

DeKalb Area Association of REALTORS®
MLS RULES AND REGULATIONS
Revised 01/27/2009

PREAMBLE:The following are the Rules and Regulations of the DeKALB Area Association of REALTORS® Multiple Listing Service.

LISTING PROCEDURES

Section 1: Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, and are located within the territorial jurisdiction as defined in the Bylaws of the DeKalb Area Association of REALTORS® and the Sauk Valley Association of REALTORS®, and are taken by Participants on an approved exclusive right to sell or exclusive agency listing agreement shall be delivered to the Multiple Listing Service within 48 hours after all necessary signatures of seller(s) have been obtained. Photos must be received within eight days of a listing date.

MANDATORY LISTINGS: All listings taken by Participants of the MLS are to be submitted to the Service unless specifically excluded in these Rules and Regulations.

Note 1: The Multiple Listing Service shall not require Participants 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:

1. May reserve the right to refuse to accept a listing form which fails to adequately protect the interest of the public and the Participant.
2. 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 Members of the Multiple Listing Service acting as subagents, buyer agents or both.

The listing contract must include the seller's authorization to submit the contract to the Multiple Listing Service.

The different types of listing contracts accepted include:

- (a.) Exclusive right to sell
- (b.) Exclusive agency

The Service does 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 to 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 a listing submitted to the Multiple Listing Service in that the seller authorizes the listing broker to cooperate with and to compensate with other brokers.

The exclusive agency listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral basis, 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 exempted should be clearly distinguished by selecting the corresponding number from the menu.

Note 2: The Multiple Listing Service does not regulate the type of listings its Members may take; however, the service shall decline to accept open listings (accept where acceptance is required by law) and net listings. Members shall be free to accept such listings to be handled outside the Multiple Listing Service.

Section 1.1: Listings Subject to Rules and Regulations of the Service: Any listing contract to be filed with the Multiple Listing Service is subject to the Rules and Regulations of the Service upon signature of the seller(s).

Section 1.2: Detail on Listings Filed with the Service: A Listing Agreement or Property Data Form, when filed with the Multiple Listing Service by the listing broker, shall be complete in every detail which is ascertainable as specified on the Property Data Form. Listing Agreements shall not be processed without the Participant's signature.

Section 1.3: Exempted Listings: If the seller refuses to permit the listing to be disseminated by the Service, the Member may then take the listing ("office exclusive") and such listing shall be filed with the Service, but not disseminated to other Members. Filing of the listing shall be accompanied by certification signed by the seller that they do not desire the listing to be disseminated by the Service.

Section 1.4: Change of Status of a Listing: Any change in listed price or other change in the original listing contract shall be made only when authorized in writing by the seller and shall be filed with the Service within (48) hours (excepting weekends, holidays and postal holidays) after the authorized change is received by the Participant(s).

Section 1.5: Withdrawal of Listing Prior to Expiration: Listings of property may be withdrawn from the Multiple Listing Service by the Participant(s) before the expiration date of the listing contract provided notice is filed with the Service, including a copy of the agreement between the seller and the Participant which authorizes the withdrawal. Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller(s) can document that his exclusive relationship with the listing broker has been terminated, the Multiple Listing Service may remove the listing at the request of the seller.

Section 1.6: Contingencies Applicable to Listings: Any Contingency or conditions of any term in a listing shall be specified and noticed to the Members.

Section 1.7: Listing Price Specified: The full gross listing price stated in the listing contract shall be included in the information published in the MLS compilation of current listings.

Section 1.8: Listing Multiple Unit Properties: All properties which are to be sold or which may be sold separately must be indicated individually in the listing contract and on the Property Data Form. When part of a listed property has been sold, proper notification should be given to the Multiple Listing Service.

Section 1.9: No Control of Commission Rate or Fees Charged by Participant(s): The Multiple Listing Service shall not fix, control, recommend, suggest or maintain commission rates or fees for services to be rendered by Participant(s). Further, the Multiple Listing Service shall not fix, control, recommend, suggest or maintain the division of commissions or fees between cooperating Members or between Participants and Non-Participants.

Section 1.10: Expiration of Listings: Listings filed with the Multiple Listing Service will automatically be removed from the compilation of current listings on the expiration dates specified in the agreement unless prior to that date the MLS receives notice that the listing has been extended or renewed.

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

Section 1.11: Termination Date on Listings: Listings filed with the Service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.

Section 1.12: Jurisdiction: Only listings of the designated types of property located within the jurisdiction as defined in the Bylaws of the DeKalb Area Association of REALTORS® and the Sauk Valley Association of REALTORS® are required to be submitted to the Service. Listings of property located outside of the Multiple Listing Services jurisdiction will be accepted if submitted voluntarily by a Participant but cannot be required by the Service.

Section 1.13: Listings of Suspended Members: When a Member of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board/Association/Bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriated dues, fees or charges), all listings currently filed with the MLS shall, at the suspended Member'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 contract in effect when the suspension became effective. If a Member 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, DeKalb Area MLS is not obligated to provide MLS services, including continued inclusion of the suspended Member's listings in the MLS compilation of current listing information. Prior to any removal of a suspended Member's listing from the MLS, the suspended Member should be advised in writing of the intended removal so that the suspended Member may advise their clients.

Section 1.14: Listings of Expelled Members: When a Member of the Service is expelled from the MLS for failing to abide by the 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 appropriated dues, fees or charges), all listings currently filed with the MLS shall, at the expelled Member'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 Member 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, Dekalb Area MLS is not obligated to provide MLS services, including continued inclusion of the expelled Member's listings from the MLS, the expelled Member should be advised in writing of the intended removal so that the expelled Member may advise their clients.

Section 1.15: Listings of Resigned Members: When a Member resigns from the MLS; the MLS is not obligated to provide services, including continued inclusion of the resigned Member's listings in the MLS compilation of current listing information. Prior to any removal of a resigned member's listings from the MLS, the resigned Member should be advised, in writing, of the intended removal so that the resigned Member may advise his clients.

SELLING PROCEDURES

Section 2: Showings and Negotiations: Appointments for showings and negotiations with the seller for the purchase of listed property filed with the Multiple Listing Service shall be conducted through the listing broker, except under the following circumstances:

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

Section 2.1: Presentation of Written Offers: The listing broker must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so.

Section 2.2: Submission of Written Offers: The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, and regulation or agreed otherwise in writing between the seller and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer.

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

Section 2.3: Right of Cooperating Broker in Presentation of Offer: The cooperating broker (subagent or buyer agent) or their representative has the right to participate in the presentation to the seller or lessor of any offer to purchase or lease. The cooperating broker does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has a right to a copy of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

Section 2.4: Right of Listing Broker on Presentation of Counter-Offers: The listing broker or their representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. The listing broker does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 2.5: Reporting Sales to the Service: Status changes, including final closing of sales shall be reported to the Multiple Listing Service by the listing broker within 48 hours after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating broker shall report the status changes, to the listing broker within 48 hours after occurrence and the listing broker shall report them to the MLS within 48 hours after receiving notice from the cooperating broker. (*Amended 05/07*)

- (a) If the sales contract is contingent upon the sale of another home, and gives the “purchaser” a first right of refusal, listing shall remain in the picture section and shall be identified on the property data form by typing “kickout” in the contingency box.
- (b) A property having a right of first refusal, prior to submission to MLS, may be submitted, by typing “kickout” in the contingency box.
- (c) If sales contract has other contingencies (financing, inspections, attorney’s approval, etc.) only, giving no right of first refusal, listing shall be identified on the property data form by typing “backup” in the contingency box.
Exception: If a seller requests in writing that the property in this status not remain on the market the listing shall be placed in the “pending” status.

Note: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the MLS; to provide timely notice of status changed of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the MLS to its participants. (Amended 11/01)

Section 2.6: Reporting Resolutions of Contingencies: The Listing broker shall report to the Multiple Listing Service within 48 hours that a contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the listing contract cancelled.

Section 2.7: Advertising of Listing Filed With the Service: A listing shall not be advertised by any member, other than the Participant, without the prior written consent of the Participant.

Section 2.8: Reporting Cancellation of a Pending Sale: The listing broker shall report within 48 hours to the Multiple Listing Service the cancellation of any pending sale and the listing shall be reinstated immediately.

REFUSAL TO SELL

Section 3: Refusal to Sell: If the seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the Service and to all Members.

PROHIBITIONS

Section 4: Information for Members Only: Any listing filed with the Service shall not be made available to any broker or firm not a Member of DeKalb Area MLS without the prior consent of the Participant.

Section 4.1: “For Sale” Signs: Only the “For Sale” sign of the listing broker may be placed on the property.

Section 4.2 “Sold” Signs: Prior to closing, only the “sold” sign of the listing broker may be placed on the property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

Section 4.3: Solicitation of Listings Filed With the Service: Members 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.

DIVISIONS OF COMMISSIONS

Section 5: Cooperative Compensation Specified on Each Listing: The listing broker shall specify on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service, the compensation offered to other Multiple Listing Service Members 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). The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

Note 1: In filing a property with the DeKalb Area Multiple Listing Service, the Participant of the service is making blanket unilateral offers of cooperation to the other MLS Members, and shall therefore specify on each listing filed with the Service, the compensation being offered to the other MLS members. Specifying the Compensation on each listing is necessary because the cooperating broker has the right to know what the compensation will be prior to their endeavor to sell. *

The 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 defined by law) which may be the same or different.

This shall not preclude the Participant from offering any MLS Member compensation other than the compensation indicated on any listing published by the MLS provided the Participant informs the other broker, in writing, in advance 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 a flat dollar amount.

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

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

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

Note 2: The Participant may, from time to time, adjust the compensation offered to other Multiple Listing Service Members for their services with respect to any listing by advance published notice to the Service so that all Members will be advised.

Note 3: The Multiple Service shall make no rule on the division of commissions between Participants and Non-Participants. This should remain solely the responsibility of the Participant.

Section 5.1: Participant as Principal: If a participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any ownership interest in property, the listing of which is to be disseminated through the Multiple Listing Service, that person shall disclose the interest when the listing is filed with the Multiple Listing Service and such information shall be disseminated to all Multiple Listing Service Members.

Section 5.2: Participant as Purchaser: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest on a property with another Member, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

Section 5.3: Dual or Variable Rate Commission Arrangements: The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold /leased by the listing broker without the assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code or symbol as required by the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

SERVICE CHARGES

Section 6: Service Fees and Charges: The Service Charges, including the Initial Participation Fees, Recurring Participation Fees, Listing Fees and Subscription Fees, if any, shall be determined by DeKalb Area MLS and shall not be directed nor recommended by the DeKalb Area MLS.

The DeKalb Area MLS shall solely be responsible for disseminating and administrating the above fees if applicable.

Section 6.1: Waivers: The DeKalb Area MLS shall be solely responsible for waiving any Service Charges, as outlined above, to a Participant. However, the waiver of such Service Charges shall not affect the formula used by the DeKalb Area MLS to determine monthly or annual fees to the DeKalb Area MLS.

COMPLIANCE WITH RULES

Section 7: Section 7: Compliance with Rules/Authority to Impose Discipline:

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

- (a) letter 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 fine not to exceed \$15,000
- (e) probation for a stated period of time not less than thirty (30) days nor more than one (1) year
- (f) suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- (g) termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years

Section 7.1: Applicability of Rules to Users and/or Subscribers: Non-Participant brokers, sales licensees, appraisers and others authorized to have access to information published by the MLS are subject to these Rules and Regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the Rules and Regulations. Further, failure of any user or subscriber to abide by the Rules and/or sanction imposed for violations thereof can subject the Participant to the same or other discipline. This provision does not eliminate the Participants ultimate responsibility and accountability for all users or subscribers affiliated with the Participant.

(a)

Section 7.1: Applicability of Rules to Users and/or Subscribers: Non-Participant brokers, sales licensees, appraisers and others authorized to have access to information published by the MLS are subject to these Rules and Regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the Rules and Regulations. Further, failure of any user or subscriber to abide by the Rules and/or sanction imposed for violations thereof can subject the Participant to the same or other discipline. This provision does not eliminate the Participants ultimate responsibility and accountability for all users or subscribers affiliated with the Participant.

ENFORCEMENT OF RULES OR DISPUTES

Section 9: Consideration of Alleged Violation: Consideration to all written complaints from Participants shall be referred to the Association to which the Participant belongs.

Section 9.1: Violations of Rules and Regulations: If the alleged offense is a violation of the Rules and Regulations of the Service and does not involve a charge of unethical conduct or request for arbitration, it may be considered and determined by the Association.

Section 9.2: Complaint of Professional Misconduct: All other complaints of unethical conduct shall be referred to the Association of REALTORS® for appropriate action in accordance with the Professional Standards procedures established in the Association Bylaws. If, rather than conducting an administrative review, the Multiple Listing Service committee has a procedure established to conduct hearings, the decision of the Association of REALTORS® within 20 days of the tribunal's decision being rendered.

CONFIDENTIALITY OF MLS INFORMATION

Section 10: Confidentiality of Multiple Listing Service Information: Any information provided by the Multiple Listing Service to the Member shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and real estate

licensees affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants.

Section 10.1: MLS not responsible for Accuracy of Information: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. The Service does not verify 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 information such Participant provides.

Section 10.2: Access to Comparable and Statistical Information: Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS including “comparable” information, “sold” information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to and unauthorized individual, office or firm except as otherwise provided in these Rules and Regulations. Associations members who receive such information are subject the applicable provisions of the MLS Rules and Regulation whether they participate in the DeKalb Area MLS or not.

OWNERSHIP OF MLS COMPILATIONS*AND COPYRIGHTS

Section 11: By the act of submission of any property listing content to the DeKalb Area MLS the Participant represents that they have been authorized to grant and also thereby does grant authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on “Comparables.” Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

Section 11.1: All, right, and interest in each copy of every Multiple Listing Compilation and copyrighted by the Association in the DeKalb Area MLS, and in the copyrights therein, shall at all times remain vested in the Associations in the DeKalb Area MLS.

Section 11.2: Each Participant shall be entitled to lease from the DeKalb Area 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.

* 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 Participant, including, but not limited to, bound book, loose-leaf binder, computer data base, card file or any other format.

** This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee (including licensed or certified appraisers) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling or

appraising the types of properties which are required to be filed with the DeKalb Area MLS and who does not, at any time, have access to nor use of the DeKalb Area MLS information.

USE OF COPYRIGHTED MLS COMPILATIONS

Section 12: Distribution: Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them by the Association of REALTORS®, and shall not distribute any copies to persons other than subscribers who are affiliated with such participants as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized as pursuant to the governing documents of the DeKalb Area MLS is strictly limited to the activities under a Participants' 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 prohibited by law.

Section 12.1: Display: Participants and those persons affiliated as licensees with such Participants shall be permitted to display MLS Compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing and able buyers for the properties described in said MLS.

Section 12.2: Reproduction: Participants or their affiliated licensees shall not reproduce any MLS Compilation or any portion thereof, except in the following limited circumstances.

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

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

None of the foregoing shall be construed to prevent individual legitimately in possession of current listing information, "sold" information, "comparables," or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that the DeKalb Area MLS has deemed to be non-confidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these Rules and Regulations.

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

USE OF MLS INFORMATION

Section 13: Limitations on Use of MLS Information: Use of information from the MLS compilation of current listing information from the Association “Statistical Report,” or from any “sold” or “comparable” report of the Association or DeKalb Area MLS for public mass-media advertising by an MLS Member or in other public representations may not be prohibited.

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

Based on information from the DeKalb Area Association of REALTORS® (alternatively, from the DeKalb Area MLS) for the period (date) through (date).

CHANGES IN RULES AND REGULATIONS

Section 14: Changes in Rules and Regulations: Changes in Rules and Regulations of the DeKalb Area MLS may be made by a vote of the members of the Board of Directors of the Association.

PHOTOS

Section 15: DeKalb Area Multiple Listing Service does not accept photos for purposes of the multiple listing service which have superimposed on them or promotional material.

INTERNET DATA EXCHANGE (“IDX”)

Section 16: IDX Defined: IDX affords MLS Participants the option of authorizing display of their active listings on other Participants’ Internet Websites.

Section 16.1: Authorization: Participants consent for display of their active listings by other participants pursuant to these rules and regulations must be established in writing. If a participant withholds consent on a blanket basis to permit the display of that participant’s listings, that participant may not download or frame 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 as instructed by the seller.

Section 16.2: Participation in IDX is available to all MLS Participants who are REALTORS® who are engaged in real estate brokerage and who consent to display of their listings by other Participants. This requirement can be met by maintaining an office or Internet presence from which Participants are available to represent real estate sellers or buyers (or both).

Section 16.2.1 Participants must notify the MLS of their intention to establish an IDX site and must make their site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 16.2.2 Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent “scraping” or other unauthorized accessing, reproduction, or use of the MLS database.

Section 16.2.3 Listings or property addresses of sellers who have directed their listing brokers to

withhold their listing or property address from display on the Internet (including, but not limited to, publicly-accessible Web sites or VOWs) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers.

Section 16.2.4 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), or cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right to sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each Participant.

Section 16.2.5 Participants must refresh all MLS downloads and refresh all MLS data at least once every seven (7) days.

Section 16.2.6 Except as provided in these rules, an IDX site or a participant or user operating an IDX site may not distribute, provide, or make any portion of the MLS database available to any person or entity.

Section 16.2.7 When displaying listing content, a participant’s or user’s IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.

Section 16.3: Display: Display of listing information pursuant to IDX is subject to the following rules:

Section 16.3.1: Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited.

Section 16.3.2: Participants shall not modify or manipulate information relating to other Participants’ listings. (This is not a limitation on site design but refers to changes to actual listing data.)

Section 16.3.3: All listings displayed pursuant to IDX shall identify the listing firm.

Section 16.3.4: All listings displayed pursuant to IDX shall identify the listing agent.

Section 16.3.5: 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 16.3.6: All listings displayed pursuant to IDX shall show the MLS as the source of the information.

Section 16.3.7: Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers’ personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.

Section 16.3.8: The right to display other Participants’ listings pursuant to IDX shall be limited to a Participant’s office(s) holding participatory rights in this MLS.

Section 16.3.9: Listings obtained through IDX must be displayed separately from listings obtained from other sources, including information provided by other MLS's.

Section 16.4: Service Fees and Charges: Service fees and charges for participation in IDX shall be as established annually by the Board of Directors.

MODEL VIRTUAL OFFICE WEBSITE (VOW) RULES FOR MLSs

Section 17.1 (a): A Virtual Office Website (“VOW”) is a Participant’s Internet website, or a feature of a Participant’s website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant’s oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant’s consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant’s oversight, supervision, and accountability.

(b) As used in Section 19 of these Rules, the term “Participant” includes a Participant’s affiliated non-principal brokers and sales licensees – except when the term is used in the phrases “Participant’s consent” and “Participant’s oversight, supervision, and accountability”. References to “VOW” and “VOWs” include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner (“AVP”) on behalf of a Participant.

(c) “Affiliated VOW Partner” (“AVP”) refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant’s supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

(d) As used in Section 19 of these Rules, the term “MLS Listing Information” refers to active listing information and sold data provided by by Participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 17.2 (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 17.3 (a): Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:

(i) The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter “Registrants”). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.

(ii) The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.

(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 email address is associated with only one user name and password.

(b) The Participant must assure that each Registrant’s password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant’s password.

(c) If the MLS has reason to believe that a Participant’s VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.

(d) The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, a “Terms of Use” provision that provides at least the following:

i. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;

ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant’s personal, non-commercial use;

iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;

iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant’s consideration of the purchase or sale of an individual property;

v. That the Registrant acknowledges the MLS’s ownership of, and the validity of the MLS’s copyright in, the MLS database.

(e) The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use,

must be prominently labeled as such, and may not be accepted solely by mouse click.

(f) The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

Section 17.4: 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 17.5: A Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of MLS Listing Information. A Participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

Section 17.6 (a): A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

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

Seller Opt-Out Form

1. Please check either Option a or Option b

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

OR

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

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

initials of seller

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

Section 17.7:

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

(b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 17.8, 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 17.8: A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 17.9: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 17.10: Except as provided in these rules, the National Association of Realtors® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

Section 17.11: 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 17.12: A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 17.13: A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies.

Section 17.14: 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.