



BEACHESMLS

Rules and Regulations

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BeachesMLS

MLS Rules and Regulations Index

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BeachesMLS

MLS Rules and Regulations

Article I Definitions and Usage

“Any Broker Advertise” has the meaning given to it in Section 4.7.

“MLS Database” means the MLS computerized MLS systems, the Compilation and the MLS Services from which MLS provides the Compilation, IDX feeds and VOW feeds and MLS Services.

“MLS Listing Content” means listing information and such other information as authorized by the Board of Directors to be provided to Participants of MLS for VOW display.

“MLS Services” means systems, products and services including but not limited to IDX feeds and VOW feeds, which facilitate the business of Participants and Subscribers.

“BMLS” means BeachesMLS a wholly owned corporation of the Broward, Palm Beaches and St Lucie Realtors® Inc, a Florida corporation that provides Multiple Listing Services to Participants and Subscribers of BMLS and to Nonmember Participants and Subscribers.

“Board of Directors” means the board of directors as provided for in the bylaws.

“Compilation” means all data, photographs, images, graphics, video recordings, virtual tours, drawings, written descriptions, remarks, narratives and pricing information, in any format now known or hereafter discovered, about real properties which are aggregated and compiled, displayed, maintained and disseminated by MLS and includes data relating to commercial, multi-family and residential properties listed for sale or rent, those that have been sold, and those with respect to which the sale has been cancelled or has not closed, and includes unimproved and vacant properties.

“Compliance Guidelines” means a document created by MLS which specifically contains guidelines and governs Participants’ and Subscribers’ compliance with these Rules and sets forth the administrative fees, fees, and penalties for violation of these Rules.

“Exclusions” means the seller may name one or more individuals or entities as exemptions in the listing agreement and if the property is sold to any exempted individual or entity, the seller is not obligated to pay a commission to the listing broker.

“Exclusive Agency Listing” means a listing whereby the seller authorizes the listing Participant to cooperate with, and to compensate, other brokers, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. If the property is sold solely through the efforts of the seller, the seller is not obligated to pay a commission to the listing broker.

“Exclusive Right to Sell Listing” means a listing whereby the seller authorizes the listing Participant to cooperate with, and to compensate, other brokers. The seller agrees to pay a commission to the listing broker if the property is sold through the efforts of any real estate broker.

“Filed with” means entered into the mls database. It does not denote that a physical document is required to be filed with the mls unless it is requested by MLS staff.

“Internet Data Exchange” or “IDX” means the program deadministrative feed in Article XX of these rules.

“Jurisdiction” or “Service Area” means the areas of Palm Beach, Broward, and St. Lucie which are the counties served by the Association.

“Licensee” means all licensed employees or independent contractors of a Participant as disclosed on the Department of Business and Professional Regulation (DBPR) records who have not applied to subscribe to MLS Services.

“Listing Input Form” means a form used to collect real property data to input listing for sale or for rent information into the MLS Database.

“MLS” or “Multiple Listing Service” means a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and customers and the public; a means by which Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities deadministrative feed by law); a means of enhancing cooperation among Participants; a means by which information is accumulated and disseminated to enable Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; and a means by which Participants engaging in real estate appraisal contribute to common databases.

“NAR” means the National Association of REALTORS®.

“Participant” means Participants as defined in Section 2.1.

“REALTORS®” means members in good standing of the National Association of REALTORS® who subscribe to its strict Code of Ethics.

“Referral Agent” means an individual holding an active sales license or broker’s license issued by the Real Estate Commission who is employed by or under contract to a Referral Company and does not perform any activity which deadministrative fees a “Broker” or a “Salesman” under Florida Code except referring prospective purchasers, sellers or rentals to a Participant that culminates into a sale or rental of real estate and for which the Referral Company receives a referral fee.

“Referral Company” means a real estate brokerage in which a Participant has a direct or indirect ownership interest and has as its sole purpose to refer potential clients to Participants and not for the purpose of brokering purchases, sales or rentals of property or any other services.

“Rules” means these Rules and Regulations of MLS which may be amended by the Association Board of Directors from time to time.

“Sister Company” means a real estate brokerage in which a Participant has a direct or indirect ownership interest and which represents that it has no access to or does not in any way use the MLS Database, Compilation or MLS Services and therefore pays no fees to MLS.

“Status” of a listing indicates whether the listing is currently available for purchase or lease, subject to a purchase agreement, temporarily off market, subject to pending sale, sold, canceled, or expired in the MLS Database.

“Subscribers” (or users) of MLS means non-principal brokers, sales associates and licensed and certified appraisers affiliated with Participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of a MLS Participant or the Participant’s licensed designee.

“**Value range pricing**” means that rather than a single listing price, the seller has specified a range of prices in which the seller will entertain offers. The method is associated with particular firms and franchises, but is available to any broker choosing to use it when the property is subject to Auction.

Article II Applicability of Rules; Eligibility to Participate

Section 2.1 REALTOR® Participation

BeachesMLS will allow participation in MLS by REALTORS® and non-member brokers who meet the qualifications set out in Article 4 of the Bylaws, and who make appropriate application to MLS each a “Participant.”

Any REALTOR® of this or any other association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in the MLS Bylaws, shall be eligible to participate in multiple listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to multiple listing service “membership” or “participation” unless they hold a current, valid real estate broker’s license and offer or accept compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** 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 by or published by an association multiple listing service where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and ongoing basis during the operation of the participant's real estate business. The “actively” requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law.

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

Section 2.2 Pending or Incomplete Ethics or Arbitration Issues

No Participant or Subscriber application will be accepted by MLS if such applicant has outstanding financial obligations to any Association or MLS in the State of Florida or the applicant subsequently resigns to avoid payment of such obligations. The applicant’s participation shall be denied or suspended until such time as said

financial obligations have been paid or waived and the named applicant released from said obligations. Each applicant shall be required to certify that they have no outstanding financial obligations to any Association or MLS in the State of Florida prior to becoming a Participant or Subscriber.

Section 2.3 Liability

Each participant agrees to hold the service harmless against any liability arising from any inaccuracy or inadequacy of the information such participant provides.

Article III Listing Procedures

Section 3 Listing Procedures

Listings of real or personal property of the following types, which have an assigned tax ID (with the exception of property that is currently under construction or recently built and not yet assigned a tax ID), are listed subject to a real estate broker's license, are located within the Jurisdiction of MLS, and are taken by Participants on the Listing Input Form shall be delivered to MLS within two business days after all necessary signatures of seller have been obtained for:

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

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
- assure that no listing form filed with the multiple listing service establishes, directly or indirectly, any contractual relationship between the multiple listing service and the client (buyer or seller)

The multiple listing service shall accept exclusive right-to-sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other participants of the multiple listing service acting as subagents, buyer agents, or both. The listing agreement must include the seller's written authorization to submit the agreement to the multiple listing service.

The different types of listing agreements include:

- exclusive right-to-sell
- open
- exclusive agency
- 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.

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.

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

Section 3.1 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
- residential income
- subdivided vacant lot
- land and ranch
- business opportunity
- motel-hotel
- mobile homes
- mobile home parks
- commercial income
- industrial
- rental
- timeshare

Section 3.1.1 Listing Subject to Rules and Regulations of the Service

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

Section 3.2 Detail on Listings Filed with the Service

MLS shall accept Exclusive Right to Sell and Exclusive Agency Listings from Participants, and may accept other forms of agreement which make it possible for the listing Participant to offer compensation to other Participants. If two listings are entered into the same property type the Cooperating Participant can only claim to have procured the sale on one of the listings; the second listing would subsequently need to be Cancelled in the database. Any listing being entered into more than one listing category must be previously authorized in writing by MLS. Properties offered for sale under the residential category may be entered into the rental category without MLS approval. In order to obtain MLS authorization for entering one property listing as two property types an email should be sent by Participant to Compliance@beachesMLS.com.

A listing agreement or property data form, when filed with MLS by the listing Participant, shall be complete in every detail which is ascertainable as specified on the property data form. The type of listing shall be noted on the Listing Input Form and disclosed to all Participants. If the listing Participant intends to offer compensation to other Participants, the listing agreement shall contain the seller's written agreement to compensate agents of prospective purchasers. An Exclusive Right to Sell Listing or an Exclusive Agency Listing that contains Exclusions to the listing agreement must be designated by using the code Ex Rt w/Ex or Ex Brk w/Ex (List Type). Cooperating brokers must be given the names of those parties which are Exclusions upon request to the listing Participant.

Section 3.2.1 Limited Service Listings

The listing type L.R. (Limited Service) represents participating brokers who offer their seller/client little or no property marketing services (other than submitting the listing to MLS). For this service, the participating broker

usually receives a flat fee from the seller and offers compensation/cooperation to other MLS participants. Listing agreements under which the listing Participant 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
- 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
- c. advise the seller as to the merits of offers to purchase
- d. assist the seller in developing, communicating, or presenting counter-offers
- e. participate on the seller's behalf in negotiations leading to the sale of the listed property

These listings must be identified in the MLS database by using the code LS under listing type preceded by the type of listing being taken (Exclusive Right or Exclusive Agency (Ex Rt w/Limit Svc or ExBrk w/Limit Svc) in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing Participant will provide to the seller, and any potential for cooperating brokers being asked to provide some or all of these services to listing Participants' clients, prior to initiating efforts to show or sell the property

Section 3.2.2 Listing Photograph, Virtual Tour or Video

MLS requires submission of at least one photograph or other graphic representation that accurately depicts the front exterior of the listed property on all Active and Off Market statuses for Residential, Residential Income and Rental properties, except where sellers expressly direct, in writing, that photographs of their property not appear in MLS compilations.

Visual media, including but not limited to photographs and virtual tours, submitted to MLS may not be formatted, modified, or enhanced in such a manner that may be perceived as branding or advertising for a Participant, Subscriber, or non-participant third party. This includes the addition of frames or watermarks to the property photos. Photos in the MLS database cannot contain text overlays of any kind unless it is for location identification purposes. Additionally, the use of photo collages (more than one photo in a group) is prohibited in the MLS database. Photos may display only physical characteristics of the subject property and its vicinity. Photos of people or pets are prohibited in the listing compilation with the exception of public photos where they are in the background.

Media, such as photographs and images, previously submitted by a Participant may not be used by other Participants on subsequent listings. Media may not be copied and submitted by a different Participant without the expressed written consent of the Copyright Owner.

Note: Virtual staged photos are permitted as long as the staged photos are clearly identified as being virtually staged within the first 180 characters of the Public Remarks and individual photo descriptions.

Note: Nude photos (as defined by Webster's dictionary) system wide are prohibited; the board, at its sole discretion, reserves the right to remove photos they deem inappropriate.

Section 3.2.3 – Rentals and Lease/Option of Multiple Listings

Rental listings input in the MLS database must include the property in its entirety and cannot be a room or rooms for rent. The rental unit must include a private entrance, bathroom and kitchen for exclusive use by the tenant. Example: Guest House or Mother-in-Law suite. Where properties filed with the Service are rented or lease/option the following procedure will be followed:

- a. Rental listings may appear in the MLS for no more than 365 days at any one time to prevent the system from being cluttered with rental listings not removed once rented. In the event that the listing is renewed or has an expiration date beyond the 365-day period, such listings must be re-entered or re-submitted so as to continue to appear in the MLS.

- b. When a rental property has been placed in the MLS, within two (2) business days upon agreement to lease, the status should be changed to Pending. When the rental is complete, within two (2) business days the status should be changed to Rented.
- c. If the property is rented with an option to purchase, the participant shall change the status on the rental listing to Rented. If the property is also in the MLS as a listing for sale, then the Participant shall change the status to Pending. If the option is exercised and the transaction closes, the Participant shall change the status to Sold. This information is to be filed with the Service only if it is to be input by the Association.

Section 3.2.4 – Non-Members

No listing shall be made available to any non-participating Broker without the consent of the Listing Participant. However, Participants are encouraged to cooperate with non-member/participants in the sale of their own listings.

Section 3.3 Exempt Listings

If the seller refuses to permit the listing to be disseminated by the service, the Participant may then take the listing (office exclusive) and such listing shall be filed with the service but not disseminated to the Participants. Filing of the listing must be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the service. Participant must provide a copy of a request for confidential treatment signed by the seller when requested by MLS.

Section 3.4 Change of Status of Listing

Any change in listed price, extension or expiration date, cancellation, added contingency, temporary off market, withdrawal or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be updated in the MLS Database within (2) business days after the authorized change is received by the listing Participant. Additionally, any change in the listing status such as cancellation, added contingency or temporary off market must be authorized in writing and updated in the MLS Database within (2) business days after the authorized change is received by the listing Participant.

Section 3.5 Cancellation of Listing Prior to Expiration

Listings of property may be canceled from MLS by the listing Participant before the expiration date of the listing agreement, provided notice is filed with the service, including a copy of the agreement between the seller and the listing Participant which authorizes the cancellation. This does not however allow for a listing Participant to cancel a listing and re-enter it as new in order to reset the Days on Market.

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

Section 3.5.1 – 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. Copies of the agreement between the owner and the Listing Participant which authorizes the withdrawal must be maintained on file by the Listing Participant. In the event the withdrawal is input by the Listing Participant no documentation need be sent to the Service.

Conditional withdrawals or temporarily off market may be reactivated by changing status field to Active. Unconditional withdrawals or cancelled can be reactivated with properly signed agreements by the MLS within 30 days. Over 31 days is considered a new listing and entered as such.

Section 3.6 Contingencies Applicable to Listings

"Contingency" means that a parcel of property is under contract for sale but there may be other factors yet to be resolved and the seller has directed the Participant to continue to show the property until the contingency has been removed. Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants.

Section 3.7 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. The listing price on auction properties shall be entered in as either the tax value, reserve price or the minimum bid. Rental prices must be expressed in monthly rent amounts for Annual, Seasonal, or Off-Seasonal. Rental List Price must be equal to one of the monthly rental type options identified in the listing. In the case of value range pricing, the Auction field must be completed with a "Y" (Yes) and the gross listing price is to be entered into the high price range and the first line of the "REMARKS" field must state: Seller(s) will entertain offers between \$xxx,xxx (low price) and \$yyy,yyy (high price). Net listings will not be accepted by MLS. A zero-dollar amount is not acceptable as the low end of the price range.

Section 3.8 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 Listing Input Form. When part of a listed property has been sold, proper notification must be given to the service within two days.

Section 3.9 Auction Listings

A listing broker may submit a listing of an eligible listing type (per Section 3.1) that is subject to auction only if it displays a definite listing price pursuant to Section 3.7 and the circumstances under which cooperating brokers will be compensated in the event of a successful closing. The listing record for a property subject to auction must specify the type of auction (for example, absolute, minimum bid, or reserve) and brokerage license number of the auctioneer.

Section 3.10 No Control of Commission Rates or Fees Charged to Participants

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

Section 3.11 Expiration of Listings

Listings entered into the MLS Database shall bear a definite expiration date in the form of Month/Day/Year. Listings filed with MLS will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date MLS receives notice that the listing has been extended or renewed.

If notice of renewal or extension is received 30 days or more 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. If notice of renewal or extension is received fewer than 30 days after the listing has been removed from the compilation of current listings, the previously active listing record will be made active again, and no new listing number will be issued. Extensions and renewals of listings must be signed by the seller and be made available if requested by MLS staff.

Section 3.12 Termination Date on Listings

Listings filed with the service shall bear a definite and final termination date, as negotiated between the listing Participant and the seller. Final termination date shall appear in the form of Month/Day/Year.

Section 3.13 Jurisdiction

Only listings of the designated types of property located within the service area of MLS are required to be submitted to the service. Listings of property located outside MLS's service area will be accepted if submitted voluntarily by a Participant, but cannot be required by the service.

Note: Out-of-state/ Out-of-Country Listings

In concurrence with the policies of the Florida Realtors® the MLS will accept out-of-state or out-of-country listings. In the case of out-of-country listings (with the exception of the Bahamas, where an agreement from the Bahamian

Government already exists), it must be pointed out that it is the responsibility of the seller, not the listing agency, to obtain necessary permissions from the government of the country in which the property is located.

Section 3.14 Listings of Suspended Participants

When a participant of the service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership obligation except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended participant shall, at the participant's option, be retained 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 3.15 Listings of Expelled Participants

When a participant of the service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS 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 3.16 Listings of Resigned Participants

When a Participant resigns from MLS, 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 MLS, the resigned Participant should be advised, in writing, with 10 days' notice, of the intended removal so that the resigned Participant may advise his clients.

Section 3.17 Co-Listings

If the seller has listed a property and there is more than one MLS Participant office involved, the co-listing office and co-listing agent ID numbers may be listed in the co-listing office and agent fields. Only a MLS Participant may be shown as the listing Participant. In this event, the offer of compensation extends from listing and co-listing broker to any cooperating broker that is the procuring cause of a sale. If the co-listing office is not a Participant of the MLS or a Participant of an MLS participating in datashare, the Participant's firm shall be the only office listed in MLS. In this event, the co-listing broker must be identified with an unambiguous name in the broker remarks field.

Section 3.18 Submission of "Sold" Listings

For purposes of statistical recording, Participants may submit to MLS those properties that have been authorized in writing by the seller for entry into MLS that were not exclusively listed, but have been sold by a firm which is a Participant. These properties may not be entered into the MLS Database until such time as the property is either in pending status or sold status and are subject to all other Rules including the time requirements for entry of data. All fields that are required by MLS must be completed at input. In no case may a Participant or Subscriber enter a listing of this nature without a Contract for Purchase and Sale having been entered into between buyer and seller. In the event the contract is not consummated, then Participant or Subscriber must cancel said "Sold Listing" unless an Exclusive Agency or Exclusive Right of Sale agreement is signed by the seller authorizing entry

into the MLS Database as an active listing. However, in no case will Participant or Subscriber misrepresent the information contained in the MLS Database. The listing Participant shall enter his IDs as both listing and selling Participant unless there is a cooperating broker.

Section 3.19 Clear Cooperation Policy

Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.

Article IV Selling Procedures

Section 4 Showings and Negotiations

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

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

Section 4.1 Presentation of Offers

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

Section 4.2 Submission of Written Offers and Counter-offers

The listing Participant 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 Participant. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing Participant shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer. Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated.

Section 4.3 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, unless the seller or lessor indicates to the contrary in writing. The cooperating broker does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing Participant. If the seller or lessor gives written instructions to the listing Participant that the cooperating broker not be present in the presentation of an offer the cooperating broker secured, 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 Participant'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, 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 4.4 Right of Listing Participant in Presentation of Counter-offer

The listing Participant or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. The listing Participant 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 Participant not be present when a counter-offer is presented, the listing Participant has the right to a copy of the purchaser's or lessee's written instructions.

Section 4.5 Reporting Sales to the Service

The listing Participant must enter into the MLS Database all changes, including final closing of sales and sales prices, within two (2) business days after they have occurred. If negotiations were carried on under Section 4 (a) or (b) hereof, the cooperating broker shall report accepted offers and prices to the listing Participant within two (2) business days after occurrence, and the listing Participant shall enter them into MLS within two (2) business days after receiving notice from the cooperating broker. The selling agent entered into MLS must reflect the agent of procuring cause of sale. This entry can be changed by MLS when contested by prevailing party of a formal commission arbitration.

Section 4.6 Reporting Resolution of Contingencies

The listing Participant shall enter into the MLS Database within (2) business days that a contingency on file with MLS has been fulfilled or renewed, or the agreement cancelled. If the contingency has been fulfilled, the listing Participant must change the status to pending. However, if the contingency is re-established or has been extended, listing Participant must modify the status of a pending listing back to the Contingent or Back Up status.

Section 4.7 Advertising of Listings Filed with the Service

A listing shall not be advertised by any Participant other than the listing Participant without the prior consent of the listing Participant. Documentation of such consent shall be provided to MLS within two (2) business days of request for such written consent.

When selecting "yes" for Any Broker Advertise* on a listing, it is the broker's expressed permission to allow other agents to advertise their listing in print or on the internet. All advertising conditions found in Section 4.7 of these rules apply along with the following:

1. No false manipulation of the listing data, the ad must present a true picture and not otherwise mislead consumers.
2. The advertising agent cannot portray the listing as their own or belonging to their office.
3. The ad must include the statement "courtesy of" with reference to the listing firm in a font that is the same size and color as the rest of the content.

If one or more of the above guidelines are violated regardless of whether or not the "Any Broker Advertise" indication is marked "yes" the MLS staff will follow the procedure outlined in the Compliance Guidelines for unauthorized advertising.

**Any Broker Advertise is not to be mistaken with IDX (Internet Data Exchange). IDX is the searching capabilities on a Participant's website for use by potential clients. See Article 20 for IDX Rules and Regulations.*

Section 4.8 Reporting Cancellation of Pending Sale

The listing Participant shall report immediately to MLS the cancellation of any pending sale, and the listing shall be reinstated immediately.

Section 4.9 Availability of Listed Property

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

Section 4.10 Temporarily Off Market

"Temporarily Off Market" means a listing that has been temporarily removed from active status until the expiration of the listing agreement to allow among other things for renovations, holiday periods or brief convalescence. The listing agreement is still enforced and the owner agrees to abide by the financial obligations as termed in the agreement. The listing Participant or Subscriber may remove a listed property from active status by

obtaining written authorization to do so from the seller/lessor. Documentation of such event, signed by the seller, shall be provided to MLS within two (2) business days of request by MLS staff.

Section 4.11 Other Status Changes

The listing Participant shall enter into the MLS Database or submit a Listing Change Form created by MLS for changes to listing information in the Compilation within two (2) business days of any change of status of listed property in the MLS Database including, but not limited to Temporarily Off Market, Withdrawn and contingency properties.

Section 4.12 – 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 entered on the listing.

Article V [Reserved]

Article VI Prohibitions

Section 6 Information for Participants Only; No Password Sharing

Any listing filed with the service shall not be made available to any broker or firm not a member of MLS without the prior consent of the listing Participant. No Participant or Subscriber who has an ID/password from MLS to access the service's data may provide that ID/password to any other person (whether or not the latter is also a Participant or Subscriber).

Section 6.1 For Sale Signs

Only the "for sale" signs of the listing Participant may be placed on a property.

Section 6.2 Sold Signs

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

Section 6.3 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 6.4 Use of the Terms MLS and Multiple Listing Service

No MLS Participant or Subscriber shall, through the name of their firm, their URLs, e-mail addresses, or website addresses, or in any other way, represent, suggest, or imply that the individual or firm is an MLS/Multiple Listing Service, or that they operate an MLS. Participants and Subscribers shall not represent, suggest, or imply that consumers or others have direct access to MLS/Multiple Listing Service 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 6.5 Referral Companies

Referral Companies shall, within thirty (30) days of establishing itself as a Referral Company, or upon request from MLS, provide to MLS a list showing Licensees designated as Referral Agents and provide a current list of its Referral Agents to MLS annually coinciding with dues/fees billing thereafter as long as the Referral Company is in the referral business in order to remain exempt from MLS fees and charges for MLS Services. If a Participant serves as the designated broker of a Referral Company, said Participant broker shall undertake measures to assure that the MLS Compilation and MLS Services are used exclusively by the Participant and Subscriber. In the event that unauthorized users access the MLS Compilation and MLS Services, the Participant that facilitates such unauthorized use shall be responsible for annual fees retroactively on behalf of any unauthorized users for the greater of twelve (12) months or the period during which such unauthorized access occurred and may be subject to further discipline as determined by the Board of Directors.

Section 6.6 Sister Companies

A Sister Company shall, within thirty (30) days of establishing itself as a Sister Company, or upon request from MLS, provide to MLS a list showing Licensees designated as real estate professionals working within said Sister Company and provide a current list of its Licensees to MLS annually coinciding with dues/fees billing thereafter as long as the Sister Company is in the real estate business and not participating in MLS in order to remain exempt from MLS fees and charges for MLS Services. If a Participant serves as the designated broker of a Sister Company, said Participant broker shall undertake measures to assure that the MLS Compilation and MLS Services are used exclusively by the Participant and Subscribers. In the event that unauthorized users access the MLS Compilation and MLS Services, the Participant that facilitates such unauthorized use shall be responsible for annual fees retroactively on behalf of any unauthorized users for the greater of twelve (12) months or the period during which such unauthorized access occurred and may be subject to further discipline as determined by the Board of Directors.

Article VII

Division of Commissions

Section 7 Cooperative Compensation Specified on Each Listing

The listing Participant shall specify, on each listing filed with MLS, the compensation offered to other 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 Participant'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 Participant and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing Participant to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing Participant to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing Participant know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had

the listing Participant communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

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

1. by showing a percentage greater than zero of the gross selling price
2. by showing a definite dollar amount greater than zero

The listing Participant retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities deadministrative feed by law) which may be the same or different.

This shall not preclude the listing Participant from offering any MLS Participant compensation other than the compensation indicated on any listing published by MLS, provided the listing Participant 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.

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

The listing Participant may, from time to time, adjust the compensation offered to other Participants for their services with respect to any listing by advance published notice to the service so that all Participants will be advised.

MLS shall make no rule on the division of commissions between Participants and nonParticipants. This should remain solely the responsibility of the listing Participant.

Nothing in these 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.

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.

Section 7.0.1 Disclosing Potential Short Sales

Participants must disclose potential short sales (deadadministrative feed 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 two business days of receipt of notification from the lender.

Section 7.1 Participant as Principal

If a Participant or Subscriber has any ownership interest in a property, the listing of which is to be disseminated through MLS, that person shall disclose that interest when the listing is entered into the MLS Database, and such information shall be disseminated to all MLS Participants.

Section 7.2 Participant as Purchaser

If a Participant or Subscriber wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed, in writing, to the listing Participant not later than the time an offer to purchase is submitted to the listing Participant.

Section 7.3 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 Participant 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 Participant 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 Participant by a key, code, or symbol as required by MLS. The listing Participant 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 7.4 Notice of Exceptions

If a Participant accepts a listing agreement in which there are exceptions to the agreement (i.e., the selling broker would receive no compensation if the stated exceptions are present in the sales transaction), this must be noted on the listing agreement and the word "exceptions" noted in the broker remarks section of the MLS Database.

Article VIII Service Charges

Section 8 Service Fees and Charges

The specific amounts of fees and charges and the requirements for payment are set from time to time by the Association Board of Directors and are published in the MLS "Schedule of Fees" available from the association. Each designated broker of a Participant of MLS shall be responsible for payment of fees, for their offices, subscribed sales associates, non-subscribed sales associates and support staff. Payment of such fees may be accepted from the Participant or the Subscriber. None of the foregoing shall preclude the MLS Participant from being reimbursed by the Subscribers licensed with Participant for fees or charges incurred on their behalf

pursuant to any in-house agreement that may exist. All fees paid for services including advance payments are non-refundable. 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 Commercial Information Exchange (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.

Article IX Compliance with Rules

Section 9 Compliance with Rules—Authority to Impose Discipline

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

- a. letter of warning
- b. letter of reprimand
- c. attendance at MLS orientation or other appropriate courses or seminars which the Participant or subscriber can reasonably attend taking into consideration cost, location, and duration
- d. appropriate, reasonable administrative fee 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.

Section 9.1 Compliance with Rules

MLS will suspend Participants and Subscribers for failure to pay fees and charges assessed by MLS. When a Participant is suspended from access to the MLS Database and MLS Services, all subscribers affiliated with such Participant may also lose access to the MLS Database and MLS Services. 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 due, 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 11 and 11.1 shall apply

Section 9.2 Applicability of Rules to Subscribers

Subscribers and other users such as non-licensed office staff are all subject to these Rules and may be disciplined for violations thereof. Further, failure of any Subscriber or other user to abide by the Rules, or any sanction imposed for violations thereof, may subject the Participant to the same or other discipline. This provision does not eliminate the Participant's ultimate responsibility and accountability for all Subscribers under state law and the Code of Ethics.

Once a Subscriber has exhausted or waived all opportunities for appeal of any administrative fee, and the administrative fee has been finally adjudicated, the administrative fee is due, and the Participant is bound to pay the administrative fee if the Subscriber fails to do so. The Participant has the option, however, to terminate the Subscriber from Participant's firm and avoid any further responsibility for the administrative fee. In that event, the administrative fee will remain on the Subscriber's record and that Subscriber will not be granted MLS access through any Participant until it is paid.

Section 9.3 Audits

9.3.1 Participants

MLS reserves the right to audit each Participant's office to ensure compliance between MLS records, MLS Participation and DBPR records and with Section 8 of these Rules. Participants found to be out of compliance are subject to administrative fees, fees and penalties as stated in the Compliance Guidelines.

9.3.2 Participant Referral Companies

MLS reserves the right to audit each Participant's Referral Company's office to ensure compliance between MLS records and DBPR records as to Referral Agents which are granted an exemption from incurring the fees set forth in MLS's fee schedule because they never access the MLS Services. Participants found to be out of compliance are subject to administrative fees, fees, and penalties as set forth in the Compliance Guidelines.

9.3.3 Sister Companies

MLS reserves the right to audit each Participant's Sister Company to ensure compliance between MLS records and DBPR records as to Licensees which are granted an exemption from incurring the fees set forth in MLS's fee schedule because they never access the MLS Services. Participants found to be out of compliance are subject to administrative fees, fees, and penalties as set forth in the Compliance Guidelines.

Article X Meetings

Section 10 Meetings

The meetings of the Participants in the service or the board of directors of the association for the transaction of business of the service shall be held in accordance with the provisions of the bylaws of the service.

Section 10.1 – Meetings of MLS Committee

The Multiple Listing Service Committee shall meet for the transaction of its business at a time and place to be determined by the Committee, staff or at the call of the Chairperson.

Article XI Enforcement of Rules or Disputes

Section 11 Considerations of Alleged Violations

MLS shall, on a confidential basis, give consideration to all written allegations having to do with a violation of these Rules excluding Section 18 which is governed by Section 11.2. Complaints of Unethical Conduct. 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 Directors.

- a. Allegations submitted by any party will be reviewed.
- b. Allegations shall be WRITTEN and may be accompanied by supporting documentation. In response to written allegations, MLS shall:
 1. Evaluate and determine if a violation of the Rules and Regulations occurred.
 2. Notify the Participant and/or Subscriber of any of the alleged violations together with the imposed administrative fee or sanction being assessed by MLS.
- c. If Participant or Subscriber wishes to contest the decision of MLS see the Compliance Guidelines for the process.

Section 11.1 Violations of Rules and Regulations

Failure to abide by the strict intent of these Rules may result in an administrative fee, suspension, or termination from MLS. The MLS Compliance Guidelines sets forth the descriptions of violations that may result in administrative fees, fees or penalties. If the alleged offense is a violation of the Rules and Regulations other than a

conduct violation or arbitration complaint, it shall be considered and determined by the staff of MLS, and if a violation is determined, MLS staff may direct the imposition of a administrative fee or other sanction; if Participant or Subscriber wishes to contest the decision of MLS, see the Compliance Guidelines for the process. If no such contest is filed within twenty (20) calendar days of notice of the violation, the sanction will be confirmed and an order issued accordingly. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the 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 association of Realtors®.

If the alleged offense is a violation of the rules and regulations of the service and does not involve a charge of alleged violation of one or more of the provisions of Section 18 of the rules and regulations or a request for arbitration, it may be administratively considered and determined by the board of directors of the MLS and if a violation is determined, the board of directors may direct the imposition of sanction provided that the recipient of such sanction may request a hearing by the Professional Standards Committee of the association in accordance with the bylaws of the association of Realtors®. Alleged violations of Section 18 of the Rules and Regulations shall be referred to the association's Grievance Committee for processing in accordance with the Professional Standards procedures of the association.

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 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 association of Realtors®.

Section 11.2 Complaints of Unethical Conduct

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

Section 11.3 Staff Harassment

"Harassment" means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. Any Participant or subscriber in MLS may be reprimanded, placed on probation, suspended, or expelled for harassment of an Association or MLS employee or Association or MLS Officer or Director after an investigation in accordance with these procedures. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the following MLS leaders: The President, and President-elect and/or Vice President and one member of the Board of Directors selected by the highest-ranking officer not named in the complaint, upon consultation with legal counsel for the Association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual or in MLS's enforcement guidelines. If the complaint names the President, President-Elect, or Vice President, they may not participate in the proceedings and shall be replaced by MLS's Immediate Past President or, alternatively, by another member of MLS's Board of Directors selected by the highest-ranking officer not named in the complaint.

Section 11.4 Complaints of Unauthorized Use of Listing Content

Any participant who believes another participant has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to the MLS. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. No participant may pursue action over the alleged unauthorized use and display of listing content

in a court of law without first completing the notice and response procedures outlined in this Section 11.4 of the MLS rules.

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

If MLS staff determines that the use of the content was unauthorized, staff will issue a sanction pursuant to Section 4.2c of the Compliance Guidelines, including a request to remove and/or stop the use of the unauthorized content within ten (10) days after transmittal of the decision. If the unauthorized use stems from a violation of the MLS rules, that too will be considered at the time of establishing an appropriate sanction.

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

Section 11.4.1 MLS Rules Violations

MLS participants may not take legal action against another participant for alleged rules violation(s) unless the complaining participant has first exhausted the remedies provided in these rules.

Article XII Confidentiality of MLS Information

Section 12 Confidentiality of MLS Information

Any information provided by MLS 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 Subscribers 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 12.1 MLS Responsibility for Accuracy of Information

The Compilation disseminated by the service is generally communicated verbatim, without change by the service, as filed with the service by Participants and subscribers. The service neither verifies nor authenticates the 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 Compilation or any other information contained in the MLS Database.

Article XIII Ownership of MLS Compilation and Copyright

Section 13 Authority to Include Listing Content in the Compilation

The listing broker owns the listing agreement. Prior to submitting a listing to the MLS, the listing broker should own, or have the authority to license all listing content (e.g., photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property) to be published in the MLS compilation of listing information.

Use of listings and listing information by the MLS for purposes other than the deadministrative feed purposes of the MLS require participants' consent. Such consent cannot be required as a condition of obtaining or maintaining MLS participatory rights. MLSs may presume such consent provided that listing brokers are given adequate prior

notice of any intended use unrelated to the deadministrative feed purpose of MLS, and given the opportunity to affirmatively withhold consent for that use.

Participants cannot be required to transfer ownership rights (including intellectual property rights) in their listings or listing content to MLS to obtain or maintain participatory rights except that MLSs may require participants to grant the licenses necessary for storage, reproduction, compiling, and distribution of listings and listing information to the extent necessary to fulfill the deadministrative feed purposes of MLS. MLSs may also require participants to warrant that they have the rights in submitted information necessary to grant these rights to MLS.

By the act of submission of 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 the 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.

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

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

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

Full compliance with these DMCA safe harbor criteria will mitigate an OSP’s copyright infringement liability. For more information see 17 U.S.C. §512.

*The term MLS compilation, as used in Sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to the participants, including but not limited to bound book, loose-leaf binder, computer database, card file, or any other format whatsoever.

Section 13.1 Compilation Copyright

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

Section 13.2 Unauthorized Use of Intellectual Property

Participants or Subscribers are not allowed, to copy or use in any manner the intellectual property of another Participant or Subscriber without the prior written consent of the holder of such intellectual property right. Intellectual property includes, but is not limited, to photographs, videos, virtual tours, remarks, logos, trademarks, or service marks. Violation of this Rule shall subject the Participant or Subscriber to fees, administrative fees, and penalties. Documentation of such written consent shall be provided to MLS staff within two (2) business days of request for such documentation.

Section 13.3 Lease Copies of Compilation

Each participant shall be entitled to lease from the Beaches MLS a number of copies of each MLS compilation sufficient to provide the participant and each person affiliated as a licensee (including licensed or certified appraisers) with such participant with one copy of such compilation. The participant shall pay for each such copy the rental fee set by the association.

Participants shall acquire by such lease only the right to use the MLS compilation in accordance with these rules.

Article XIV Use of Copyrighted MLS Compilation

Section 14 Distribution

Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them whether through the Internet, software, or off-line after being downloaded to a computer or server. Participant shall ensure that access to the MLS Database and Compilation is made available only to Participants and Subscribers authorized pursuant to these Rules and Regulations, the Compliance Guidelines and Participant and Subscriber Agreements. Use of information developed, published, or copyrighted by MLS is strictly limited to the activities authorized under a Participant's licensure or certification and unauthorized uses are strictly prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed or published by MLS where access to such information is prohibited by law.

Section 14.1 Display of MLS Compilation

Participants and Subscribers 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 the MLS compilation. Participants shall not, under any circumstances, allow prospective purchasers of real property to have direct access to the MLS Database or Compilation whether from a computer or from a website or in any other manner.

Section 14.2 Reproduction of the MLS Compilation

Participants and Subscribers shall not reproduce any MLS Compilation or any portion thereof except in the following limited circumstances:

Participants or Subscribers 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 Participants or their affiliated Subscribers, be interested.

Reproductions made in accordance with this Rule shall be prepared in such a fashion that the property listing data only include properties in which the prospective purchaser has expressed interest, or in which the Participant or the Subscriber is seeking to promote interest. This Rule does not preclude any Participant from utilizing, displaying,

distributing, or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the Participant.

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

Any MLS Compilation or portion thereof, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of Participants and Subscribers who are authorized to have access to such information. Such information may not be transmitted, re-transmitted or provided in any manner to any unauthorized third party, individual, office or firm.

This means that online information obtained from "MLS Vendor" may not be downloaded into any member's computer in such a way that the information can be modified or retransmitted to another computer or computer terminal which is not approved by the Association or MLS Vendor as an access terminal.

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

Section 14.3 Reproductions subject to requirements of VOW policy

Any reproduction of a listing in the MLS Compilation must comply with the requirements of Sections 21.15, 21.16, 21.17, 21.18, and 21.19, regardless of the medium or format in which the listing information is reproduced.

Article XV Use of MLS Information

Section 15 Limitations on Use of MLS Information

Use of the MLS Compilation developed, published, and copyrighted by MLS is strictly limited to the activities authorized under a Participant's licensure or certification and its Participant Agreement with MLS. Unauthorized uses are prohibited. Use of portions of the MLS Compilation, the MLS "statistical report" or any "sold" or "comparable" report from the MLS Compilation for public mass-media advertising by a Participant or in other public representations is not prohibited. Any advertisement or other forms of public representation based in whole or in part on information supplied by MLS must clearly set forth the copyright information included in the representation published and must include the following notice:

"This data is not verified for authenticity or accuracy and may not reflect all real estate activity in the market. Based on information © 20xx BeachesMLS, Inc." ("20xx" should be replaced with the current year.)

Section 15.1 – Prohibitions Against Recommercialization of MLS Information

No part of the MLS may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the express written permissions of the Association/MLS, except as provided in these rules. No person, whether or not an MLS Participant, shall be entitled to recommercialize, or to impose any charge upon or receive anything of value for the utilization, transmissions, retransmission, or repackaging in any format, of any information obtained directly or indirectly from the MLS. These

rules confer no rights on anyone who is not a Participant in the MLS or a licensee affiliated with the Participant, or as otherwise provided by these rules, to obtain access to, download, copy, reproduce, manipulate, store in any information retrieval system, repackage, transmit, retransmit, or display, any MLS information, and all such activities are hereby prohibited.

Article XVI Changes in Rules and Regulations

Section 16 Changes in Rules and Regulations

From time to time the Board of Directors will amend these Rules. After amendment, MLS will, by any means MLS deems appropriate, notify the Participants and Subscribers of such amendments. The effective date of all rule amendments shall be the date they are first published to Participants, Subscribers, and Authorized users or such later date as the Board of Directors shall determine.

Article XVII Arbitration of Disputes

Section 17 Arbitration of Disputes

By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions deadministrative feed in Standard of Practice 17-4 of the Code of Ethics with MLS Participants in different firms arising out of their relationships as MLS Participants, subject to the following qualifications.

- a. If all disputants are members of the same association of REALTORS® or have their principal place of business within the same association's NAR-deadministrative feed jurisdiction, they shall arbitrate pursuant to the procedures of that association of REALTORS®.
- b. If the disputants are members of different associations of REALTORS® or if their principal place of business is located within the NAR-deadministrative feed jurisdictions of different associations of REALTORS®, they remain obligated to arbitrate in accordance with the Florida REALTORS® Interboard Arbitration Procedures. In instances where the State Association does not provide Interboard arbitration, the arbitration shall be conducted in accordance with any existing Interboard agreement or, alternatively, in accordance with the Interboard Arbitration Manual of the National Association of REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular association of REALTORS®.
- c. Arbitration facilities of an association of REALTORS® may be invoked by a non-Realtor® Participant or Subscriber in MLS who may also be compelled to arbitrate using the association facilities.

Awards: The obligation to arbitrate includes the duty to either 1) pay an award to the party(ies) named in the award or 2) deposit the funds with the Professional Standards Administrator to be held in an escrow or trust account maintained for this purpose. Failure to satisfy the award or deposit the funds with the association within ten (10) days may be considered a violation of the MLS rules and may subject the Participant to disciplinary action at the sole discretion of the MLS.

Article XVIII Standards of Conduct for MLS Participants

Standard 18.1

MLS Participants shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other MLS Participants have with clients.

Standard 18.2

Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the seller/landlord.

Standard 18.3

MLS Participants acting as subagents or as buyer/tenant representatives or brokers shall not attempt to extend a listing Participant's offer of cooperation or compensation to other brokers without the consent of the listing Participant.

Standard 18.4

MLS Participants shall not solicit a listing currently listed exclusively with another broker. However, if the listing Participant, when asked by the MLS Participant, refuses to disclose the expiration date and nature of such listing (i.e., an exclusive right-to-sell, an exclusive agency, or other form of contractual agreement between the listing Participant and the client) the MLS Participant may contact the owner to secure such information and may discuss the terms upon which the MLS Participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing.

Standard 18.5

MLS Participants shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by a MLS Participant, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the MLS Participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the MLS Participant might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement.

Standard 18.6

MLS Participants shall not use information obtained from listing Participants through offers to cooperate made through MLS or through other offers of cooperation to refer listing Participants' clients to other brokers or to create buyer/tenant relationships with listing Participants' clients, unless such use is authorized by listing Participants.

Standard 18.7

The fact that an agreement has been entered into with a MLS Participant shall not preclude or inhibit any other MLS Participant from entering into a similar agreement after the expiration of the prior agreement.

Standard 18.8

The fact that a prospect has retained a MLS Participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other MLS Participants from seeking such prospect's future business.

Standard 18.9

MLS Participants are free to enter into contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent.

Standard 18.10

When MLS Participants are contacted by the client of another MLS Participant regarding the creation of an exclusive relationship to provide the same type of service, and MLS Participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement.

Standard 18.11

In cooperative transactions, MLS Participants shall compensate cooperating MLS Participants (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the Participants' Subscribers without the prior express knowledge and consent of the cooperating broker.

Standard 18.12

MLS Participants are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other

exclusive relationships with another MLS Participant. A general telephone canvass, general mailing, or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, or organization, or other classification or group is deemed general for purposes of this rule.

The following types of solicitations are prohibited:

Telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their property with another MLS Participant; and mail or other forms of written solicitations of prospects whose properties are exclusively listed with another MLS Participant when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current listings, for sale or for rent signs, or other sources of information intended to foster cooperation with MLS Participants.

Standard 18.13

MLS Participants, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service.

Standard 18.14

MLS Participants, acting as buyer or tenant representatives or brokers, shall disclose that relationship to the seller/landlord's representative or broker at first contact and shall provide written confirmation of that disclosure to the seller/landlord's representative or broker not later than execution of a purchase agreement or lease.

Standard 18.15

On unlisted property, MLS Participants acting as buyer/tenant representatives or brokers shall disclose that relationship to the seller/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement.

MLS Participants shall make any request for anticipated compensation from the seller/landlord at first contact.

Standard 18.16

MLS Participants, acting as representatives or brokers of sellers/landlords or as subagents of listing Participants, shall disclose that relationship to buyers/tenants as soon as practicable, and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement.

Standard 18.17

MLS Participants are not precluded from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through MLS or any other offer of cooperation may not be used to target clients of other MLS Participants to whom such offers to provide services may be made.

Standard 18.18

MLS Participants, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing Participant's offer of compensation to subagents or buyer/tenant representatives or brokers, or make the submission of an executed offer to purchase/lease contingent on the listing Participant's agreement to modify the offer of compensation.

Standard 18.19

All dealings concerning property exclusively listed or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not with the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client.

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, MLS Participants shall ask prospects whether they are a party to any exclusive representation agreement. MLS Participants shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects.

Standard 18.20

Participants and Subscribers, prior to or after their relationship with their current firm is terminated, shall not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude Participants from establishing agreements with their sales persons governing assignability of exclusive agreements.

Standard 18.21

These rules are not intended to prohibit ethical, albeit aggressive or innovative business practices, and do not prohibit disagreements with other MLS Participants involving commission, fees, compensation, or other forms of payment or expenses.

Standard 18.22

MLS Participants shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices.

Standard 18.23

MLS Participants' firm websites shall disclose the firm's name and state of licensure in a reasonable and readily apparent manner.

Websites of sales persons affiliated with a Participant's firm shall disclose the firm's name and the sales person's state of licensure in a reasonable and readily apparent manner.

Standard 18.24

MLS Participants shall present a true picture in their advertising and representations to the public, including Internet content, **images** and the URLs and domain names they use, and Participants may not:

- a. engage in deceptive or unauthorized framing of real estate brokerage websites;
- b. manipulate (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result;
- c. deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic;
- d. present content developed by others without either attribution or without permission; or
- e. otherwise mislead consumers, **including use of misleading images**.

Standard 18.25

The services which MLS Participants provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

MLS Participants shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.

Standard 18.26

Cooperating participants or their representatives have the right to participate in the presentation of any offer they secure to purchase or lease to the seller or lessor. They do not have the right to be present at any discussion or

evaluation of the offer by the seller or lessor and the listing broker. However, if a seller or lessor gives written instructions to a listing broker that cooperating brokers may not be present when offers they procure are presented, cooperating brokers have the right to a copy of those instructions. This policy

is not intended to affect listing brokers' right to control the establishment of appointments for 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, 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.

Article XIX Orientation and Training

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 or online 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 sixty (60) days after access has been provided.

Each Participant and Subscriber will have the opportunity to attend, on a regular basis, classes that MLS offers on the training of the MLS programs and Services. Participants and subscribers may be required, at the discretion of MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by MLS to familiarize Participants and subscribers with system changes or enhancements, or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated **orientation and** additional training remotely.

Some training classes will be offered at no cost to MLS Participants and Subscribers provided they have registered with MLS for said training classes. In the event a reservation is not made and the Participant or Subscriber shows up intending to attend the class no registration fee will be posted to the individual's account.

Article XX Internet Data Exchange (IDX)

Section 20 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 20.1 Authorization

Participants' consent for display of their listings by other Participants pursuant to these rules and regulations is presumed unless a Participant affirmatively notifies 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.

Section 20.2 Participation

Participation in IDX is available to all Participants who consent to display their listings by other Participants

Section 20.2.1

Participants must notify MLS of their intention to display IDX information and must give MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 20.2.2

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 20.2.3

Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing Participant 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 20.2.4

Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing Participants, type of listing (e.g., exclusive right-to-sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each Participant.

Section 20.2.5

Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every 12 hours.

Section 20.2.6

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 20.2.7

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 20.2.8

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) 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 Participant or agent shall communicate to 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 20.2.9, 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 20.2.9

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 MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property within two business days after receipt of a communication from the listing Participant 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 20.2.10

Participants shall not modify or manipulate information relating to other participants' listings. MLS participants may augment their IDX displays of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated from 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 20.2.11

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 20.2.12

An MLS Participant 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 these rules, "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 20.3 Display

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

Section 20.3.1

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

Section 20.3.2

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

Section 20.3.3

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

Section 20.3.4

(Removed on April 10th, 2014)

Section 20.3.5

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 20.3.6

All listings displayed pursuant to IDX shall show MLS as the source of the information by inclusion of the BeachesMLS logo.



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 20.3.7

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 BeachesMLS. MLS may, at its discretion, require use of other disclaimers as necessary to protect Participants or 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. Pursuant to this section, MLS requires the display of the following notice/disclaimer:



All listings featuring the BMLS logo are provided by BeachesMLS, Inc. This information is not verified for authenticity or accuracy and is not guaranteed. Copyright ©20xx BeachesMLS, Inc. (the year should be updated annually)

Section 20.3.8

The data consumers can retrieve or download in response to an inquiry shall be determined by 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.

Section 20.3.9

The right to display other Participants' listings pursuant to IDX shall be limited to a Participant's office(s) holding participatory rights in MLS.

Section 20.3.10

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

Section 20.3.11

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 20.4 Service Fees and Charges

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

Section 20.5

Participants are required to employ appropriate security protection such as firewalls on their websites and displays, provided that any security measures required may not be greater than those employed by the MLS.

Section 20.6

Participants must maintain an audit trail of consumer activity on their website and make that information available to the MLS if the MLS believes the IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers.

Article XXI Virtual Office Websites (VOWs)

Section 21.1 VOW Deadadministrative feed

- 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 deadadministrative feed 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 Article XXI 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 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 Article XXI of these rules, the term “MLS listing information” refers to active listing information and sold data provided by Participants to MLS and aggregated and distributed by MLS to Participants.

Section 21.2

- 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 21.3

- 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 deadministrative feed 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 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 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 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 MLS' ownership of and the validity of 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 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 21.4

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 21.5

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 MLS.

Section 21.6

a. A Participant’s VOW shall not display the listings or property addresses of any seller who has affirmatively directed the listing Participant to withhold the seller’s listing or property address from display on the Internet. The listing Participant shall communicate to 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.

- a. 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 21.7

- 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 Participant or agent shall communicate to 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 21.8, 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 21.8

A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing Participant about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by 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 Participant 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 21.9

A Participant shall cause MLS listing information available on its VOW to be refreshed at least once every 12 hours.

Section 21.10

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 21.11

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 21.12

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

Section 21.13

A Participant who intends to operate a VOW to display MLS listing information must notify MLS of its intention to establish a VOW and must make the VOW readily accessible to 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 21.14

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.

Section 21.15

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

- a. the compensation offered to other MLS Participants
- b. the type of listing agreement, i.e., exclusive right-to-sell or exclusive agency
- c. the seller's and occupant's name(s), phone number(s), or e-mail address(es)
- d. instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property

Section 21.16

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 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 21.17

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 BeachesMLS. A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or BeachesMLS from liability. The notice required under this Section 21.17 shall take substantially this form:

BEACHESMLS All listings featuring the BMLS logo are provided by BeachesMLS, Inc. This information is not verified for authenticity or accuracy and is not guaranteed. Copyright ©20xx BeachesMLS, Inc. (the year should be updated annually)

Section 21.18

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 Participant or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

Section 21.19

A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 2500 current listings and not more than 500 sold listings in response to any inquiry.

Section 21.20

A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

Section 21.21

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

Section 21.22

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

Section 21.23

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

Section 21.24

Where a seller affirmatively directs his or her listing Participant to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to MLS within forty-eight (48) hours.

Appendix 1**Lock Box Rules**

Section L.01. Service of the board of REALTORS®. The lock box system is an activity of BeachesMLS, Inc., (MLS) which has delegated the administrative of it to its parent company Broward, Palm Beaches and St Lucie Realtors® Inc. The rules in this Appendix 1 relating to lock boxes are adopted by the board of directors of BeachesMLS, and apply only

to those participants or subscribers that have elected to use lockboxes. Terms in this Appendix 1 have the meanings given them in Article I of the service's rules, if any.

Section L.02. Eligibility requirements. Every Participant or Subscriber actively licensed with the state of Florida to sell Real Estate and licensed or certified appraiser who is affiliated with a Participant subject to his execution of a Key and Lock Box lease agreement with BeachesMLS. Licensed secretaries who have signed a Secretarial Affidavit with Broward, Palm Beaches and St Lucie Realtors® Inc shall be ineligible to hold a lock box key or utilize the lock box system. Broward, Palm Beaches and St Lucie Realtors® Inc Affiliates in good standing in one of the following fields of business; photography, licensed appraisers, licensed inspectors or licensed exterminators and carry liability insurance with Broward, Palm Beaches and St Lucie Realtors® Inc or BeachesMLS named as insured on the certificate. Authorized Participants, Subscribers and Affiliates are limited to one lockbox key per person.

Section L.03. Key lease agreement.

- (a) The lease agreement shall contain the following pertinent provisions: (i) all responsibilities of the parties and any applicable rules or regulations or other governing provisions (incorporated by reference) of the board of REALTORS® or MLS that relate to the operation of the lock box system; (ii) the requirement that a key may not be used under any circumstances by anyone other than the key holder; (iii) the stipulation that no one shall be required to lease a key from the MLS except on a voluntary basis; (iv) a liquidated damages provision to offset some or all of the costs for lost or unaccounted for equipment and/or in reestablishing the security of the system if it is determined that the security has been compromised through the negligence or fault of the key holder; (v) the agreement of all lock box system users, whether participants of BeachesMLS or not, as a condition of the lease agreement, to be bound by the rules and procedures governing the operation of the lock box system.

Section L.04. Denial or termination of service.

- (a) **For adjudicated criminal conduct.** The MLS may refuse to sell or lease lock box keys and boxes, may terminate existing lease agreements, and may refuse to activate or reactivate any key held by an individual convicted of a felony or misdemeanor if the crime, in the determination of the MLS, relates to the real estate business or puts clients, customers, or other real estate professionals at risk.
- (b) **For alleged criminal conduct.** The MLS may suspend the right of one using the lock box system following his or her arrest and prior to conviction for any felony or misdemeanor which, in the determination of the MLS, relates to the real estate business or which puts clients, customers, or other real estate professionals at risk.
- (c) **Factors relating to criminal conduct.** Factors that can be considered in making determinations under Sections L.04(a) and L.04(b) include, but are not limited to (i) the nature and seriousness of the crime; (ii) the relationship of the crime to the purposes for limiting lock box access; (iii) the extent to which access (or continued access) might afford opportunities to engage in similar criminal activity; (iv) the extent and nature of past criminal activity; (v) time since criminal activity was engaged in; (vi) evidence of rehabilitation while incarcerated or following release; and (vii) evidence of present fitness.
- (c) **Due to termination of membership or participation.** The MLS may refuse to lease lockbox keys and boxes, terminate existing lease agreements, and deactivate or refuse to activate or reactivate any key held by an individual upon their suspension or termination from membership in the board of REALTORS® or participation in the MLS.
- (d) **Due to non-compliance with a lock box system audit.** The MLS at the direction of its board of directors may refuse to lease lock box keys and boxes, may suspend, and terminate existing lease agreements, and may deactivate, or refuse to activate or reactivate any key held by an individual in the event of non-compliance with a Lock Box System Audit. A Participant shall be considered in non-compliance in the event that either of the following occurs: (i) all information on the Key Box/Shackle Code Master List is not provided on the date of the audit, or (ii) failure to return equipment to auditors upon request. A \$100 key reactivation fee may, at the discretion of the board of directors of the MLS, be charged to any non-complying office.

Section L.05. Record keeping. Each key holder and designated REALTORS® or broker of record shall cooperate in key and box inventory audits conducted by the MLS. Cooperation requirements include (i) providing a completed key

box/shackle code master list including for each key box MLS#, key box # and current key box address of listing; (ii) making available to the MLS and its audit committee all boxes not on a listed property at the time of the audit (which the MLS may collect if deemed necessary as directed and approved by the board of directors of the MLS; (iii) by signing a statement attesting that the key is currently in the possession of the key holder and that all lock boxes assigned to them are accounted for.

Section L.06. Return of leased equipment. Participant shall return all leased equipment to the MLS immediately upon termination of REALTORS® membership or MLS participation. Failure to return said equipment shall result in the Participant being charged all costs associated with replacing the equipment.

Section L.07. Reporting lost equipment. Key holders and their co-signatories must immediately report lost, stolen or otherwise unaccountable equipment to the MLS. Upon receipt of notice, the MLS shall take any steps it deems necessary to re-secure the lock box system. If at the time of inventory, a key or lock box is unaccounted for, or if a lock box system user refuses or is unable to demonstrate that the equipment is within his or her physical control, the equipment will be considered lost. With regard to lost equipment, all funds on deposit will be forfeited to the MLS to replace it, with any costs above the retained deposit charged to the Participant to whom the equipment was leased.

Section L.08. Placement of lock boxes. Lock boxes may not be placed on a property without written authority from the seller. This authority may be established in the listing contract or in a separate document created specifically for this purpose.

Section L.09. Lock box system fees. There shall be a lock box key deposit, due from every key holder, equal to the actual cost of the key. The board of directors of the board of REALTORS® and MLS shall establish other one-time and periodic fees for use of the lock box system, including application, hardware maintenance, data maintenance, system, and other fees. Current fees are set out on the service's current schedule of fees.

Section L.10. Damaged equipment. Participants shall be responsible for all costs associated with damaged lockboxes and lockbox keys. Participants shall be responsible for all costs associated with drilling out the key box of any lock box, if necessary, to retrieve property keys.

Section L.11. NAR requirements. These lock box rules are subject at all times to the Lock Box Security Requirements of the National Association of REALTORS® (NAR), presently set out as Statement 7.31 of the multiple listing policy of NAR, which is incorporated in these rules by reference.

Section L.12. Deposit. An initial key deposit may be required. The amount of the deposit is subject to change as directed by the MLS Board of Directors. Deposits will be refunded when keys are returned in average or better condition. Deposits are non-refundable when keys are returned in below average or poor condition.

Section I.13 Key User Limit. The lock box system keys will be limited to one key per key holder. This includes all subscribers and participants of the MLS and Realtor® members of the board of REALTORS®.