

# Summary of MLS Rules Changes

**Effective Date: February 15, 2019**

Below is a summary of the major MLS Rules Modifications taking effect on February 15, 2019. Please read each of the modified section to familiarize yourself with the new MLS Rules.

Seller's Agent and Buyer's Agent have been defined in the MLS Rules to reflect the recent changes in California state law.

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MetroList Services, Inc.

# Multiple Listing Service

## MLS Rules

*Effective Date*

**\*\* February 15, 2019 \*\***

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# MULTIPLE LISTING SERVICE RULES

## METROLIST SERVICES, INC.

Effective February 15, 2019

### 1. METROLIST MULTIPLE LISTING SERVICE

MetroList Services, Inc. (hereinafter also referred to as "MetroList") is a computer-based Information service which provides a Multiple Listing Service (herein referred to as "MLS" or "Service") to its Participants and Subscribers pursuant to these MLS Rules as from time-to-time amended by MetroList.

MetroList provides offices geographically located for the convenience of its Participants and Subscribers.

### 2. DEFINITION OF METROLIST'S MLS

MetroList operates a Multiple Listing Service ("MLS"). An MLS is a facility for cooperation of licensed real estate agents and licensed/certified appraisers, operating through an intermediary, MetroList, which does not itself act as an agent or appraiser, by which real estate agents, pursuant to the Rules of MetroList ("MLS Rules"), establish express or implied legal relationships with respect to listed properties, for the orderly accumulation, correlation and dissemination of listing information among Participants and Subscribers, and which may be used by agents and appraisers to prepare market evaluations and appraisals of real property.

### 3. MULTIPLE LISTING SERVICE COMMITTEE

**3.1 Authority.** The MLS Committee ("Committee") shall serve as an advisory body to the MetroList Board of Directors on matters relating to the MLS and these MLS Rules. All actions of the MLS Committee shall be subject to the approval of the MetroList Board of Directors.

**3.2 Appointment of Committee.** The President and/or CEO of MetroList shall annually designate not less than thirty (30) individuals to serve on the MetroList MLS Committee subject to approval of the MetroList Board of Directors. The MetroList MLS Committee shall elect by simple majority vote at its first meeting of the calendar year a Chairperson and an alternate Chairperson.

**3.3 Vacancies.** Vacancies in unexpired terms shall be filled as in the case of original appointees.

**3.4 Attendance.** Any committee member who fails to attend three (3) regular or special meetings of the Committee shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees.

**3.5 Quorum.** A majority of the members of the Committee shall constitute a quorum. A majority of those present at a meeting shall be required for action unless it is a matter involving a recommendation for an amendment of the MLS Rules in which case a majority vote of the total number of committee members shall be required.

**3.6 Meetings.** The MLS Committee shall meet for the transaction of the business at a time and place to be determined by the Committee or at the call of the Chairperson.

#### **4. PARTICIPATION AND AUTHORIZED ACCESS**

**4.1 Participant.** A Participant is any individual who applies and is accepted by MetroList, meets and who continues to meet all of the following requirements of either a Broker Participant or an Appraiser Participant as defined below in sections 4.1.1 and 4.1.2.

**4.1.1 Broker Participant.** A Broker Participant is a Participant who meets all of the following requirements:

- a. the individual, or corporation for whom the individual acts as a broker/officer, holds a valid California real estate broker's license;
- b. the individual is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal;
- c. the individual or corporation for which the individual acts as a broker/officer is capable of offering and accepting compensation in the capacity of a real estate broker;
- d. the individual has signed a written agreement to abide by the Rules of the Service in force at that time and as from time to time amended;
- e. the individual pays all applicable MLS fees; and
- f. the individual has completed the MetroList MLS Orientation Program.

**4.1.2 Appraiser Participant.** An Appraiser Participant is a Participant who meets all of the following requirements:

- a. the individual holds a valid California appraiser's certification or license;
- b. the individual is a principal, partner, corporate officer, or branch office manager acting on behalf of an individual or entity whose primary business is to perform market evaluations, appraisals and/or written opinions of value in connection with the marketing of real property or loans to be secured by real property;
- c. the individual has signed a written agreement to abide by the Rules of the Service in force at that time and as from time to time amended;
- d. the individual pays all applicable fees;
- e. the individual has completed the MetroList MLS Orientation Program.

**4.2 Subscriber.** A Subscriber is an individual who applies and is accepted by the MLS, meets and continues to meet all of the following requirements of either a real estate subscriber ("R.E. Subscriber") or an Appraiser Subscriber as defined in section 4.2.1 and 4.2.2.



**4.2.1 R.E. Subscriber.** A R.E. Subscriber is a subscriber who meets all of the following requirements:

- a. the individual holds a valid California real estate salesperson's or broker's license;
- b. the individual is employed by or affiliated as an independent contractor with a Broker Participant;
- c. the individual has signed a written agreement to abide by the Rules of the Service in force at that time and as from time to time amended;
- d. the individual pays all applicable MLS fees, and
- e. the individual has completed the MetroList Orientation Program.

**4.2.2 Appraiser Subscriber.** An Appraiser Subscriber is a Subscriber who meets all of the following requirements:

- a. the individual holds a valid California real estate appraiser's certification or license;
- b. the individual is employed by or affiliated as an independent contractor with an Appraiser Participant;
- c. the individual has signed a written agreement to abide by the Rules of the Service in force at that time and as from time to time amended;
- d. the individual has completed the MetroList MLS Orientation Program.

**4.3 Clerical Users.** Clerical Users are individuals (whether licensed or unlicensed) employed by a MLS Participant or Subscriber and registered with the MLS who perform only clerical tasks that do not require a real estate license or an appraiser's certificate or license. Each Participant and/or his/her Subscriber(s) shall provide the MLS with a list of and a registration form for all Clerical Users employed by Participant and/or the Participant's Subscriber(s) and shall immediately notify the MLS of any changes, additions or deletions from the list. Each Clerical User shall be subject to compliance with these MLS Rules in accessing and/or using the MLS. MetroList may reject an application for an individual to be a Clerical User if he or she has been convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction within the preceding five (5) years of: (a) a felony, or (b) any crime involving fraud, embezzlement, or other manner of moral turpitude.

For purposes hereof, the term "convicted" or "conviction" means a person has been determined to be guilty by a judge or jury in a criminal prosecution, including but not limited to such determination pursuant to a plea bargain or similar arrangement, and regardless whether any sentence has been imposed. MetroList may also reject an application for an individual to be a Clerical User if his or her real estate broker's or salesperson's license has been suspended or revoked by the California Department of Real Estate or any successor agency, or with respect to an Appraiser Participant or Appraiser Subscriber, the Appraiser Participant's or Appraiser Subscriber's real estate appraiser's certification or license being suspended or revoked by the California Bureau of Real Estate Appraisers or any successor agency, within the preceding five (5) years for violation of a provision of the California Real Estate Law or a Regulation of the Real Estate Commissioner or the California Real Estate Appraisers Licensing and Certification Law or a regulation of the California Bureau of Real Estate Appraisers.

If an individual is convicted of a felony or a crime involving fraud, embezzlement, or other manner of moral turpitude after being registered as a Clerical User with the MLS, or if a registered

Clerical User's real estate or appraiser's license is suspended or revoked by the applicable agency for violation of a provision of the California Real Estate Law or a Regulation of the Real Estate Commissioner or the California Real Estate Appraisers Licensing and Certification Law or a regulation of the California Bureau of Real Estate Appraisers, MetroList may immediately terminate such individual's access to the MLS or take such other action as MetroList deems appropriate in its sole discretion. Each Participant and Subscriber applying to register an individual as a Clerical User agrees to provide accurate, relevant information to MetroList concerning the background and status of any proposed Clerical User and to promptly update such information if any material changes in the status of a Clerical User occur.

Each Participant or Subscriber applying to register an individual as a Clerical User agrees to pay a fee for MetroList to obtain and review a criminal background check for the Clerical User prior to the activation of the Clerical User's account as set forth in Addendum A attached hereto. An MLS Participant or Subscriber may request reconsideration by MetroList of the denial of an application for a person to be a Clerical User or the termination of a Clerical User's access to the MLS under the foregoing provisions.

A request for reconsideration under this MLS Rule 4.3 must be based upon facts that tend to support a finding that circumstances exist that make it unfair or inequitable to deny an individual status as a Clerical User despite such conviction, suspension or revocation. If a request for reconsideration is made, a hearing shall be scheduled before a panel of three (3) members of the MetroList's MLS Tribunal Committee to be appointed by the President and/or CEO of MetroList. Whether to grant reconsideration of the denial of MLS access shall be within the sole discretion of such panel and the decision of the panel shall be final and binding.

**4.4 Notification of Licensees.** Each Participant shall provide MetroList with a list of and an application form for all real estate licensees employed by or affiliated as independent contractors with Broker Participant or certified or licensed appraisers employed by Appraiser Participant and shall immediately notify MetroList of any changes, additions, or deletions from the list.

**4.5 Participation Not Transferable.** Participation in the MLS is on an individual basis and may not be transferred or sold to any corporation, firm or other individual. Any reimbursement of MLS fees is a matter of negotiation between those transferring the business or determined by internal contract arrangement within the firm. However, providing the first Participant consents, MetroList shall allow a firm to designate a different person as a Participant within the firm without additional initial participation fees. MetroList may charge an administrative fee for this service of reassigning Participants within a firm.

**4.6 Seller's Agent Defined.** For purposes of these MLS Rules, a seller's agent (sometimes referred to as a listing broker) is a Broker Participant who is also a seller's agent as defined in Civil Code §1086 who has obtained a written listing agreement by which the broker has been authorized to act as an agent to sell or lease the property or to find or obtain a buyer or lessee. Whenever these Rules refer to the seller's agent, the term shall include the R.E. Subscriber or a licensee acting for the seller's agent but shall not relieve the seller's agent of responsibility for the act or rule specified.

**4.7 Buyer's Agent Defined.** For purposes of these MLS Rules, a buyer's agent (sometimes referred to as a cooperating broker or selling broker) is a Broker Participant who is also a selling agent as defined in Civil Code §1086 who acts in cooperation with a seller's agent to accept the offer of compensation to find or obtain a buyer or lessee. The buyer's agent shall be the agent of the buyer. Whenever these Rules refer to the buyer's agent the term shall include the R.E. Subscriber or licensee acting for the cooperating or buyer's agent but shall not relieve that Broker Participant of responsibility for the act or rule specified.

**4.8 Appraiser Defined.** For purposes of these MLS Rules, an Appraiser is an Appraiser Participant, Appraiser Subscriber, or a licensed or certified appraiser employed by the Appraiser Participant. Whenever these Rules refer to the Appraiser, the term shall also include

the Appraiser Subscriber or a licensed or certified appraiser employed by the firm that employs the Appraiser but shall not relieve that Appraiser Participant of responsibility for the act or rule specified.

**4.9 Right to Reject Application.** Notwithstanding any other provision of these MLS Rules, MetroList may reject an application for participation in the MLS as a Participant or Subscriber if, at the time of the application, the applicant: (a) has been convicted of a crime involving fraud, embezzlement, or another form of moral turpitude within five (5) years preceding the submission of the application, (b) has been convicted of a felony within five (5) years preceding the submission of the application, or (c) the applicant's real estate broker's or salesperson's license is suspended or revoked by the California Department of Real Estate (DRE) or any successor agency, or with respect to a proposed Appraiser Participant or Appraiser Subscriber, such applicant's real estate appraiser's certification or license is suspended or revoked by BREA or any successor agency.

For purposes hereof, the term "convicted" or "conviction" means a person has been determined to be guilty by a judge or jury in a criminal prosecution, including but not limited to such determination pursuant to a plea bargain or similar arrangement, and regardless whether any sentence has been imposed. An applicant may re-apply for participation in the MLS as a Participant or Subscriber upon the expiration of a temporary suspension of the applicant's license or certification. Notwithstanding the foregoing, an MLS Participant or Subscriber may request reconsideration by MetroList of the denial of an application for participation in the MLS as a Participant or Subscriber under the foregoing provisions.

A request for reconsideration under this MLS Rule 4.9 must be based upon facts that tend to support a finding that circumstances exist that make it unfair or inequitable to deny the applicant MLS participation as a Participant or Subscriber despite such conviction, suspension or revocation. If a request for reconsideration is made, a hearing shall be scheduled before a panel of three (3) members of the MetroList's MLS Tribunal Committee to be appointed by the President and/or CEO of MetroList. Whether to grant reconsideration of the denial of MLS participation shall be within the sole discretion of such panel and the decision of the panel shall be final and binding.

**4.10 Reinstatement of MLS Services.** Any Participant or Subscriber whose participation in the MLS has been terminated, whether voluntarily or involuntarily, may apply for reinstatement to the MLS. MetroList may require, as a condition to reinstatement, that the applicant pay to MetroList the following amounts, together with accrued interest thereon at the annual rate of ten (10%) percent from and after the date any such amounts became due: (1) any and all unpaid fees and charges owing to MetroList by such applicant at the time of the earlier termination, including but not limited to amounts owing for any of the service fees and charges set forth in Addendum A attached hereto; (2) the costs or charges described in section 5.1.3.3 of these MLS Rules; (3) any unpaid monetary sanctions or fines owing by the applicant; and (4) an initial application fee and any reinstatement or other fees generally being charged by MetroList at the time in connection with the initiation of MLS service. Such amounts shall be payable by the applicant for reinstatement notwithstanding that an applicable statute of limitations may bar MetroList from pursuing a claim to recover some or all of them, and each Participant or Subscriber expressly waives the benefit of any and all such statutes of limitations to the maximum extent allowed by law.

## **5. MLS FEES AND CHARGES.**

**5.1 Service Fees and Charges.** Participants and Subscribers shall pay to MetroList the service fees and charges set forth in Addendum A attached hereto, which MetroList may from time to time adjust ("Addendum A"). Clerical Users may be assessed registration fees, access fees and other fees as set forth in Addendum A. The Participant or Subscriber for the Clerical User shall be responsible for all such fees.

**5.1.1 Initial Application Fee:** An applicant for participation as a Participant or Subscriber in the MLS shall pay an initial application fee as set forth in Addendum A.

**5.1.2 Registration Fee:** An individual applying as a Clerical User shall pay an initial registration fee as set forth in Addendum A.

**5.1.3 Monthly Participation Fee:** Participants, Subscribers and Clerical Users who have access to and use of the MLS shall pay a participation/access fee as set forth in Addendum A.

**5.1.3.1** MetroList shall charge each Participant and Subscriber a monthly Participation Fee as set forth in Addendum A, and other fees as determined by MetroList to be due and payable, including but not limited to System Use and Key Lease Fees for the Keybox System, Clerical User Access Fees and Sales Tax. Fees shall be billed by MetroList three (3) months in advance, and shall be due and payable within (30) days after the beginning of each three (3) month billing period. Failure to pay all fees due within said thirty (30) days shall result in immediate suspension of all MLS Services, including the use of Keybox System if Participant or Subscriber is a Keyholder, and MetroList will so advise Participant or Subscriber and/or its contractors.

**5.1.3.2** Participant and Subscriber shall have the option of paying the Monthly MLS Participation Fee as set forth in Addendum A, and other fees as determined by MetroList to be due and payable, including Keybox System Use and Key Lease Fee, other Keybox System Fees, and Sales Tax, automatically on a monthly basis by preauthorized charge to credit card accepted by MetroList. Participants and Subscribers selecting this option shall provide MetroList with written authorization for the preauthorized charge and shall not receive printed invoices.

**5.1.3.3** A Participant, Subscriber or Clerical User whose MLS Services have been suspended may pay a reinstatement fee(s) as set forth in Addendum A, and in the MetroList Keybox System Use and Key Lease Agreement if Participant or Subscriber is a Keyholder, within thirty (30) days of suspension in addition to all monies due and payable as billed. Failure to reinstate within thirty (30) days of suspension or within a total of sixty (60) days from the beginning of each billing period shall result in the immediate termination of all MLS services, including use of the Keybox System if Participant or Subscriber is a Keyholder, and MetroList shall so advise Participant, Subscriber or Clerical User and/or its contractors.

**5.1.3.4** Each billing period, Participant, when returning his/her invoice with his/her payment, shall certify to MetroList the number of licensees, whether or not they are R.E. Subscribers or Appraiser Subscribers (collectively termed "licensees") and Clerical users in Participant's office and agrees that MetroList shall have the right to suspend or terminate all access to MLS by Participant/or Subscriber, including the Keybox System if Participant or Subscriber is a

Keyholder, and Clerical User, if said Participant incorrectly certifies the number and/or names of all licensees and/or Clerical Users in his/her office. Neither Participant nor Subscriber shall be entitled to a refund of MLS Fees for any period when access to MLS Services is suspended by MetroList for non-payment of MLS Fees by either Participant or Subscriber.

**5.1.4 Loading Fee.** A Broker Participant shall pay a loading fee as set forth in Addendum A for each listing submitted to MetroList by said Broker Participant or any R.E. Subscriber on behalf of said Broker Participant for loading into the computer system. No fee shall be charged for listings broker-loaded by the Participant or Subscriber.

**5.1.5 Return Check Fee(s)/Collection Fee(s).** Participants and Subscribers shall pay to MetroList returned check(s) and/or collection fee(s) as set forth in Addendum A.

**5.1.6 Certification of Nonuse.** A real estate licensee or a licensed or certified appraiser may be relieved from payment under section 5.1.3 by having his/her Participant certify in writing to the MLS that as a licensed or certified person in the office he/she is engaged solely in activities that do not require a real estate license, appraiser's license or certification, or that he/she will not use the MLS or MLS data or Keybox System in any way. In the event a real estate licensee or appraiser is found in violation of the nonuse certification, or Participant fails to disclose that a licensed or certified person is working under Participant's license, Participant shall be subject to all MLS fees dating back to the date of the certification or date of association. The Participant and the individual may also be subject to any other sanction imposed for violation of MLS Rules including, but not limited to, a citation and suspension or termination of participation rights, access to the Service and/or the Keybox System.

**5.1.7 Other Fees.** Other fees that are reasonably related to the operation of the MLS may be adopted.

## **6. REGIONAL AND RECIPROCAL AGREEMENTS.**

MetroList's Board of Directors may approve and enter into reciprocal or regional agreements with other MLSs to allow the other MLSs' Participants and Subscribers access to the Service in exchange for comparable benefits to the Participants and Subscribers of this Service. In the event of such agreements, the Participants and Subscribers agree to abide by the respective Rules of the other MLSs receiving and publishing a listing pursuant to such agreements and to abide by such Rules when accessing the other MLSs' data bases or using their Keybox Systems.

## **7. LISTING PROCEDURES**

**7.1 Listing Subject to Rules of the Service.** Any listing filed with the Service is subject to these rules.

**7.2 Type of Listings; Responsibility for Classification.** The Service shall accept exclusive right to sell, exclusive agency (sometimes referred to as a seller reservation listing), open, and probate listings as defined in California Civil Code § 1086 et. seq. that satisfy the requirements of these MLS Rules. Exclusive right to sell listings that contain any exceptions whereby the owner need not pay a commission if the property is sold to particular individuals shall be classified for purposes of these Rules as an exclusive right to sell listing, but the Seller's agent shall notify all Participants of the exceptions. It shall be the responsibility of the Broker Participant and R.E. Subscriber to properly classify the type of listing, and if necessary, obtain a legal opinion

to determine the correct classification. By classifying the type of the listing, the seller's agent certifies that the listing falls under the legal classification designated. The MLS shall have no affirmative responsibility to verify the listing type of any listing filed with the service. However, the MLS shall have the right to have legal counsel make a determination as to the classification of the listing type and if the seller's agent does not reclassify it accordingly, the MLS shall have the right to reject or remove any such listing that it determines falsely represents the classification of listing type.

**7.2.1 Service Level; Limited Service Listings.** Limited Service Listings are listings whereby the seller's agent, pursuant to the listing agreement, will not provide one or more, of the following services:

- a. provide buyer's agent with any additional information regarding the property not already displayed in the MLS but instead gives buyer's agent authority to contact the seller(s) directly for further information;
- b. accept and present to the seller(s) offers to purchase procured by buyer's agent but instead gives buyer's agent authority to present offers to purchase directly to the seller(s);
- c. advise the sellers as to the merits of offers to purchase;
- d. assist the seller(s) in developing, communicating, or presenting counter-offers; or
- e. participate on the seller(s) behalf in negotiations leading to the sale of the listed property.

Said Limited Service Listings will be identified with an appropriate code or symbol (e.g."L" placed in the Service Level Field) in MLS compilations so potential buyer's agent will be aware of the extent of the services the seller's agent will provide to the seller(s), and any potential for buyer's agent being asked to provide some or all of these services to Seller's agent clients, prior to initiating efforts to show or sell the property.

**7.2.2 Service Level; Restricted Service Listing.** Restricted Service Listings are listings whereby the seller's agent, pursuant to the listing agreement, will not provide any of the following services:

- a. provide buyer's agent with any additional information regarding the property not already displayed in the MLS but instead gives buyer's agent authority to contact the seller(s) directly for further information;
- b. accept and present to the seller(s) offers to purchase procured by buyer's agent but instead gives buyer's agent authority to present offers to purchase directly to the seller(s);
- c. advise the seller(s) as to the merits of offers to purchase;
- d. assist the seller(s) in developing, communicating, or presenting counter-offers; or
- e. participate on the seller(s) behalf in negotiations leading to the sale of the listed property.

Said Restricted Service Listings will be identified with an appropriate code or symbol (e.g.

“R” placed in the Service Level Field) in MLS compilations so potential buyer’s agent will be aware of the extent of the services the seller’s agent will provide to the seller(s), and any potential for buyer’s agent being asked to provide some or all of these services to Seller’s agent clients, prior to initiating efforts to show or sell the property.

**7.2.3 Service Level: None of the Above.** Are all listings except for those categorized under MLS Rule 7.2.1 or 7.2.2.

Said None of the Above Listings will be identified with an appropriate code or symbol (e.g. “E” placed in the Service Level Field) in MLS compilations so potential buyer’s agent will be aware of the extent of the services the seller’s agent will provide to the seller(s), and any potential for buyer’s agent being asked to provide some or all of these services to Seller’s agent clients, prior to initiating efforts to show or sell the property.

**7.2.4 Service Level; Legal Obligations.** The Service Level classifications set forth in these rules do not alter any obligations otherwise imposed on real estate Licensees under California law, including California Department of Real Estate regulations, statutory law and common law. The MLS’s acceptance or publication of listings eligible for MLS submission in no way constitutes a validation that said obligations have been met.

**7.3 Types of Properties; Responsibility for Classification.** The MLS shall accept listings that satisfy the requirements of these Rules on the following types of property:

- Residential/Common Interest
- Mobile Home in Park
- Residential Income
- Residential/Commercial Land
- Business Opportunity
- Commercial/Industrial

It shall be the responsibility of the Broker Participant and R. E. Subscriber to properly classify the type of property listed, and if necessary, obtain a legal opinion to determine the correct classification. By classifying the type of property listed, the seller’s agent certifies that the listing falls under the classification designated. The MLS shall have no affirmative responsibility to verify the property type of any listing filed with the Service. However, the MLS shall have the right to have legal counsel make determination as to the classification as to the classification of the property type and if the seller’s agent does not reclassify it accordingly, the MLS shall have the right to reject or remove any such listing that it determines falsely represents the classification of property type of the listing.

**7.4 Active Status.** Active Status listings are listings in which the seller is ready, willing and able to accept an offer at the list price, based on terms acceptable to the seller. (Note: Special Listing Conditions may apply.)

**Special Listing Conditions**

- |                   |                                |
|-------------------|--------------------------------|
| Auction           | Short Sale                     |
| HUD Owned         | Subject to Court Confirmation  |
| Notice of Default | Subject to Lender Confirmation |
| Probate Listings  | Successor Trustee Sale         |
| Real Estate Owned | None                           |
| Release Clause    | Other                          |

## **Contingent**

**7.4.1 Contingent.** Contingent Status is an On-Market status and should be used when an Offer is accepted and either 1) Seller requests that the property remain in an On-Market status, or 2) the sale is subject to court or other third party approval. (Special Listing Conditions may apply)

**Contingent – Show** Listing has accepted offer with contingencies. Listing available to show and Seller is accepting additional offers.

**Contingent – No Show** Listing has accepted offer with contingencies. Seller has instructed seller's agent that showings are not allowed, (MLS Rule 9.1), - additional offers being sought.

**Note:** Any contingency or condition in a listing shall be specified in writing and attached to the listing. (MLS Rule 7.11)

**7.5 Compliance with California and Federal Law.** Notwithstanding any other Provisions of these MLS Rules to the contrary, the Service shall accept any listing that it is required to accept under California or federal law.

**7.6 Mandatory Submission.** Broker Participants and R.E. Subscribers shall input exclusive right to sell or exclusive agency listings (sometimes referred to as a seller reservation listing), on Residential/Common Interest, Mobile Home in Park, Residential Income and Residential/Commercial Land located within the service area of the MLS within three (3) days of the beginning date of the listing or three (3) days of receipt of all necessary signatures of the seller(s) on the listing, whichever comes later. Failure to submit a listing or MLS waiver form within three (3) days of the commencement date of listing or receipt of seller(s) signature, whichever occurs later, shall result in an automatic fine as set forth in Addendum B. "Days" means calendar days. However the last Day for performance of any act required by these rules shall not include any Saturday, Sunday or legal holiday and shall instead be the next Day." Failure to include the specific date when the MLS waiver expires shall result in an automatic fine as set forth in Addendum B. MLS waivers submitted to MLS must be complete in all respects as described in Addendum D. Incomplete waivers are not valid waivers as required by these Rules. For listings delivered to a MetroList Office for input, there shall be a loading fee charged as set forth in Addendum A. Only those listings that are within the service area of the MLS must be input. Open listings or listings of property located outside the MLS's service area (see § 7.8) are not required by the Service, but may be input at the Broker Participant's option.

All listings must be input and maintained in accordance with these Rules. As per section 15.3, Addendum B lists the schedule of fines for certain MLS Rules violations pertaining to the input and maintenance of a listing, and Addendum C outlines procedures whereby the Participant or Subscriber receiving the citation pertaining to the input and maintenance of a listing may either pay the amount specified on the citation or request a full hearing in accordance with the procedures set forth in Section 16 of these Rules. Failure to provide all necessary documentation to re-enter a listing as "new" when requested shall result in an automatic fine as set forth in Addendum B.

**7.6.1 Waivers.** (1) Failure to submit an MLS listing waiver form signed by the seller(s) within three (3) days of the beginning date of the listing or receipt of seller(s) signature, whichever occurs later, shall result in an automatic fine as set forth in Addendum B. (2) Failure to include the specific date on the MLS listing waiver form when the MLS waiver expires shall result in an automatic fine as set forth in Addendum B. (3) MLS waivers submitted to MLS must be complete in all respects as described in Addendum D. Incomplete waivers are not valid waivers as required by these Rules and may result in a fine as set forth in Addendum B. (4) When a listing is on Waiver and is



subsequently entered into the MLS, Days on Market (DOM) shall accrue from the original listing date and the OMD shall automatically equal the Listing Date (LD) (i.e., OMD=LD). Listings sold during the waiver period may not be submitted to the service as a comparable sale.

**7.6.2 On Market Date (OMD).** Listings that will not be marketed until a future date shall be entered into the MLS within three (3) days of the beginning date of the listing or receipt of seller(s) signature, whichever occurs later, and failure to do so shall result in an automatic fine as set forth in Addendum B. By entering the listing into the MLS with a future OMD only the listing office administration including the seller's agent may view the listing prior to the OMD Date. Marketing of a listing prior to the expiration of the OMD shall subject the Participant and Subscriber to citations as set forth in Addendum B, and because there shall be no marketing of the listing prior to the OMD Date, Days on Market (DOM) will NOT accrue prior to the OMD Date unless Participant or Subscriber has violated this Rule in which case Days on Market shall accrue prior to the OMD.

**7.7 Exempted Listings.** If the seller refuses to permit the listing to be disseminated by the Service, the seller's agent shall submit to the Service a certification signed by the seller that the seller does not authorize the listing to be disseminated by the Service.

**7.8 Service Area.** The MLS shall serve the counties of Amador, Sacramento, San Joaquin, Stanislaus, Yolo, El Dorado and Placer except for the Lake Tahoe Basin, Merced County except for the eastern portion, and others as approved by the MetroList Board of Directors from time-to-time. At the option of the MLS, the Service may adopt a policy to accept listings of properties located outside its service area. If MetroList has entered into regional MLS agreements or a regional MLS entity with other MLSs, and has enlarged the service area as part of the agreement, submission of the type of listings specified in section 7.6 is mandatory for the enlarged service areas covered by the combined service areas of the signatories to the regional MLS agreement or the MLS comprising the regional entity

**7.9 Change of Listing Information.** Seller's agent shall input any change in listing information, including the list price or other change in the original listing agreement in the MLS within three (3) days after the authorized change is received by the seller's agent. By inputting such changes to the MLS, the seller's agent represents that the listing agreement has been modified in writing to reflect such change or that the seller's agent has obtained other legally sufficient written authorization to make such change.

**7.10 Cancellation of Listing Prior to Expiration.** Listing of property may be cancelled in the MLS by the seller's agent before the expiration date of the listing agreement provided the seller's agent has received written permission from the seller to cancel the listing. The MLS may require the seller's agent to provide a copy of such written permission. Sellers do not have the unilateral right to require the MLS to cancel a listing without the seller's agent concurrence. However, the MLS reserves the right to remove a listing from the MLS data base if the seller can document that his or her listing agreement with the seller's agent has been terminated or is invalid. **Cancellation** of a listing means that the listing agreement is **cancelled**. **Hold** means that the listing contract is still valid, but the seller has requested that the marketing be **temporarily suspended**. Participants and Subscribers shall be subject to citations as set forth in Addendum B for failure to enter and maintain the correct status.

**7.11 Contingencies.** Any contingency or condition of any term in a listing shall be specified and noticed to the Participants and Subscribers.

**7.11.1 Prerequisites for Submission of Offers.** A seller's agent may not establish any prerequisite to the submission of offers to the seller unless such prerequisite is established by the seller. No Participant or Subscriber shall establish any

prerequisite for submission of an offer to a seller unless the exact terms of the prerequisite are specifically set forth in a written document from seller or asset manager and attached to the Broker Participant's listing on the MLS. Seller's agent may remove or strikeout any information, from attached document, NOT required to comply with this rule.

**7.12 Details on Listings Filed With the Service.** All listings input into the MLS shall be complete in every detail including full gross list price or list price range, listing expiration date, compensation offered to other Broker Participants and any other information required to be included as stated in these Rules. Listings, which are incomplete, shall be ineligible for publication in the MLS and subject to immediate removal.

All data entered in the required fields on the property profile sheet must be accurate and meaningful, and the Participant and Subscriber shall be subject to citations as set forth in Addendum B for failure to do so. Participants and Subscribers may not include any information other than the address in the address line.

Inclusion of any other information than the address in the address line shall subject the Participant and Subscriber to citations as set forth in Addendum B.

All listings must be entered in the correct area, and the Participant and Subscriber shall be subject to citations as set forth in Addendum B for failure to do so.

There shall be no marketing of any listing prior to the On Market Date – OMD. Marketing of a listing prior to the expiration of the OMD shall subject the Participant and Subscriber to citations as set forth in Addendum B. All listings with a Variable Price Range shall be listed by placing the maximum value in the List Price field.

**7.13 Unilateral Contractual Offer.** In filing a property with the MLS, the Broker Participant makes a blanket unilateral contractual offer of compensation to the other MLS Broker Participants for their services in selling the property. Provided, however, that in the event the gross commission established in the listing contract is subject to court approval or to lender confirmation in the event of a short sale, the compensation payable to buyer's agent may be reduced if the gross commission established in the listing contract is reduced by a court or by a lender. In such instances, the fact that the gross commission is subject to court or to lender confirmation and either the potential reduction in compensation payable to buyer's agent or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential buyer's agent prior to the time they produce an offer that ultimately results in a successful transaction. A Broker Participant must specify some compensation to be paid and the offer of compensation must be stated in one, or a combination of, the following forms (1) a percentage of the gross selling price; or (2) a definite dollar amount. The amount of compensation offered through the MLS may not contain any provision that varies the amount of compensation offered based on conditions precedent or subsequent or on any performance, activity or event. Furthermore, the MLS reserves the right to remove a listing from the MLS database that does not conform to the requirements of this section.

**7.14 Acceptance of Contractual Offer.** The Broker Participant's/seller's Agent contractual offer is accepted by the Broker Participant/buyer's agent by his/her procuring a buyer which ultimately results in the creation of a sales or lease contract. If a broker other than the seller's agent and/or buyer's agent should claim to be the procuring cause, such broker may request an arbitration hearing. If all parties are members of an Association of REALTORS® within the Service Area (Section 7.8), the arbitration shall be conducted by, and at the location of, the Association in the N.A.R. jurisdiction of which the property, or either property if any exchange is involved, is located. If any of the parties are not members of an Association of REALTORS®, or if the Association refuses to conduct the arbitration, the arbitration shall be conducted by the American Arbitration Association, the Judicial Arbitration and Mediation Service or another Arbitration or Mediation Service. Payment of compensation by the Participant/seller's agent to the Participant/buyer's agent under this section is contingent upon either (1) the final closing or (2) the Participant/seller's agent receipt of monies from the seller's or buyer's default of the underlying sales or lease contract. Notwithstanding this section, the seller's agent and/or buyer's

agent shall still retain any remedies they may have against either the buyer or seller due to a default under the terms of the purchase agreement, listing agreement or other specific contract.

**7.15 Consent to Act as Dual Agent.** By offering compensation to Broker Participants, the seller's agent is not automatically representing that the seller has consented to the buyer's agent acting as a dual agent representing both the buyer and the seller. No buyer's agent shall act as both an agent of the buyer and the seller without first contacting the seller's agent and ascertaining that the seller has consented to such dual agency.

**7.16 Estate Sale, Probate, Bankruptcy and Lender Confirmation Listings.**

**7.16.1 Estate Sale, Probate and Bankruptcy Listings.** Compensation offered through the MLS to buyers agent on estate sale, probate or bankruptcy listings is for the amount published therein as long as the buyer's agent produces the contract which is ultimately successful and confirmed by the court, if court confirmation is required. In the event the contract produced by the buyer's agent is overbid in court and the overbid contract is confirmed, the original buyer's agent shall receive the amount of compensation specified as "unconfirmed buyer's agent's compensation" or "u.c.b" in the property profile sheet and on the MLS. For estate sale or probate listings, the compensation offered through the Service under these Rules and this section shall be considered an agreement as referred to in California Probate Court Section 10165 and will therefore supersede any commission splits provided by statute when there is no agreement. This section contemplates that estate sale, probate and bankruptcy judges have broad discretion and therefore are not intended as a guarantee of a specific result as to commissions in every estate, probate or bankruptcy sale.

**7.16.2(a) Lender Confirmation Listing.** Compensation offered through the MLS to buyer's agents on listings which require lender confirmation (commonly referred to as "short sale" listings) is for the amount published therein unless the seller's agent indicates in the confidential agent remarks on MLS the following: (a) the fact that the sale is subject to lender confirmation, and (b) the amount or method by which any lender **reduction** in the gross commission shall be apportioned between listing and buyer's agent. (Example of acceptable comments: Sale subject to lender confirmation. Any lender required **reduction** in gross commission shall be shared between seller's agent \_\_\_% and the buyer's agent \_\_\_%. Any provision that would modify compensation other than an apportionment of the lender required reduction shall be invalid and compensation to buyer's agent shall be the amount stated in the commission field at the time the offer was submitted.

**7.16.2(b) Timeline for Notification of Lender Reduction.** The seller's agent shall provide written documentation of any lender required reduction in the gross compensation within three days of receipt from the lender, but in no case less than one day in advance of the actual date of the close of escrow, along with proof of the original gross compensation and the amount by which the compensation payable to the buyer's agent will be reduced. If the seller's agent fails to notify the buyer's agent or does not provide the required documentation, the compensation to the buyer's agent shall be the amount stated in the commission field at the time the offer was submitted.

**7.16.2(c)** A Broker Participant shall not enter a listing into the MLS which is a short sale where (1) the gross commission is one to which the Broker Participant does not have good faith belief the short sale lender will agree, and (2) the listing provides for an allocation between the listing and buyer's agent of a reduction in the gross commission if required by a short sale lender. If a Broker Participant enters a listing which is a short sale with a gross commission to which the Broker Participant does not have a good faith belief the lender will agree, any provision in the listing providing for allocation between the listing and buyer's agent of a reduction in the gross commission if

required by a lender shall be ineffective, and the compensation to buyer's agent shall be the amount stated in the commission field at the time the offer was submitted.

**7.17 Changes to Offer of Compensation by Seller's agent to All Broker**

**Participants.** The seller's agent may, from time to time, adjust the published compensation offered to all MLS Broker Participants with respect to any listing by changing the compensation offered on the MLS or providing written notice to the MLS of the change. Any change in Compensation will be effective after the change is published in the MLS, either through electronic transmission or printed form, whichever occurs first. The MLS merely publishes the compensation offered through the MLS. The seller's agent may revoke or modify the offer of compensation in advance as to an individual Broker Participant in accordance with general contract principles, but in no event shall the seller's agent revoke or modify the offer of compensation without the buyer's agent's consent later than the time the buyer's agent (a) physically delivers or transmits by fax or e-mail to the seller's agent a signed offer from a prospective buyer to purchase the property for which the compensation has been offered through the MLS, or (b) notifies the seller's agent in person or by telephone, fax or e-mail that the buyer's agent is in possession of a signed offer from a prospective buyer to purchase the property for which the compensation has been offered through the MLS and is awaiting instructions from the seller's agent as to the manner of presentation or delivery of that offer. Any independent advance revocations, modifications of the offer or agreements between real estate brokers are solely the responsibility of such brokers and shall not be submitted to, published by, or governed in any way by the Service.

**7.18 Broker Participant or R.E. Subscriber as Principal.** If a seller's agent or salesperson has any interest in a listed property, the listing of which is to be disseminated through the Service, that person shall disclose that interest on the property profile sheet and on the MLS when the listing is filed with the Service.

**7.19 Multiple Unit Properties.** All properties which are to be sold or which may be sold separately must be indicated individually on separate property profile sheets and in the MLS. When part of a listed property has been sold, the seller's agent shall input the appropriate changes to the listings on the MLS.

**7.20 Expiration, Extension, and Renewal of Listings.** Listings shall be removed from the MLS data base on the listing's expiration date specified on the property profile sheet and on the MLS unless the listing is extended or renewed by the seller's agent and notice of renewal or extension is input to the MLS prior to the listing's expiration date. The seller's agent shall obtain written authorization from the seller(s) before filing any extension or renewal of a listing. Any renewals or extensions received after the expiration date of the original listing shall not be treated as a new listing. At any time and for any reason, the MLS has the right to request a copy of the seller's written authorization to extend or renew a listing. If a seller's agent is requested to provide a copy of such authorization and does not do so within one (1) day of the request, the listing shall be subject to immediate removal from the MLS.

**7.21 Listings of Participants Suspended, Expelled or Resigned.**

**7.21.1 Failure to pay MLS Fees; Resignation.** When a Participant or Subscriber is suspended or expelled from the Service for failure to pay MLS fees or charges, or if the Participant or Subscriber resigns from the Service, the MLS shall cease to provide service to such Participant and/or Subscriber, including continued inclusion of listings in MLS Compilation of current listing information. In the event listings are removed from the MLS pursuant to this Section, it shall be the sole responsibility of the Participant to notify the seller(s) that the property is no longer listed with the MLS. Subscriber shall have access to MLS only through his/her Participant.

**7.21.2 Violation of MLS Rules.** When a Participant or Subscriber is suspended or expelled from the Service for a violation of the MLS Rules, the MLS shall

cease to provide services to such Participant and/or Subscriber except that the listings in the MLS at the time of suspension or expulsion shall, at the suspended or expelled Participant's option, be retained in the MLS Compilation of current listing information until sold, canceled or expired, and shall not be renewed or extended by the MLS beyond the listing's expiration date specified on the property profile sheet and on the MLS in effect when the expulsion or suspension become effective. In the event the listings are removed from the MLS pursuant to this Section, it shall be the sole responsibility of the Participant to notify the seller(s) that the property is no longer listed in the MLS. Subscriber shall have access to MLS only through his/her Participant.

**7.22 No Control of Commission Rates or Fees Charged by Participants.** The MLS shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the MLS shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between buyer Participants or between Participants and non-participants.

**7.23 Dual or Variable Rate Commission Arrangements.** The existence of a dual or variable commission arrangement shall be disclosed by the seller's agent by a key, code or symbol as required by the MLS. A dual or variable rate commission arrangement is:

- a. One in which the seller agrees to pay a specified commission if the property is sold by the seller's agent without assistance and a different commission if the sale results through the efforts of a buyer's agent; or
- b. One in which the seller agrees to pay a specified commission if the property is sold by the seller's agent either with or without the assistance of a buyer's agent and a different commission if the sale results through the efforts of a seller. The seller's agent shall, in response to inquiries from potential buyer's agent, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale that results through the efforts of the seller.

**7.24 Right of Seller's agent and Presentation of Counter Offers.** The seller's agent has the right to participate in the presentation of any counter-offer made by the seller or lessor. The seller's agent does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee. However, if the purchaser or lessee gives written instructions to the buyer's agent that the seller's agent not be present when a counter-offer is presented, the seller's agent has the right to a copy of the purchaser's or lessee's written instructions.

**7.25 Details on Listings with Special Requirements.** All listings input into the MLS which have one or more of the following special sale conditions shall so indicate as described below.

#### **7.25.1 HUD Listings**

- a. All HUD listings shall so indicate as stated in these MLS Rules.
- b. Special Listing Conditions shall indicate HUD Owned.
- c. The Type Listing Field shall be completed as "Open."
- d. The Commission Field shall reflect the maximum amount of compensation HUD is authorizing to the buyer's agent.
- e. HUD Instructions shall be attached to the listing describing the HUD sales process for the benefit of buyer's agent.

### 7.25.2 Auction Listings

- a. All auction listings shall so indicate as stated in these MLS Rules.
- b. An 'auction listing' shall mean a listing in which the list price may not represent the price that the seller is willing to accept even if an offer at the price submitted to the seller satisfies all other terms of the listing, **and**, if the listed property is not sold by date certain, the property will be offered for sale by the seller at an auction pursuant to a bidding procedure specified by the seller. Auction listings that are not in a pending or off market status shall be removed by the date certain **or** the expiration date, whichever is earlier.
- c. Special Listing Conditions shall indicate Auction.
- d. If the listing is an "Open" listing, the Commission Field shall reflect the amount of compensation the seller's agent intends to pay separately to the buyer's agent.
- e. Seller auction instructions shall be attached to the listing describing the auction sales process for the benefit of buyer's agent and shall include at a minimum the following:
  - i. The date, time and place of auction;
  - ii. Whether the auction is being conducted with or without the seller's right of reservation;
  - iii. All required procedures for Participants/Subscribers to register their representation of a potential bidder;
  - iv. The compensation to be paid to the Participant representing the successful bidder at the auction; and
  - v. Any other material rules or procedures for the auction.
- f. If the listing is an "Open" listing the expiration date shall be entered as the date that is one calendar day prior to the auction date.

## 8. DOCUMENTATION, PERMISSION, ACCURACY OF INFORMATION.

**8.1 Listing Agreement and Seller's Permission.** Prior to inputting a listing to the Service, the seller's agent shall obtain the written agreement of the seller(s) expressly granting the seller's agent authority to: (1) file the listing with the Service for publication and dissemination to those authorized by the MLS; (2) act as an agent for the seller during the time the listing remains in the MLS; (3) abide by the Rules of the Service; (4) provide timely notice of status changes of the listing to the Service; (5) provide information including selling price to the Service upon sale of the property for publication and dissemination to those authorized by the MLS and (6) authorize the Service to publish the information after the final closing of a sales transaction in accordance with these MLS Rules (See Section 10.1).

**8.2 Written Documentation.** Seller's agent inputting listings with the Service shall have a written listing agreement with all necessary signatures in their possession. Only listings that create an agency relationship between the seller and the Broker Participant are eligible for

submission to the Service. Listings that purport to authorize an employee of a governmental entity or agency to sell or lease or to find or obtain a buyer or lessee for a property or properties on behalf of a governmental entity or agency are ineligible for submission to the Service, even if the employee is a licensed real estate broker or salesperson. By submitting a listing to the Service, Broker Participants and R.E. Subscribers represent that they have in their possession such written agreements establishing agency and the represented type of listing agreement. The Service shall have the right to demand a copy of such written listing agreements and verify the listing's existence and adequacy at any time. The Service shall also have the right to demand, and Broker Participants and R.E. Subscribers shall be obligated to promptly provide to the Service, a copy of the seller's written authorization, copies of documentation that relates to listings submitted to the Service, such as agreements, purchase and sale agreements, contract attachments, contract addenda and written communications, for the purpose of reviewing compliance with or to enforce these MLS Rules. Except for distribution to the Service's legal counsel or members of a Hearing Panel in connection with MLS Rules Violation Hearings, or pursuant to a subpoena or other legal requirement, the Service will not reproduce or distribute any documentation so provided to third parties without the prior written consent of the party who provided it. If the Broker Participant or R.E. Subscriber fails to provide documentation requested by the Service within two (2) days, the Service shall have the right to immediately cancel any listings in the data base in addition to disciplining the Participant and Subscriber for a violation of MLS Rules.

**8.3 Accuracy of Information.** By inputting information into the MLS computer data base, the seller's agent represents that the information on the property profile sheet and input has been furnished by seller or other sources, has not been verified by the seller's agent or MetroList, and all interested persons should independently verify the accuracy of such information. The seller's agent shall not submit or input information, which the seller's agent knows to be inaccurate. Upon receipt of the first publication or electronic transfer by the MLS of such information, the seller's agent shall make all necessary corrections. The MLS merely publishes the MLS information and has no affirmative responsibility to verify the accuracy of the MLS information. The MLS, however, reserves the right to require Participants and Subscribers to change their MLS information if the MLS is made aware of alleged inaccuracies in the MLS information and the MLS determines that such inaccuracies do in fact exist. If a Participant or Subscriber fails to make necessary or required corrections to their MLS information, the Participant and Subscriber shall indemnify and hold harmless the Service for any claims, costs, damages or losses, including reasonable attorney fees and court costs, incurred by the MLS as a result of such failure. In no event will the MLS be held liable to any MLS Participant, Subscriber or any other person for any indirect, special or consequential damages arising out of any information published in the MLS and all other damages shall be limited to an amount not to exceed the MLS fees paid by the seller's agent for inputting the listing to the MLS.

**8.4 Input Defined.** All references or uses of the word "input" shall also include information which is submitted to the MLS for input in the MLS data base by the MLS staff or its contractors, whether such information was provided to the MLS staff or its contractors on a "property profile sheet" or otherwise.

**8.5 Buyer, Seller, Purchase and Sale defined.** All references to the buyer shall also include lessee/tenant. All references to the seller shall also include lessor/landlord. All references to a purchase shall also include a lease/rental. All references to a sale shall also include a lease/rental agreement.

**8.6 Removal of Contact Information and/or Confidential Remarks.** The seller's agent and/or agent with written permission from the Seller may remove contact information, including name(s) and telephone number(s), and Confidential Remarks from the listed property when the listed property is either Cancelled or Expired as defined in these Rules without being in violation of these Rules.

## 9. SELLING PROCEDURES

**9.1 Showings.** Properties entered into the system must be available to show subject to any tenant's rights or hazardous conditions. Confidential Remarks must indicate if offers are not currently being accepted. Appointments for showings with the seller for the purchase of listed property filed with the Service shall be conducted through the seller's agent except under the following circumstances:

- a. the seller's agent gives the buyer's agent specific authority to show by contacting the seller directly, or
- b. after reasonable effort and not less than 24 hours, the buyer's agent cannot contact the seller's agent or broker's representative. The seller's agent at broker's option may preclude such showings by the buyer's agent by giving notice in Confidential Remarks.
- c. the provisions of (a) and (b) above shall not relieve the seller's agent of his/her agency relationship to the seller(s).

In the event all showings are conducted solely by the seller, the seller's agent shall clearly set forth such fact in the listing information published by the Service. Showings by the seller's agent with the prospective buyer to be conducted through the buyer's agent, unless conditions exist similar to (a) and (b) above.

### 9.2 Presentation of Offers and Negotiations

**9.2.1** The seller's agent must make arrangements to present the offer as soon as possible, or give the buyer's agent, in writing if requested, a satisfactory reason for not doing so. In the event the seller's agent will not be participating in the presentation of offers, the seller's agent shall clearly indicate this fact in the listing information published by the Service.

**9.2.2** The seller's agent shall include in the listing information published by the Service a statement indicating the specific date and time that offers will be presented by the seller's agent to the seller if the seller's agent with the consent of seller has chosen this method of presenting offers provided that the statement complies with the following:

- a. the statement is in writing from the seller and/or asset manager and shall be attached to the listing information, and
- b. any information in the attachment which is not required to comply with this rule may be removed or struck-out by the seller's agent.

**9.2.3** If a buyer's agent notifies the seller's agent in writing a minimum of 36 hours before the date and time specified in the listing information for presentation of offers that the buyer's agent is in possession of a signed offer from a prospective buyer to purchase the property and is awaiting the date and time specified in the listing information for presentation of offers before submitting such offer, the seller's agent shall give such buyer's agent a minimum of 24 hours prior written notice of any change in the date and time for presentation of offers. Any change to the date and time for presentation of offers shall be communicated by the seller's agent to the Service as soon as possible.

**9.2.4** Negotiations with the seller for the purchase of listed property filed with the Service shall be conducted through the seller's agent **except** under the following circumstances:



- a. the seller's agent gives the buyer's agent specific authority to directly negotiate with the seller, or
- b. if, after reasonable effort and not less than 24 hours, the buyer's agent is unable to contact the seller's agent or broker's representative. Note: The seller's agent with Seller's Instructions may preclude such direct negotiations by the buyer's agent by giving notice in Confidential Remarks. Any instruction by the seller that the buyer's agent not be present at the negotiation of offers shall not be effective, however, unless contained in a writing signed by the seller and attached to the Broker Participant's listing on the MLS.
- c. the provisions of (a) and (b) above shall not relieve the seller's agent of his/her agency relationship to the seller(s).

In the event all negotiations are conducted solely by the seller, the seller's agent shall clearly set forth such fact in the listing information published by the Service. Negotiations by the seller's agent with the prospective buyer to be conducted through the buyer's agent, unless conditions exist similar to (a) and (b) above. Failure by the seller's agent to comply with MLS Rule 9.2 shall result in an automatic fine as set forth in Addendum B.

**9.2.5** Where the buyer's agent is not present during the presentation of the offer, the buyer's agent can request in writing, and the seller's agent 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.

**9.3 Submission of Offers.** The seller's agent shall submit to the seller all offers until closing unless precluded by law, governmental rule or expressly instructed by the seller otherwise.

**9.4 Right of Buyer's agent in Presentation of Offer.** Except as provided in this Rule 9.4, the buyer's agent has the right to be physically present at the presentation to the seller of any offer to purchase the seller's listed property which the buyer's agent procures. The buyer's agent does not have the right to be present, however, at any discussion or evaluation of that offer between or by the seller and the seller's agent. A seller may give a written instruction to the seller's agent requesting that the buyer's agent not be present when an offer the buyer's agent procured is presented, and, in such case, the buyer's agent shall convey the offer to the seller's agent for presentation. Any instruction by the seller that the buyer's agent not be present at the presentation of offers shall not be effective, however, unless contained in a writing signed by the seller and attached to the Broker Participant's listing on the MLS. Nothing in this section is intended to diminish or restrict the seller's agent right to control the establishment of appointments for other presentations. The foregoing shall also apply with respect to the presentation of a counter offer and/or addendum.

**9.5 Change of Compensation Offer by Buyer's agent.** The buyer's agent shall not use the terms of an offer to purchase to attempt to modify the seller's agent offer of compensation nor make the submission of an executed offer to purchase contingent on the seller's agent agreement to modify the offer of compensation. However, failure of a buyer's agent to comply with this rule shall not relieve a seller's agent of the obligation to submit all offers to the seller as required by Section 9.3.

**9.6 Buyer's agent or Salesperson as a Purchaser.** If a buyer's agent or salesperson wishes to acquire an interest in property listed with a seller's agent, such contemplated interest shall be disclosed to the seller's agent prior to the time an offer to purchase is submitted to the seller's agent.

## **10. REPORTING SALES AND OTHER INFORMATION TO THE SERVICE.**

### **10.1 Reporting of Sales**

**10.1.1 Final Sales** shall be defined as recorded transfers of title of property. Final sales with the correct buyer's agent information and the correct sales information shall be entered into the MLS by the seller's agent within three (3) days of the final closing date. Failure to do so will result in an automatic fine as set forth in Addendum B.

**10.1.2** Listings with accepted offers shall be input to the MLS data base as "pending" within three (3) days of the acceptance by the seller's agent unless the negotiations were carried on under Section 9.1(a) or (b), in which case the buyer's agent shall report to the MLS that the listing is "pending", and send a copy of the listing's changed status to the seller's agent within three (3) days after acceptance. The Listing shall be published on the MLS as pending with no sales price or terms prior to the final closing date. Pending listings with multiple offers (i.e., receipt and possession of multiple written offers at the time of acceptance of a written offer) shall so indicate when reported to the MLS by the seller's agent. Failure to properly report a pending sale will result in an automatic fine as set forth in Addendum B.

**10.1.3 Pending Sale – Pending Sale** is an Off-Market Status where an Offer has been accepted by the Seller and Seller is either accepting or not accepting additional offers. Pending Sales must be reported in the category Pending Sale or Pending Sale Bring Backup Offers. (Special Listing Conditions may apply – MLS Rule 7.4).

**Pending – Offer accepted – no additional offers being sought.**

**Pending Bring Backup – Offer accepted – additional offers being sought.**

**10.2 Reporting Cancellation of Pending Sale.** The seller's agent shall report the cancellation of any pending sale to the Service within three (3) days, and the listing shall be reinstated as active as long as there is still a valid listing agreement. If the listing agreement is no longer valid the listing must then be classified as an expired listing and the status must be changed to reflect this expired status regardless of whether it is an expired listing or a final sale. Failure to report the change of status of an expired pending sale within three (3) days will result in a fine as set forth in Addendum B.

**10.3 Refusal to Sell.** If the seller of any listed property filed with the Service does not accept a written offer satisfying all the terms and conditions stated in the listing as filed with the Service, such fact shall be transmitted by the seller's agent to the Service and to all Participants and Subscribers within three (3) days. Violation of this rule shall be subject to citations as set forth in Addendum B.

**10.3.1 All Listings.** When an offer higher than the list price has been received and has been rejected, or no offer has been accepted within three days of receipt unless a later date for review of offers was specified in the listing filed with the Service, the seller's agent must increase the list price to at least the amount of the offered price less financial concessions **OR** must disclose such information to all Participants and Subscribers in the Confidential Agent Remarks.

**10.4 Termination of Agency.** If the agency relationship between the seller and the seller's agent is terminated for any reason, the listing must be cancelled in the MLS.

**10.5 Duty to Provide Information.** It shall be the duty of the Participant and/or Subscriber to cooperate with the Service, MLS Committee, and the Board of Directors in providing any information necessary for compliance with these Rules.

## **11. OWNERSHIP OF MULTIPLE LISTING SERVICE COMPILATIONS AND COPYRIGHTS.**

**11.1 MLS Compilation Defined.** The term “MLS Compilation” includes, but is not limited to the MLS computer data base, all printouts of data from the MLS computer data base, and all MLS publications.

**11.2 Active Listings MLS Compilation Defined.** “Active Listing MLS Compilation” shall mean that portion of the MLS Compilation which includes listings currently for sale and all other information relating to the current listing information.

**11.3 Comparable Data MLS Compilation Defined.** “Comparable Data MLS Compilation” shall mean that portion of the MLS Compilation that includes the off market data, including SOLD information regarding properties that are not currently for sale and all information related to the sold information Compilation.

**11.4 Authority to Put Listings in MLS Compilation.** By submitting any property profile sheet to the MLS or inputting listing information into the MLS Compilation, including any attachments thereto, Participants and Subscribers represent that they have been authorized to grant, and do thereby grant, to MetroList an irrevocable, perpetual, royalty-free license (with right to sublicense) to use, copy and publish such listing and information relating to the listing in the copyrighted MLS Compilation and to report information and other data in the MLS Compilation, as well as in other information sources, about the list price, terms of a listing, and its sale price in the event the listed property sells. Such license also grants to MetroList the irrevocable, perpetual, royalty-free right to license or sublicense all or any part of such information for use by third parties. In the event of any claim or lawsuit arising from a Participant or Subscriber’s failure or asserted failure to have the legal authority to grant such license to MetroList, the Participant whose listing is the subject of the claim or lawsuit shall defend, indemnify and hold MetroList harmless from and against any and all claims, damages, losses, liabilities, actions, judgments, awards, and expenses, including but not limited to attorneys’ fees, arising from or relating to such failure or asserted failure.

**11.5 Photographs and Attachments on the MLS.** By submitting photographs or other images or virtual media (“Media”) to the MLS, Participants and Subscribers represent that they have been authorized to grant, and do thereby grant to MetroList, an irrevocable, perpetual, royalty-free license (with right to sublicense) to use, copy and publish such Media in the copyrighted MLS Compilation. Such license also grants to MetroList the irrevocable, perpetual, royalty-free license right to license the Media for use by third parties, including the right of MetroList and its Participants and Subscribers to reproduce and display the Media consistent with the Rules, provided, however, that Media from a prior listing (i.e., a listing in an off-market status) may not be used without the prior written consent of the previous Seller’s agent or other party with the legal right to reproduce and display the Media. As to any Media that was taken or created by a third party, the Participant or Subscriber wishing to submit such Media to the MLS must first obtain either: (a) a written assignment of the copyrights for such Media in form and substance acceptable to MetroList in its sole discretion, or (b) a written grant of a license that permits the Participant or Subscriber and MetroList to include the Media in the MLS Compilation and to otherwise use the Media in accordance with these Rules. A copy of such written assignment or license must be provided by a Participant or Subscriber to MetroList within three (3) days after a request for such copy is made by MetroList. In the event of any claim or lawsuit arising from a Participant or Subscriber’s failure or asserted failure to have the legal authority to grant such license to MetroList, the Participant whose listing is the subject of the claim or lawsuit shall defend, indemnify and hold MetroList harmless from and against any and all claims, damages,

losses, liabilities, actions, judgments, awards, and expenses, including but not limited to attorneys' fees, arising from or relating to such failure or asserted failure.

**11.6 Listing Photograph Requirements.** A minimum of one photograph or graphic image depicting the front exterior of the subject property must be attached to each listing submitted to the MLS within three (3) days of entering the listing or the On Market Date (OMD), whichever is later unless the Seller has directed that the property image not appear in the MLS Compilation by signing an exclusion utilizing the MetroList-approved Waiver form. Violation of this rule shall be subject to citations as set forth in Addendum B. All photographs must be of the property, or the common area or common facilities benefitting the property, or be taken from the property or from such common area or common facilities. Photographs and graphic images may not contain company or agent logos including signs, photographs of people including agents, commissions, bonuses, any contact information, voice, text, or graphics of any kind in the photograph or graphic image. A link to a virtual tour must be a valid URL.

**11.7 Copyright Ownership.** All right, title, and interest in the MLS Compilation and each copy of every MLS Compilation created by MetroList (whether copyrighted by MetroList or not), and in the copyrights therein, shall at all times remain vested in and the property of MetroList. MetroList shall have the right to license the MLS Compilation or portions thereof to any person or entity pursuant to terms and conditions acceptable to MetroList in its sole discretion.

**11.8 Licensing of MLS Compilations.** Each Participant and Subscriber is Licensed to use the MLS Compilations in accordance with these Rules. Clerical Users may have access to the information solely under the direction and supervision of the Participant or Subscriber by whom they are employed. Clerical Users may not provide any MLS Compilation or information to persons other than the Participant or the Subscriber by whom the Clerical User is employed.

## **12. PROHIBITIONS, REQUIREMENTS AND LIMITS OF LIABILITY**

**12.1 Notification of California Bureau of Real Estate Appraisers (BREA) or California Department of Real Estate (DRE) Action.** Participants and Subscribers are required to notify the MLS within 24 hours of any final action taken by the DRE against the Participant, Subscriber or any licensee affiliated with the Participant or Subscriber including, but not limited to any final decisions restricting, suspending or revoking a real estate license or appraiser's certification or license of a Participant, the Participant's firm or corporation under which the Participant or Subscriber acts, or any licensee affiliated with Participant or the Participant's firm or appraiser who was affiliated with the Participant or Participant's firm at the time of the underlying act.

**12.2 Violations of the Law.** If a Participant, Subscriber or a licensee affiliated with a Participant or Subscriber commits a felony or a crime involving moral turpitude or violates the Real Estate Law or the laws relating to appraisers, the Participant and Subscriber shall be in violation of this Section. However, a Participant or Subscriber shall not be found to have violated this Section unless the Participant, Subscriber, or salesperson licensed to the Participant has been convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of (1) a felony, or (2) a crime involving moral turpitude, or (3) on a determination by any court of competent jurisdiction, or official of the State of California authorized to make the determination, that the Participant or Subscriber violated a provision of the California Real Estate Law or a Regulation of the Real Estate Commissioner or law or regulations relating to appraisers.

## **12.3 Supervision of Licensees and Appraisers.**

**12.3.1** In addition to the notification requirements of paragraph 12.1, a Participant may not allow any licensee, under the Participant's license, whose license has been revoked, suspended or restricted by the DRE to use the MLS in any manner while the DRE discipline is in effect except that the licensee may use the MLS under a restricted license providing such use is consistent with and does not violate such license restrictions.

**12.3.2** In addition to the notification requirements of paragraph 12.1, a Participant may not allow any Appraiser employed by the Participant whose appraisers certificate or license has been revoked, suspended or restricted by the BREa to use the MLS in any manner while the BREa discipline is in effect except that the Appraiser may use the MLS under a restricted license or certificate providing such use is consistent with and does not violate such license of certificate restrictions.

**12.4 Solicitation of Listing Filed With the MLS.** The purpose of this section is to encourage sellers to permit their properties to be filed with the Service by protecting them from being solicited through unwanted phone calls, visits or communication, prior to the expiration of the listing by Participants or Subscribers seeking the listing upon expiration, and to encourage brokers to participate in the Service by assuring them that other Participants or Subscribers will not attempt to persuade the seller to breach the listing agreement or to interfere with the seller's agent attempts to market the property.

A general telephone canvass, general mailing or distribution addressed to all prospective clients in a given geographical area or in a given profession, business, club or organization or other classification or group shall not constitute a violation of this section 12.4.

The following two basic types of solicitations are considered a violation of this section 12.4:

- a. telephone or personal solicitation of property owners who have been identified by a real estate sign, MLS Compilation, or other information service as having exclusively listed their property with another MLS Participant; and
- b. mail or other forms of written solicitations of prospective clients 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 required by these Rules to be made available to other MLS Participants under offers of cooperation.

**12.5 Misuse of Remarks.** Participants and Subscribers may not use the remarks in a property data profile sheet or listing submitted to the MLS or loaded directly into the MLS data base for purposes of disparaging other real estate agents or conveying information about other offices or for conveying any other information that does not directly relate to the marketing of the listing.

**12.6 "For Sale" Signs.** Only the "For Sale" signs of the seller's agent may be placed on the property.

**12.7 "Sold" Signs and Use of the Term "Sold".** Only the Broker Participant or R.E. Subscriber who participated in the transaction as the seller's agent or buyer's agent may claim to have "sold" the property. Prior to closing, a buyer's agent may post a "sold" sign only with the consent of the seller's agent. This section does not, however, prohibit any broker from advertising the addresses and prices of the properties that have sold in a neighborhood after the information regarding the properties has been published as long as the advertisement does not imply the

agent was involved in the transaction unless such is the case and as long as the advertisement otherwise presents a “true picture”.

## **12.8 Advertising of Listing Filed With the MLS.**

**12.8.1** A listing shall not be advertised by any Participant or Subscriber, other than the seller’s agent, without the prior consent of the seller’s agent.

**12.8.2** Because of the fiduciary relationship which exists between a seller’s agent and his/her client with respect to a listing, the buyer’s agent is not vested with any power, authority or rights beyond those authorized by the seller’s agent regarding said listing. Therefore, except for their own listings, Participants and Subscribers will neither advertise nor prepare lists of active listings for publication on flyers, on the Internet, or in newsletters for unsolicited distribution unless permission is granted by the seller’s agent. This restriction is applicable only to information gathered from the MLS.

## **12.9 Limitations on Use of MetroList and/or MLS Information in Advertising.**

Except as provided in Sections 12.7, 12.8, 12.11 and 12.15, truthful use of information from the MLS Compilation of current listing information, from MetroList’s “statistical reports,” or from any “sold” or “comparable” report of MetroList information for public mass media advertising by a Broker Participation or R.E. Subscriber or in other public representation for purposes of demonstrating market share is not prohibited. However, any print or non-print forms of advertising or other forms of public representations 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 MetroList Services, Inc. for the period (date) through (date).”

**12.10 False or Misleading Advertising and Representations.** Participants and Subscriber may not engage in false or misleading advertising, including, but not limited to, advertisements or representations regarding the Participant’s or Subscriber’s relationship to the Service, about the Service itself, or about any property listed with the Service.

**12.11 Use of MLS Information.** In recognition that the purpose of the MLS is to market properties and offer compensation to other Broker Participants and R.E. Subscribers for the sole purpose of selling the property, Participants and Subscribers are expressly prohibited from using MLS information for any purpose other than to market property or to support market evaluations, opinions or appraisals as specifically allowed by Sections 12.14, 12.15, and 12.16. Nothing herein shall limit MetroList from entering into licensing agreements with third parties for use of the MLS information.

**12.12 Confidentiality of MLS Information.** Any information provided by the Service to the Participants and Subscribers shall be considered and treated as confidential by Participants and Subscribers and shall be for the exclusive use of the Participant and Subscriber for purposes described in Sections 2, 12.7, 12.11, 12.14, 12.15 and 12.16 and this Section. Participants and Subscribers shall at all times maintain control over and responsibility for each copy of any MLS Compilation licensed to them by MetroList, and shall not distribute any such copies to persons other than Participants and Subscribers except as allowed in Sections 12.14 through 12.14.5. Participants and Subscribers may reproduce or display the information as provided in these Rules.

**12.12.1 Clerical Users.** Clerical Users may have access to MLS information solely under the direction and supervision of the Participant or Subscriber. Clerical Users may not provide any MLS information to persons other than the Participant or Subscriber by whom they are registered. Access by Clerical Users to the database is solely for clerical and administrative functions for the Participant or Subscriber by whom the Clerical User is registered.

**12.13 Display.** As used in these Rules the word “Display” means a “visual representation of data”. Displays of the MLS Compilation which include confidential information shall be only in the immediate presence of the MLS Participant or Subscriber, and Participant and Subscriber shall at all times maintain custody and control of the MLS Compilation displayed. Broker Participant and R.E. Subscribers shall be permitted to display the MLS Compilation in either electronic or printed format to specifically identified prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing and able buyers for the properties described in said MLS Compilation. Broker Participants and R.E. Subscribers shall be permitted to display the MLS Compilation in either electronic or printed format to specifically identified sellers or prospective sellers only in conjunction with their ordinary business activities in listing properties. Appraiser Participants and Appraiser Subscribers shall be permitted to display the MLS Compilation to the person requesting the appraisal only in conjunction with their ordinary business activities of producing a written appraisal.

**12.13.1 Clerical Users.** Clerical Users are expressly prohibited from displaying MLS information to anyone other than the Participant or Subscribers licensed to or associated with Participant.

**12.14 Reproduction.** “Reproduction” shall include, but not be limited to, making photocopies, computer printouts, electronic transfers (including email), or downloading of MLS data or compilations. Participants and Subscribers shall not reproduce any MLS Compilation or any portion thereof except in the following limited circumstances:

**12.14.1 Copies to Prospective Purchasers.** Broker Participants and R.E. Subscribers may reproduce from the MLS Compilation, and distribute to prospective purchasers, hard copies of those portions of the MLS Compilation consisting only of a description of the property, including the address, features, financing and list price or list price range.

**12.14.1.1 Clerical Users.** Clerical Users are expressly prohibited from reproducing and distributing MLS information to anyone other than the Participants or Subscribers licensed to or associated with Participant.

**12.14.2 Information Reproduced.** The seller’s agent shall not include the following information in Property Description, Directions, Attached Documents, or other areas not intended for such information, and other Participants and Subscribers shall not reproduce the following information unless prior written consent is obtained from the seller’s agent/agent:

- a. property owner name and/or occupant’s name, phone number, email address and address (if different than the listed property);
- b. showing instructions including any references to a Keybox, burglar alarm or any security system, or to the vacancy of the property;
- c. type of listing;
- d. compensation or bonuses offered to buyer’s agent;
- e. the name, except for office ID, of seller’s office/agent; office agent information; phone numbers; office of model homes;
- f. website addresses (except for those website addresses required by the seller specifically for the submission of offers which shall be listed in Attached Documents or Confidential Agent Remarks);

- g. Other information which goes beyond a description of the property except for buyer incentives offered by the seller *and Security/Access Advisories. (Examples of acceptable comments: Do Not Disturb Tenant, No Trespassing, Secured Access, Guard Dogs on Property, Hazardous Conditions.)*

**12.14.3 Copies for Appraisals.** Participants and Subscribers may reproduce from the MLS Compilation, and attach to an appraisal as supporting documentation, copies of those portions of the MLS Compilation consisting only of such information on properties necessary to support a written appraisal or opinion of value on a particular property.

**12.14.4 Downloading into Computers.** Participants and Subscribers may download MLS information into a computer system as long as:

- a. access to the computer or computer system receiving the information is strictly limited to the Participant, his/her Subscribers and their Clerical Users as defined in these Rules; and
- b. the information is only retransmitted to the Participants, Subscribers and Clerical Users authorized to access the System by these Rules; and
- c. the information is not reformatted or used to create another product except as may be used by the Participant who downloaded the data and such use strictly complies with sections 12.7, 12.11, 12.15 and 12.16.

**12.14.5 Comparable Information.** Individual Participants and Subscribers in possession of current listing information, "sold" information, "comparables" or statistical information may utilize such information to support an appraisal or opinion of value on a particular property for a particular client. However, only such information that MetroList has deemed to be non-confidential and necessary to support the appraisal or opinion of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited except as otherwise specifically provided for in these Rules, or the IDX Guidelines.

## **12.15 Timeliness of Reproduced MLS information, Disclaimer and Copyright, Prohibition against Modification and Indemnification.**

**12.15.1** All reproductions of MLS information shall prominently include a statement as to the date and time the MLS information reproduced was obtained from MLS.

**12.15.2** "All measurements and all calculations of area are approximate. Information provided by Seller/Other sources, not verified by Seller's Agent. All interested persons should independently verify accuracy of information. Provided properties may or may not be listed by the office/agent presenting the information."

**12.15.3** All reproductions of MLS information on the Internet shall be updated with current information not less than once every three (3) days.

**12.15.4** Under no circumstance shall a Participant or Subscriber make any changes whether intentional or otherwise to MLS information reproduced by Participant or Subscriber under the provisions of Section 12.14.

**12.15.5** Should Participant or Subscriber change either intentionally or otherwise the MLS information reproduced, Participant and Subscriber agree to indemnify and hold



harmless MetroList, the seller's agent, the seller's agent and the seller from and against any and all losses, costs, liabilities, damages, taxes, interest, penalties and/or expenses, including, without limitation, legal fees and other expenses incurred by MetroList, the seller's agent, the seller's agent and the seller in their investigation or defense of claims and actions resulting from or arising out of Participant and or Subscriber's reproduction of the MLS information.

#### **12.16 Display of Listing Information on the Internet**

- a. The seller's agent consent for Display of listing information is presumed, in satisfaction of Rule 12.8, unless a seller's agent affirmatively notifies the MLS that the seller's agent refuses to permit Display on either a blanket or a listing-by-listing basis. Seller's agent that refuse to permit other Broker Participants or R.E. Subscribers to Display their listing information on a blanket basis may not Display other brokers' listing information. Any seller's agent who denies Display of fifty percent (50%) or more of his/her listings shall be deemed to have refused to permit Display on a blanket basis.
- b. The Display of MLS listing information by Broker Participants and R.E. Subscribers on or at their public websites shall comply at all times with the IDX Guidelines (as defined in these Rules). Broker Participants and R.E. Subscribers may not Display MLS information downloaded pursuant to Rule 12.14.4 unless the Broker Participant or R.E. Subscriber has entered into a written license agreement with the MLS in form and content acceptable to the MLS.
- c. Broker Participants and R.E. Subscribers shall not reproduce confidential information fields, as determined by the MLS in the MLS's sole discretion, such as that information intended for buyer's agent rather than consumers.
- d. All Internet Displays of listings shall identify the name of the listing firm in a manner designed to easily identify such listing firm for each and every Display of the listing.
- e. Broker Participants and R.E. Subscribers shall not modify the information Displayed pursuant to these Rules, and all Displays shall be consistent with Paragraph 12.15 of these Rules.
- f. There shall be no limit to the number of listings that an IDX User may view, retrieve or download.
- g. Sharing of the MLS Compilation with any third party not authorized by MetroList is prohibited. Broker Participants and R.E. Subscribers shall indicate on their websites that the information being provided is 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.
- h. The authorized Display of MLS listing information on a public Internet site shall include a requirement that every person who intends to view or use such MLS information agrees to Terms of Use that include, in addition to such other terms as the Broker Participant or R.E. Subscriber deems appropriate, substantially the following terms and conditions:

## Terms of Use

1. The following are terms of a legal agreement between you, the person viewing and/or using this Internet site ("User") and the operator ("Provider") of this Internet site ("Site"), By accessing, browsing and/or using this Site, User acknowledges that User has read, understood, and agrees to be bound by these terms and to comply with all applicable laws and regulations, including but not limited to U.S. export and re-export control laws and regulations. If User does not agree to these terms, User is not authorized to use this Site. The material provided on this Site is protected by law, including, but not limited to, United States Copyright law and international treaties.

2. User must be a prospective purchaser or seller of real estate with a bona fide interest in the purchase or sale of such real estate.

3. All real estate data provided on this Site (including but not limited to descriptions, images, and other information constituting or relating to real estate listings) is strictly for the personal, private, non-commercial use of User and is not made available for redistribution, retransmission, reformatting, modification or copying. User may not sell or use any of the real estate data on this Site for any purpose other than attempting to evaluate houses or properties for sale or purchase by User. User acknowledges that the real estate data on this Site is provided by MetroList Services, Inc., a California corporation ("MetroList"), and User acknowledges the validity of MetroList's copyright as to such data. User expressly acknowledges and agrees that MetroList is a third-party beneficiary of these Terms of Use, and that MetroList will be entitled to enforce these Terms of Use against User.

4. To the fullest extent permitted by law, the data on this Site is provided "as is," without warranty or representation of any kind, either express or implied, as to the nature, quality, characteristics or value of any property or information to which the data pertains. NEITHER PROVIDER NOR METROLIST MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE DATA DISPLAYED ON THIS SITE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR AS TO THE TIMELINESS, ACCURACY AND/OR COMPLETENESS OF THE DATA.

5. NEITHER PROVIDER NOR METROLIST SHALL BE LIABLE FOR ANY INCIDENTAL, SPECIAL, CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES WHATSOEVER (INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS INFORMATION, LOSS OF DATA, LOST PROFITS, LOSS OF CUSTOMERS OR OTHER PECUNIARY LOSS), ARISING OUT OF THE USE OR INABILITY TO USE THE DATA DISPLAYED ON THIS SITE, WHETHER THE CLAIM OR CAUSE OF ACTION ARISES IN TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY OR UNDER ANY OTHER LEGAL THEORY.

6. User agrees that the prevailing party or parties in any action brought to enforce or for breach of these Terms of Use shall be entitled to recover, in addition to any other relief, that party's or those parties' reasonable attorney's fees and court costs incurred in such action from the non-prevailing party or parties.

**12.17 Seller's Agent Right to Opt-Out of Internet Advertising of MLS Information.**

If MetroList advertises MLS information on the Internet or licenses MLS information for advertising on the Internet, the seller's agent shall have the right to opt out of such advertising in accordance with the MLS's procedure for opting out. The seller's agent shall have the right to refuse to have listings displayed on a blanket basis or on a listing-by-listing basis in accordance with Section 12.16 by affirmatively notifying the MLS in accordance with the MLS's procedures.

**12.18 Applicability of Rules to MLS or MetroList.** These Rules are binding on the MLS Participants and Subscribers. Nothing in these Rules shall limit the right of MetroList to enter into licensing agreements with third parties for use of the MLS compilations or any portion thereof in accordance with terms approved by the Board of Directors.

**12.19 Assignment of Unique User Name and Password.** Participants, Subscribers, Clerical Users and others as approved by MetroList ("Authorized Users") are assigned unique user names ("Agent ID") and passwords ("Password") by MetroList for use when accessing the MetroList MLS Computer System at the time their application for participation in or access to the MetroList MLS is accepted, as provided for in these Rules or as otherwise provided for by MetroList. Only Authorized Users are permitted to use the MLS and/or access the MetroList MLS Computer System. An Authorized User may not, under any circumstances except as may be expressly authorized in writing by MetroList, disclose his or her MetroList Password to any other person or entity, including but not limited to entering, storing, or otherwise providing such MetroList Password to any vendor or other party purporting to provide any product or service related to the MetroList MLS or the Authorized User's use of the MLS Compilation, whether such action is taken on the Authorized User's own computer or not.

**12.20 Unauthorized Use of MLS or Access to MLS Computer System.** An Authorized User who permits another person not authorized by MetroList to use the MetroList MLS or who provides a MetroList Agent ID, Password and/or Authentication Technology to any person not authorized by MetroList shall pay an automatic fine of \$100 and be subject to other disciplinary action up to and including termination of MLS services. Unauthorized access to and/or use of computers, computer systems or computer data, including misuse of an Agent ID, Password and/or Authentication Technology assigned by MetroList, is a crime under California Penal Code Section 502.

**12.21 Limitation of Liability.**

**12.21.1** All access to the System furnished or permitted under these MLS Rules is furnished without warranty of any kind, either express or implied, and all such warranties, including without limitation the implied warranties of merchantability and fitness for a particular purpose, are hereby disclaimed.

**12.21.2** MetroList and/or its Contractors will not be responsible for the interruption of, interference with, lessening of or suspension of any of the services or access to the System or to information to be provided hereunder if caused by strikes, lockouts, riots, epidemics, war, government regulation, fire, flood, natural disasters, Acts of God or material shortages, failures, malfunctions or inadequacies of equipment or software provided by MetroList or any other party during any transition or upgrade from one computer system to another computer system or upgrade of a computer system.

**12.21.3** In no event will MetroList and/or its Contractors be liable to Participants, Subscribers and /or Clerical Users or to any other person for any indirect, special or consequential damages, including without limitation, any loss of profits or loss of revenues arising out of or in connection with the use or performance of the System operation or other services furnished by MetroList and/or its Contractors.

## 13. KEYBOX SYSTEM

**13.1 Eligibility to Lease ActiveKEYs/eKEYs (“Keys”).** An MLS Participant or Subscriber may lease a Key from MetroList, for the lease fee set forth in the appropriate Agreement described herein below, if he/she otherwise qualifies under this section. Participants and Subscribers who lease a Key are referred to as “Keyholders”. Clerical Users are not eligible to lease Keys. An MLS Participant and Subscriber shall be eligible to lease a Key provided that the Participant or Subscriber:

- a. signs either the MetroList Keybox System Use and Key Lease Agreement or the Keyholder Lease Agreement for Supra Keybox System (the “Agreement”);
- b. continues to comply with the Agreement and all MLS Rules relating to Keys; and
- c. remains eligible for MLS services; and
- d. does not extend his/her Key lease privileges to any other person, including his/her Clerical User(s), under any circumstance.

**13.2 Eligibility to Purchase Keyboxes (“Keyboxes”).** Broker Participants and R.E. Subscribers shall be eligible to purchase Keyboxes. Appraiser Participants, Appraiser Subscribers and Clerical Users are not eligible to purchase Keyboxes.

**13.3 Accountability.** A Keyholder must account for his/her Key at the time of any inventory conducted by MetroList or at any time requested by SUPRA Products, Inc., or MetroList.

**13.4 Deemed Unaccounted For.** Keys shall be deemed unaccounted for if a Keyholder refuses or is unable to demonstrate that the Key is within the Keyholder’s physical control.

### 13.5 Written Authority and Keybox Liability Disclaimer.

**13.5.1. Authority.** Broker Participants and R.E. Subscribers may place a MetroList Keybox only on a Property listed with the Service and only with the written authority of the Seller, and the Occupant if not owner occupied. Appraiser Participants and Appraiser Subscribers may not place a Keybox on any property.

**13.5.2. Liability Disclaimer.** A Keybox may not be placed on a property listed with the Service unless the listing agreement or an addendum thereto contains provisions which:

- a. Advise Sellers that a Keybox is designed to hold a key for use by Participants and Subscribers in gaining access to the Property to show to prospective purchasers.
- b. Advise Sellers that Participants, Subscribers, MetroList and local Associations do not provide insurance against theft, loss, vandalism or damage attributed to the use of the Keybox.
- c. Contain the written authorization of the Sellers to install a Keybox on the Property.
- d. Contain the written authorization of the Occupant to install a Keybox on Property not occupied by the Sellers.

### **13.6 Seller's agent Permission.**

**13.6.1** No MLS Participant or Subscriber may enter a property with or without a Keybox without the seller or seller's agent permission. Such permission may be granted by the seller's agent specifying permission to use the Keybox through the MLS. The permission granted under Showing Instructions in the MLS is permission only to enter Active or PSB status listings for the purpose of previewing or showing the property to prospective purchasers prior to that purchaser being in contract to purchase the property. Use of the Keybox for access to other status properties or for any other purpose is a violation of these rules.

**13.6.2** A Participant or Subscriber must be present on the property at all times when providing access to listed property unless the seller or seller's agent has consented otherwise. Appraiser Participants and Appraiser Subscribers are expressly prohibited from using Keys to enter a property without either the owner's or seller's agent permission.

**13.7 Unaccounted For Keys.** A Keyholder shall immediately report a lost, stolen or otherwise unaccounted for Key to MetroList.

**13.8 Unauthorized Use of Key.** A Keyholder shall perform and comply with all of the terms and conditions of the Agreement. The breach or failure to perform any of the terms and conditions of such Agreement by a Keyholder shall constitute a violation of these MLS Rules and may result in discipline as provided in Sections 15 and 16 of these Rules, up to and including the loss of and/or restriction on all Keybox System privileges.

**13.9 Failure to Notify MetroList of Any Change of Participation Status.** A Keyholder who fails to notify MetroList of any change in his/her MLS Participation status within five (5) days of such change shall immediately cause Keyholder's use of the Keybox System to be suspended/terminated as determined by MetroList.

**13.10 Rules Violation.** Failure to abide by the MLS Rules, including the rules relating to the Keybox System as set forth in this section and in the Agreement, may result in discipline as provided in these Rules, in addition to loss of or restriction on all Keybox System privileges. Notwithstanding any other provision of these MLS Rules, MetroList may immediately and without notice suspend a Keyholder's Keybox System privileges if, in MetroList's good faith determination, the Keyholder has committed a material violation of the Agreement or Section 13 of these MLS Rules. Any such suspension may, in MetroList's sole discretion, remain in effect until a decision is rendered following an MLS Rules violation hearing pursuant to Sections 15 and 16 of these MLS Rules, or until Keyholder pays a fine as determined by the President and/or CEO of MetroList which shall be commensurate with the seriousness of the rules violation.

### **13.11 Right to Limit Access.**

**13.11.1** MetroList reserves the right to refuse to issue a Key or limit access to Keyboxes if, in its sole discretion, it determines the security of the system would be compromised by issuing such Keys or granting access to Keyboxes.

**13.11.2** MetroList may refuse to sell or lease a Key, may terminate existing Key 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 MetroList in its sole discretion relates to the real estate business or puts clients, customers or other real estate professionals at undue risk. For purposes of this MLS Rule 13.11.2 and MLS Rule 13.11.3, the term "convicted" or "conviction" means a person has been determined to be guilty by a judge or jury in a criminal prosecution, including but not limited to such

determination pursuant to a plea bargain or similar arrangement, and regardless whether any sentence has been imposed.

**13.11.3** MetroList may suspend the right of Participants and Subscribers to use Keys following their being charged, arrested or indicted and prior to their conviction for any felony or misdemeanor crime which, in the determination of MetroList in its sole discretion, relates to the real estate business or which puts clients, customers or other real estate professionals at undue risk. Factors that can be considered by MetroList in making such determination include, but are not limited to:

- a. the nature and seriousness of the crime;
- b. the relationship of the crime to the purposes for limiting Keybox access;
- c. the extent to which access (or continued access) might afford opportunities to engage in similar criminal activity;
- d. the extent and nature of past criminal activity;
- e. the time since criminal activity was engaged in;
- f. evidence of rehabilitation while incarcerated or following release; and
- g. evidence of present fitness.

**13.12 Exclusive Provider and Exclusive Use.** MetroList shall be the exclusive provider of the Keybox System. Participants and Subscribers shall limit their use of any multiple-listing access Keybox or entry card system in the geographical area served by the MetroList MLS, to the MetroList Keybox System. All properties listed with the MetroList MLS that use a Keybox for access to the listing by Participants and Subscribers shall so indicate in the MLS listing information. There shall be an automatic fine as set forth in Addendum B for indicating that the listing has a Keybox if the Keybox is not a MetroList iBox BT LE.

## **14. INTERNET DATA EXCHANGE IDX DEFINITION AND GUIDELINES**

**14.1 Internet Data Exchange Defined.** “Internet Data Exchange” or “IDX” means a method by which Broker Participants are authorized by MetroList pursuant to written license agreements to display certain real estate listing information contained within the MLS Compilation, as determined by MetroList in its sole discretion, on such Broker Participants’ Internet websites. An R.E. Subscriber may, with the consent of the Broker Participant with which the R.E. Subscriber is employed or is affiliated as an independent contractor pursuant to MLS Rule 4.2.1, establish and operate an IDX website. Broker Participant permission is presumed for IDX websites provided to R.E. Subscribers by MetroList. Broker Participants shall provide oversight and supervision of IDX websites built and maintained for their R.E. Subscribers by MetroList or other vendors and shall be accountable for compliance of such websites with MLS Rules, policies, procedures and guidelines.

**14.2 IDX Guidelines.** An IDX website shall comply with the MLS Rules and any published guidelines for IDX websites that are adopted by MetroList from time to time. An IDX website shall also require that consumers using the IDX website must agree to comply with any applicable terms of use that are specified by MetroList from time to time for the viewing and/or use of displayed MLS Content.

## 15. VIOLATIONS OF MLS RULES

**15.1 Grounds for Disciplinary Action and Sanctions.** Without a requirement for a hearing, MetroList may immediately suspend or terminate the right of a Participant, Subscriber or Clerical User to access or participate in the MLS upon: (a) the Participant, Subscriber or Clerical User being convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of a felony, (b) the Participant, Subscriber or Clerical User being convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of a crime involving fraud, embezzlement, or other manner of moral turpitude, or (c) the Participant's or Subscriber's real estate broker's or salesperson's license being suspended or revoked by the California Department Real Estate or any successor agency, or with respect to an Appraiser Participant or Appraiser Subscriber, the Appraiser Participant's or Appraiser Subscriber's real estate appraiser's certification or license being suspended or revoked by the California Bureau of Real Estate Appraisers or any successor agency, for violation of a provision of the California Real Estate Law or a Regulation of the Real Estate Commissioner or the California Real Estate Appraisers Licensing and Certification Law or a regulation of the California Bureau of Real Estate Appraisers, unless the suspension or revocation has been stayed by the applicable agency or authority.

A Participant or Subscriber may apply for reinstatement in the MLS as a Participant or Subscriber immediately upon the expiration of a temporary suspension of the Participant's or Subscriber's license or certification or if a criminal conviction that was the basis for suspension or termination of MLS access is reversed on appeal. An MLS Participant or Subscriber may request reconsideration by MetroList of the suspension or termination of the right a Participant or Subscriber to access or participate in the MLS based upon a criminal conviction or license suspension or revocation.

A request for reconsideration under the foregoing provision must be based upon facts that tend to support a finding that circumstances exist that make it unfair or inequitable to suspend or terminate MLS participation as a Participant or Subscriber despite such conviction. If a request for reconsideration is made, a hearing shall be scheduled before a panel of three (3) members of the MetroList's MLS Tribunal Committee to be appointed by the President and/or CEO of MetroList. Whether to grant reconsideration of the denial of MLS participation shall be within the sole discretion of such panel and the decision of the panel shall be final and binding.

After a hearing by a tribunal as provided in Section 16 of these Rules, MetroList's Board of Directors may take disciplinary action and impose sanctions against any MLS Participant and Subscriber under any of the following circumstances:

- a. For violation of any MLS rule.
- b. On a determination by any court of competent jurisdiction, or official of the State of California authorized to make the determination, that the Participant or Subscriber violated a provision of the California Real Estate Law or a Regulation of the Real Estate Commissioner or the California Real Estate Appraisers Licensing and Certification Law or a regulation of the California Bureau of Real Estate Appraisers.
- c. For any violation of subsection (a) by a Subscriber, the Participant by whom the Subscriber is employed or with whom the Subscriber is affiliated as shown by the records of MetroList. Lack of knowledge by the Participant of such Subscriber's conduct shall not be a defense to disciplinary action, but will only go to mitigation of any discipline imposed.
- d. For the violation of any MLS Rule by a Clerical User who is employed by a Participant or Subscriber. Lack of knowledge by the Participant or Subscriber of such Clerical User's conduct shall not be a defense to disciplinary action, but will only go to mitigation of any discipline imposed. Sanctions imposed under this

provision may include the suspension or termination of the Clerical User's access to the MLS.

**15.2 Sanctions.** Sanctions or disciplinary action for violation of an MLS Rule may consist of one or more of those specified in the Procedures for MLS Rules Violations Hearings as may be adopted and amended by MetroList and in effect from time to time.

**15.3 Citations.** The MetroList Board of Directors may implement a schedule of fines for certain MLS Rules violations and MetroList may issue citations for the specified MLS Rules violations and implement a procedure whereby the Participant and Subscriber receiving the citation may either pay the amount specified on the citation or request a full hearing in accordance with the procedures set forth in Section 16 of these Rules.

## **16. PROCEDURES FOR MLS RULES VIOLATION HEARINGS**

All MLS Rules violation hearings shall be processed in accordance with the Procedures for MLS Rules Violation Hearings as from time to time amended which is hereby incorporated by reference. Failure to abide by the procedures shall be a violation of these MLS Rules. If a Participant or Subscriber requests a hearing or if the matter is referred to a hearing because the Participant or Subscriber does not respond appropriately the Hearing Panel may impose any sanction allowable under these rules and the MLS Tribunal Procedures.



## 17. CHANGES IN MLS RULES

The Rules of the MLS may be amended at any time by MetroList. MetroList shall provide notice of changes in MLS Rules to Participants, Subscribers and Clerical Users by sending general electronic mail over its computer system. In addition, notice with respect to changes to Paragraph 5, MLS FEES AND CHARGES, will be included with the invoice reflecting such revised MLS fees and charges.

### **Adopted by MetroList**

April 1, 1995  
Tom Beede, President

### **Amended by MetroList**

March 27, 1996	December 1, 1998
August 28, 1996	May 1, 1999
November 20, 1996	April 29, 2000
January 29, 1997	July 26, 2000
February 26, 1997	February 28, 2001
April 23, 1997	May 1, 2002
May 28, 1997	February 26, 2003
July 30, 1997	January 21, 2004
September 24, 1997	February 19, 2004
April 29, 1998	February 25, 2004
August 25, 2004	October 27, 2004
November 16, 2005	March 1, 2006
March 28, 2006	September 27, 2006
April 25, 2007	January 23, 2008
March 26, 2008	April 30, 2008
March 25, 2009	June 24, 2009
January 27, 2010	May 26, 2010
June 30, 2010	August 25, 2010
September 1, 2010	January 19, 2011
February 23, 2011	March 30, 2011
May 25, 2011	February 29, 2012
May 30, 2012	June 27, 2012
August 29, 2012	October 31, 2012
January 30, 2013	August 5, 2013
March 26, 2014	May 27, 2015
September 28, 2015	October 28, 2015
March 23, 2016	May 25, 2016
October 25, 2017	November 28, 2018

**Addendum A  
Schedule of Fees**

Section 4.3	Clerical User Background Check	\$50.00
Section 5.1.1	Initial Application Fee	\$200.00 for Participants and Subscribers
Section 5.1.2	Initial Registration Fee	\$30.00 for Clerical Users
Section 5.1.3	Participation Fee Access Fee	\$35.00/month for Participants & Subscribers \$5.00/month for Clerical Users Employed by Participant Broker \$20.00/month for Clerical Users Employed by RE Subscriber/Appraiser Participant
Section 5.1.3.4	Reinstatement Fee	\$20.00
Section 5.1.4	Listing Input Fee	\$50.00
Section 5.1.5	Returned Check Fee Collection Fee	\$25.00 per check The amount incurred by the agency to collect the indebtedness
Section 6	Reciprocal Listing Input Fee	\$100.00
Section 15	Tribunal Hearing Continuances Fee	\$250.00
Section 15	Tribunal Hearing Appeal Fee	\$500.00

**Addendum B**  
**Schedule of Fines for Certain MLS Rules Violations**

Unless otherwise specified, there shall be an automatic fine of \$100 for the following MLS Rule Violation and a Citation Notification Letter (Attachment B to Addendum C) shall so notify Participant or Subscriber.

- Section 7.6 Failure to submit a listing or an MLS listing waiver form within three (3) days of the beginning date of listing or receipt of seller(s) signature, whichever occurs later.
- First Offense - \$100  
Second Offense - \$250 (Within a 12 month period of First Offense)  
Third Offense - \$500 (Within a 12 month period of Second Offense) and mandatory MLS Tribunal Hearing. Cost of hearing to be borne by Participant/Subscriber.
- Section 7.6 Failure to include the specific date when the MLS listing waiver expires.
- Section 8.2 Failure to provide written documentation to the service within two (2) days.
- Section 9.2.1 Failure to present offer as soon as possible and/or to clearly indicate that the seller's agent will not be participating in the presentation of offers.
- Sections 9.2.2 and 9.2.2.1 Failure to specify date and time that offers will be presented and/or failure to attach supporting documentation in writing from the seller and/or asset manager.
- Section 9.2.2.2 Failure to provide a buyer's agent with 24 hours prior written notice of a change in the specified date and time for presentation of offers when the buyer's agent has provided 36 hours prior written notice of an offer to be submitted at the specified date and time for presentation of offers.
- First Offense - \$100  
Second Offense - \$250 (Within a 12 month period of First Offense)  
Third Offense - \$500 (Within a 12 month period of Second Offense) and mandatory MLS Tribunal Hearing. Cost of hearing to be borne by Participant/Subscriber.
- Section 10.1.1 Failure to properly report a Final Sale within three (3) days.
- Section 10.1.2 Failure to properly report a Pending Sale within three (3) days.
- Section 10.1.3.6 Failure to properly report a Duplicate Cancelled listing within three (3) days.
- Section 12.20 An Authorized User who permits another person not authorized by MetroList to use the MetroList MLS or who provides a MetroList Agent ID, Password and/or Authentication Technology to a person not authorized by MetroList.

There shall be an automatic fine of \$250 for the following MLS Rule Violation and a Citation Notification Letter (Attachment B to Addendum C) shall so notify Participant or Subscriber.

Section 7.6 Failure to provide all necessary documentation to re-enter a listing as “new” or “to extend the expiration date” (XD).

Section 7.12 Marketing of a property prior to the On Market Date.

There shall be a fine of \$100 for the following MLS Rules' Violations if the Participant or Subscriber fails to correct the violation within two (2) days from receipt of the Citation Notification Letter (Attachment A to Addendum C):

Section 8.1 Failure to enter and maintain the correct Status.

Sections 7.10 through 7.12 Failure to enter the following information accurately or removing said information improperly:

Address	Buyer's Agent MLS ID
List Price	Sale Price
Buyer's Agent Name	
Type Listing	List Date
Selling Date	Variable-Dual Rate Commission
Pending Date	Commission
Homeowners/Association Dues	
City	Expiration Date
Sale Financing	Correct Area
All Required Fields	On-Market-Date
Information Other Than Address in Address Line	
Special Listing Conditions	

Section 7.9 Failure to report change in data describing a listing including List Price and List Price Range within three (3) days of the change.

Section 7.10 Changing listing status to “Cancelled”

Section 7.11.1 Prerequisites for Submission of Offers.

Section 7.13 Unilateral Contractual Offer of Compensation.

Section 10.2 Failure to report the closed escrow of an expired pending.

Section 10.2 Failure to notify the Service that a pending sale or an expired pending is no longer pending and that the status should be changed to expired.

Section 10.3 Refusal to Sell.

Section 12.14.2 Placing confidential information in any area not intended for public use.

There shall be a fine of \$25 for the following MLS Rules' Violations if the Participant or Subscriber fails to correct the violation within two (2) days from receipt of the Citation Notification Letter.

Section 11.6 Listing Photograph Requirements

Unless otherwise specified, there shall be an automatic fine as set forth in the schedule below for the following MLS Rule Violation and a Citation Notification Letter shall so notify Participant or Subscriber.

Section 13.12 Exclusive Provider and Exclusive Use

First Offense - \$100

Second Offense - \$250 (Within a 12 month period of First Offense)

Third Offense - \$500 (Within a 12 month period of Second Offense) and mandatory MLS Tribunal Hearing. Cost of hearing to be borne by Participant/Subscriber.

Section 13 KeyBox System - Maximum fine for each violation shall not exceed \$15000.

## **Addendum C**

### **Procedures Whereby the Participant or Subscriber Receiving a Citation May Either Pay the Amount Specified on the Citation Letter or Request a Full Hearing Accordance With Section 16 of These MLS Rules**

When a Participant, Subscriber or Clerical User becomes aware of a possible violation of an MLS Rule listed in Addendum B, which may result in a fine, the Participant or Subscriber should notify MetroList. Notification shall be in writing.

When MetroList becomes aware of a possible violation of an MLS Rule listed in Addendum B, MetroList shall notify the Participant or Subscriber using the appropriate MLS Citation Letter. The Participant or Subscriber shall have two (2) days from receipt of the citation letter to correct the violation, except for violations of Sections 7.6, 8.2, 10.1.1, 10.1.2, 10.1.3, 12.20, 12.22 and 13.12 which shall result in an automatic fine as set forth in Addendum B. Failure to correct violations of other Sections of the MLS Rules, as set forth in Addendum B will cause Participant or Subscriber to be fined \$100.00 for each cited Rules violation.

Repeat violations will be dealt with through the formal complaint process as per Section 16 of these MLS Rules.

Maximum fine for any MLS Rule violation shall not exceed \$15000.

**Addendum D**  
**MLS Waiver Requirements**

All waiver forms as required by MLS Rules shall include the following information:

Name of the Seller's Agent

Agent ID

Name of the Seller's agent

Name of the Real Estate Company

Office ID

Address of the Property

Expiration Date of the Waiver

Seller's Signature

Date of Seller's Signature

Seller's agent Signature/Authorized Representative's Signature

***MetroList***<sup>®</sup>  
***The True Source***

**MetroList Services, Inc.**  
**1164 West National Drive, Suite 60**  
**Sacramento, CA 95834**  
**(916) 922-2234**  
Outside the 916 area code, call  
**(888) 898-9788**