting Resolution of Contingencies

The listing broker shall report to the multiple listing service within seventy-two (72) hours (3 calendar days) that a contingency on file with the multiple listing service has been fulfilled or renewed, or the agreement cancelled.

Section 2.7 - Advertising of Listings Filed with the Service

A listing shall not be advertised by any participant other than the listing broker without the prior consent of the listing broker.

Section 2.8 - Reporting Cancellation of Pending Sale

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

Section 2.9 - Disclosing the Existence of Offers

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

Section 2.10 - Availability of Listed Property

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

REFUSAL TO SELL

Section 3 - Refusal to Sell

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

PROHIBITIONS

Section 4 - Information for Participants Only

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

Section 4.1 - For Sale Signs

Only the for sale sign of the listing broker may be placed on a property.

Section 4.2 - Sold Signs

Prior to closing, only the sold sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

Section 4.3 - Solicitation of Listing Filed with the Service

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

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

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

This section is also intended to encourage brokers to participate in the service by assuring them that other participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by this section, listing brokers would be most reluctant to generally disclose the identity of the seller or the availability of the property to other brokers.

This section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of the Code of Ethics.

Section 4.4 - Use of the Terms MLS and Multiple Listing Service

No MLS participant, subscriber, or licensee affiliated with any participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise.

Section 4.5 - Services Advertised as “Free”

MLS participants and subscribers must not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the participant or subscriber will receive no financial compensation from any source for those services.

DIVISION OF COMMISSIONS

Section 5 - Compensation Specified on Each Listing

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

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

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

1. *by showing a percentage of the gross selling price - specify with %*
2. *by showing a definite dollar amount specify with \$*

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

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

Note 1: The multiple listing service shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the association multiple listing service shall not

publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The association multiple listing service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

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

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

Note 4: Multiple listing services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction.

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

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

Section 5.0.1 - Disclosing Potential Short Sales

Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing participants.

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 broker will be reduced within 48 hours of receipt of notification from the lender.

Section 5.1 - Participant as Principal

If a participant or any licensee (or licensed or certified appraiser) affiliated with a participant has any ownership interest in a property, the listing of which is to be disseminated through the multiple listing service, that person shall disclose that interest when the listing is filed with the multiple listing service and such information shall be disseminated to all multiple listing service participants, in both the agent only and public remarks.

Section 5.2 - Participant as Purchaser

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

Section 5.3 - Dual or Variable Rate Commission Arrangements

The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code, or symbol as required by the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

Section 5.4 - Display of Listing Broker’s Offer of Compensation

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

The listing broker’s offer of compensation is made only to participants of the MLS where the listing is filed.

SERVICE CHARGES

Section 6 - Service Fees and Charges

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

Initial MLS Participation Fee: An applicant for participation in the MLS service shall pay an application fee at the time of application, in the amount currently prescribed by the LLC Board of Representatives. The Owner/Association will forward the Initial MLS Participation Fee to NGLRMLS as received.

Recurring MLS Participation Fee to Members: The monthly participation fee of each participant shall be collected by each Owner/Association in an amount determined by the individual Owner/Associations where the participant holds MLS membership, times each salesperson and licensed appraiser, whether licensed as a broker, sales licensee, or licensed appraiser who is employed by or affiliated as an independent contractor with such participant. For nonmember MLS members, NGLRMLS shall bill the participants and their licensees directly at the end of the month, payment being due by the end of the following month.

Recurring MLS Participation fee to Owner/Associations: NGLRMLS will bill each Owner/Association, in advance, a monthly participation fee based on the number of MLS users who subscribe to the MLS through that Association. Payment is due by the 15th day of the month invoice is received. The monthly fees shall be as determined by the LLC Board of Representatives.

However, MLSs must provide participants the option of a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS or CIE where the principal broker participates. MLSs may, at their discretion, require that broker participants sign a certification for nonuse of its MLS services by their licensees, which can include penalties and termination of the waiver if violated.

COMPLIANCE WITH RULES

Section 7 - Compliance with Rules—Authority to Impose Discipline

By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- a. letter or email of warning
- b. letter or email of reprimand
- c. attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location, and duration
- d. appropriate, reasonable fine not to exceed \$15,000
- e. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- f. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years

Note 1: A participant (or user/subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a participant (or user/subscriber, where appropriate) is placed on probation the discipline is held in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS rules during the probationary period may, at the discretion of the Board of Directors, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and the individual's record will reflect the fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance. (Revised 05/14)

Note 2: MLS participants and subscribers can receive no more than three (3) administrative sanctions in a

calendar year before they are required to attend a hearing for their actions and potential violations of MLS rules, except that the MLS may allow more administrative sanctions for violations of listing information provided by participants and subscribers before requiring a hearing. The MLS must send a copy of all administrative sanctions against a subscriber to the subscriber’s participant and the participant is required to attend the hearing of a subscriber who has received more than three (3) administrative sanctions within a calendar year. (Adopted 11/20)

Section 7.1 - Compliance with Rules

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

- a. for failure to pay any service charge or fee within one (1) month of the date billed, and provided that at least ten (10) days’ notice has been given, the service shall be suspended until service charges or fees are paid in full
- b. for failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply

Section 7.2 - Applicability of Rules to Users and/or Subscribers

Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the participant to the same or other discipline. This provision does not eliminate the participant’s ultimate responsibility and accountability for all users or subscribers affiliated with the participant.

Section 7.73 – Rights of Cooperating Brokers in Presentation of Offers

Where the cooperating broker is not present during the presentation of the offer, the cooperating broker can request in writing, and the listing broker 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.

MEETINGS

Section 8 - Meetings

The meetings of the participants in the service or the board of representatives of the multiple listing service for the transaction of business of the service shall be held in accordance with the provisions of Article 7, Operating Agreement for NGLRMLS LLC.

ENFORCEMENT OF RULES OR DISPUTES

Section 9 - Considerations of Alleged Violations

The Board of Representatives shall give consideration to all written complaints having to do with violations 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 are at the sole discretion of the Board of Representatives.

When requested by a complainant, the MLS will process a complaint without revealing the complainant's identity. If a complaint is subsequently forwarded to a hearing, and the original complainant does not consent to participating in the process, the MLS will appoint a representative to serve as the complainant. (Amended 11/20)

Section 9.1 - Violations of Rules and Regulations

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

If, rather than conducting an administrative review, the MLS has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the board of directors of the MLS within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the professional standards committee of the subscribers' association of REALTORS® for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the relevant association of REALTORS®.

Section 9.2 - Complaints of Unethical Conduct

All other complaints of unethical conduct shall be referred by the board of representatives of the service to the complainant's association of REALTORS® for appropriate action in accordance with the professional standards procedures established in the association's bylaws.

CONFIDENTIALITY OF MLS INFORMATION

Section 10 – Confidentiality of MLS Information

Any information provided by the multiple listing service to the participants shall be considered official information of the service. Such information shall be considered confidential and exclusively for the use of participants and real estate licensees affiliated with such participants and those participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such participants.

Section 10.1 - MLS Responsibility for Accuracy of Information

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

OWNERSHIP OF MLS COMPILATION AND COPYRIGHT

Section 11 – Ownership of MLS Compilation and Copyright

By the act of submitting any property listing content to the MLS, the participant represents and warrants that he or she is fully authorized to license the property listing content as contemplated by and in compliance with this section and these rules and regulations, and also thereby does grant to the MLS license to include the property listing content in its copyrighted MLS compilation, and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

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

Section 11.1 - Copyright

All right, title, and interest in each copy of every multiple listing compilation created and copyrighted by the NGLRMLS LLC and in the copyrights therein, shall at all times remain vested in the NGLRMLS, LLC.

USE OF COPYRIGHTED MLS COMPILATION*

Section 12 - Distribution

Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them by the association of REALTORS[®], and shall not distribute any such copies to persons other than subscribers who are affiliated with such participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by an association multiple listing service is strictly limited to the activities authorized under a participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed or published by an association multiple listing service where access to such information is prohibited by law.

Section 12.1 - Display

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

Section 12.2 - Reproduction

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

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

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

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, 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 a third-party license agreement where deemed appropriate by the MLS. MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

USE OF MLS INFORMATION

Section 13 - Limitations on Use of MLS Information

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

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

Based on information from the association of REALTORS® (alternatively, from the _____MLS) for the period *(date)* through *(date)*.

CHANGES IN RULES AND REGULATIONS

Section 14 - Changes in Rules and Regulations

Amendments to the rules and regulations of the service shall be by consideration and approval of the board of representatives of the multiple listing service.

ORIENTATION

Section 15 - Orientation

Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided. This orientation shall be delivered by members REALTOR® Board of Choice.

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

REAL ESTATE TRANSACTION STANDARDS (RETS)

Section 16 – Real Estate Transaction Standards (RETS)

The integrity of data is a foundation to the orderly real estate market. The Real Estate Transaction Standards (RETS) provide a vendor neutral; secure approach to exchanging listing information between the broker and the MLS. In order to ensure that the goal of maintaining an orderly marketplace is maintained, and to further establish REALTOR® information as the trusted data source, MLS organizations owned and operated by associations of REALTORS® will implement the RESO Standards including: the RESO Data Dictionary by January 1, 2016; the RESO Web API by June 30, 2016 and will keep current by implementing new releases of RESO Standards within one (1) year from ratification. Compliance with this requirement can be demonstrated using the Real Estate Standards Organization (RESO) compliance Certification Process.

INTERNET DATA EXCHANGE (IDX)

Section 17 – Internet Data Exchange (IDX)

During the 2012 Midyear Legislative Meetings and Trade Expo, the NAR Board of Directors approved amendments to the Internet Data Exchange (IDX) Policy (Multiple Listing Policy Statement 7.58) and to the accompanying IDX Rules in Section 18 of the Model MLS Rules and Regulations (all types), found in the current NAR Handbook on Multiple Listing Policy. These comprehensive amendments to the IDX policy and to the companion implementing MLS rules clarify how “participant websites” is defined to include actual

and apparent control, and establish that IDX information may also be displayed using applications for mobile devices provided that the participants control those displays. You may view the current IDX policy at <http://www.realtor.org/topics/internet-data-exchange-idx/policy>

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 listings.

Section 17.1 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 on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display or other electronic forms of display or distribution.*

Section 17.2 - Participation

Participation in IDX is available to all MLS participants who consent to display of their listings by other participants.

Section 17.2.1

Participants must notify the MLS of their intention to display IDX information (sign a RE/Fresh Data Agreement and pay the attendant fees) and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 17.2.2

MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines.

Section 17.2.3

Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs) or other electronic forms of display or distribution.

Section 17.2.4

Participants may select the listings they choose to display through IDX based only on objective criteria including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), or type of listing

(e.g., exclusive right-to-sell or exclusive agency. Selection of listings displayed through IDX must be independently made by each participant.

Section 17.2.5

Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads not less frequently than every 12 hours.

Section 17.2.6

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.

Section 17.2.7

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

Section 17.2.8

Any IDX display controlled by a participant or subscriber that

- a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate)
- c. 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 18.2.9, a participant’s IDX display may communicate the participant’s professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller.

Section 17.2.9

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

Section 17.2.10

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.

Section 17.2.11

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 of fewer than all of the available listings or fewer authorized fields

Section 17.2.12

All listings displayed pursuant to IDX shall identify the listing firm, and the email or phone number provided by the listing participant in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.* (Amended 05/17)

Section 17.3 Display

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

Section 17.3.1

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

Section 17.3.1.1

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

Section 17.3.2

Deleted May 2015.

Section 17.3.3

Moved to 17.2.12 May 2017.

Section 17.3.4

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

Section 17.3.5

Non-principal brokers and sales licensees affiliated with IDX participants may display information available

through IDX on their own websites subject to their participant's consent and control and the requirements of state law and/or regulation.

Section 17.3.6

All listings displayed pursuant to IDX shall show the MLS as the source of the information. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures.

Section 17.3.7

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

Section 17.3.8

The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance shall be limited to fewer than five hundred (500) listings or fifty percent (50%) of the listings available for IDX display, whichever is fewer. (Amended 11/17)

Section 17.3.9

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.

Section 17.3.10

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. 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.

Section 17.3.11

Display of expired, withdrawn, and sold listings* is prohibited.

**Note: If "sold" information is publicly accessible, display of "sold" listings may not be prohibited.*

Section 17.3.12

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

Section 17.3.13

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 17.4 - Service Fees and Charges

Service fees and charges for participation in IDX shall be as established annually by the LLC Board of Representatives.

VIRTUAL OFFICE WEBSITES (VOWS)

SECTION 18 - VIRTUAL OFFICE WEBSITES (VOWS)

Section 18.1 – VOW Defined

- a. A "Virtual Office Website" (VOW) is a participant's Internet website, or a feature of a participant's website, through which the participant is capable of providing real estate brokerage services to consumers with whom the participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS listing information, subject to the participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a participant may, with his or her participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the participant's oversight, supervision, and accountability.
- b. As used in Section 19 of these rules, the term "participant" includes a participant's affiliated non-principal brokers and sales licensees—except when the term is used in the phrases "participant's consent" and "participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all 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.
- c. "Affiliated VOW Partner" (AVP) refers to an entity or person designated by a participant to operate a VOW on behalf of the participant, subject to the participant's supervision, accountability, and compliance with the VOW policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a participant. No AVP has the right to use MLS listing information, except in connection with operation of a VOW on behalf of one or more participants. Access by an AVP to MLS listing information is derivative of the rights of the participant on whose behalf the AVP operates a VOW.
- d. As used in Section 19 of these rules, the term "MLS listing information" refers to active listing information and sold data provided by participants to the MLS and aggregated and distributed by the MLS to participants.

Section 18.2

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

- b. Subject to the provisions of the VOW policy and these rules, a participant's VOW, including any VOW operated on behalf of a participant by an AVP, may provide other features, information, or functions, e.g., "Internet Data Exchange" (IDX).
- c. Except as otherwise provided in the VOW policy or in these rules, a participant need not obtain separate permission from other MLS participants whose listings will be displayed on the participant's VOW.

Section 18.2.11

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.

Section 18.3

- a. Before permitting any consumer to search for or retrieve any MLS listing information on his or her VOW, the participant must take each of the following steps.
 - i. The participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter, "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.
 - ii. The participant must obtain the name of and a valid 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 Subsection d., 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.
 - iii. The participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The participant must also assure that any e-mail address is associated with only one user name and password.
- b. The participant must assure that each Registrant's password expires on a date certain, but may provide for renewal of the password. The participant must at all times maintain a record of the name, 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.
- c. If the MLS has reason to believe that a participant's VOW has caused or permitted a breach in the security of MLS listing information or a violation of MLS rules, the participant shall, upon request of the MLS, provide the name, 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.

- d. The participant shall require each Registrant to review and affirmatively to express agreement (by mouse click or otherwise) to a terms of use provision that provides at least the following:
 - i. that the Registrant acknowledges entering into a lawful consumer-broker relationship with the participant
 - ii. that all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use
 - iii. that the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW
 - iv. that the Registrant will not copy, redistribute, or retransmit any of the information provided, except in connection with the Registrant's consideration of the purchase or sale of an individual property
 - v. that the Registrant acknowledges the MLS' ownership of and the validity of the MLS' copyright in the MLS database
- e. The terms of use agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the participant. Any agreement entered into at any time between the participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the participant must be established separately from the terms of use, must be prominently labeled as such, and may not be accepted solely by mouse click.
- f. The terms of use agreement shall also expressly authorize the MLS and other MLS participants or their duly authorized representatives to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of participants' listings by the VOW. The agreement may also include such other provisions as may be agreed to between the participant and the Registrant.

Section 18.3.12

Display of expired, withdrawn, or sold listings* is prohibited.

**Note: If "sold" information is publicly accessible, display of "sold" listings may not be prohibited.*

Section 18.4

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

Section 18.5

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.

Section 18.6

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

Seller Opt-out Form

1. 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

- c. The participant shall retain such forms for at least one (1) year from the date they are signed or one (1) year from the date the listing goes off the market, whichever is greater.

Section 18.7

- a. Subject to Subsection b., below, a participant's VOW may allow third-parties:
 - i. to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
 - ii. to display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.
- b. Notwithstanding the foregoing, at the request of a seller, the participant shall disable or discontinue either or both of those features described in Subsection a. as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all participants' websites. Subject to the foregoing and to Section 19.8, a participant's VOW may communicate the participant's professional judgment concerning any listing. A participant's VOW may notify its customers that a particular feature has been disabled at the request of the seller.

Section 18.8

A participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The participant shall correct or remove any false information relating to a specific property within 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.

Section 18.9

A participant shall cause the MLS listing information available on its VOW to be refreshed at least once every three (3) days.

Section 18.10

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.

Section 18.11

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

Section 18.12

A participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, or type of property.

Section 18.13

A participant who intends to operate a VOW to display MLS listing information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS participants for purposes of verifying compliance with these rules, the VOW policy, and any other applicable MLS rules or policies.

Section 18.14

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

Note: Adoption of Sections 19.15 through 19.19 is at the discretion of the MLS. However, if any of the following sections are adopted, an equivalent requirement must be imposed on participants' use of MLS listing information in providing brokerage service through all other delivery mechanisms.

Section 18.15

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

- a. Expired and withdrawn listings
Note: Due to the 2015 changes in IDX policy and the requirement that participants be permitted to make MLS listing information available to Registrants of VOW sites where such information may be made available via other delivery mechanisms, MLSs can no longer prohibit the display of pending ("under contract") listings on VOW sites.
- b. the compensation offered to other MLS participants
- c. the type of listing agreement, i.e., exclusive right-to-sell or exclusive agency
- d. the seller's and occupant's name(s), phone number(s), or e-mail address(es)
- e. instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property

Section 18.16

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

Section 18.17

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

Section 18.18

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

Section 18.19

A participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 500 current listings and not more than 50% sold listings in response to any inquiry.

Note: The number of listings that may be viewed, retrieved, or downloaded should be specified by the MLS in the context of this rule, but may not be fewer than five hundred (500) listings or fifty percent (50%) of the listings in the MLS, whichever is less.

DEFINITIONS OF TERMS SECTION

- **Association** – an entity whose purpose is to provide quality professional services and

opportunities to its membership, to ensure high ethical standards of practice and to influence and maintain community awareness of real property issues.

- **Board of Representatives** – The elected representatives of the LLC vested with authorities defined by the bylaws and other association governing documents of the partner associations.
- **Buyer's Agent** – A Buyer's Agent means a licensee acting on behalf of the buyer who undertakes to accept the responsibility of serving the buyer consistent with those fiduciary duties existing under common law.
- **Confidential Listing/–** A listing where the Seller has requested that their property not be exposed to the MLS as a whole. Confidential Listings must still be submitted, assigned an MLS number, but will not be disseminated to the participants of the MLS. A Confidential Listing status is not a refusal to cooperate with other brokers.
- **Cooperating Broker** – The Cooperating Broker in a cooperative real estate transaction is the subagent of the listing broker, the agent of the buyer, or is acting in another recognized agency or non-agency capacity.
- **Data** – All listing information provided to the MLS by Participants.
- **Data Aggregator** – Business entity that publishes real estate information on the World Wide Web or in other format, using data collected from one or more primary sources, such as a Multiple Listing Service.
- **Exclusive Agency Listing** – An exclusive agency listing authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral basis, but also reserves to the seller/lessor the general right to sell/lease the property on an unlimited or restrictive basis.
- **Exclusive Right-to-Sell Listing** – The conventional form of listing submitted to the multiple listing service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.
- **Exclusive Right-to-Lease Listing** – The conventional form of listing submitted to the multiple listing service in that the lessor authorizes the listing broker to cooperate with and to compensate other brokers.
- **Licensee** - A person who has been issued a license under Article 25 of the Code and is employed either directly or indirectly by a licensed real estate broker to practice real estate.
- **Participant** – The principal broker in the office that is an MLS member. Through the participant, all licensees are subscribers.

- **Participant’s Licensees**—Licensees sponsored by the participant, as defined by Michigan License Law.
- **Profile Sheet**—the official data collection format of the NGLRMLS.
- **Property Data**—any information about the listed property required by the MLS.
- **Seller’s/Lessor’s Agent** – A Seller’s/Lessor’s Agent means a licensee acting on behalf of the seller/lessor who undertakes to accept the responsibility of serving the seller/lessor consistent with those fiduciary duties existing under common law.
- **Subscriber** – Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.
- **VOW** - 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.

SYNDICATION POLICY AND PROCEDURE

Syndication commonly refers to an agreement between a broker and a third-party to advertise the broker's listings on non-MLS websites. The syndication agreement's scope determines how the broker's listings will be displayed on the Internet and where the listings will be displayed by the third-party. (NATIONAL ASSOCIATION OF REALTORS)

POLICY STATEMENT

The Northern Great Lakes REALTORS MLS (LLC) shall have a policy of careful review prior to signing any syndication agreements and shall follow a prescribed protocol to ensure the integrity and security of our participant's data.

PROCEDURE

Therefore the procedural process shall be as follow:

STEP 1 – Confirmation of a request for syndication shall be made within five (5) business days.

STEP 2 – Upon receipt of a request for syndication a cursory review of the Data Licensing Agreement shall be made by the General Manager of the LLC and a report on the findings shall be made to the LLC Board prior to the next scheduled meeting. The content of a Data Licensing Agreement request submitted to the LLC shall be reviewed against the following best practices documents:

- CRITICAL COMPONENTS OF A CONTRACT LICENSING AGREEMENT WITH PORTALS (Pranix, 2015)
- CHECKLIST OF ISSUES TO ADDRESS IN MLS DATA LICENSING AGREEMENTS, (NAR)
- CHECKLIST OF ISSUES TO ADDRESS IN A SYNDICATION AGREEMENT, (NAR)
- DATA LICENSE AGREEMENT – SAMPLE, (NAR)

STEP 3 – Should further legal review be required after the preliminary qualifying review of a Data Licensing Agreement for syndication purposes, the cost of such legal review by the LLC legal counsel of record shall be the responsibility of the requesting party. The LLC shall bear no expense for legal review unless the LLC is requesting the Data Licensing Agreement.

STEP 4 - The approved language of the submitted Data Licensing Agreement shall be submitted to the LLC Board of Representatives for their review with their respective association boards. All Data Licensing Agreements must be approved by a majority vote of the Northern Great Lakes REALTORS MLS Board of Representatives.