

CENTRAL MISSISSIPPI MLS, INC.

GOVERNING DOCUMENTS

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Central Mississippi MLS, Inc.
620 North State Street
Jackson, MS 39202
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BYLAWS OF THE CENTRAL MISSISSIPPI MLS, INC.

REVISED JUNE 1996 ~ REVISED MARCH 1997, REVISED DECEMBER 1999, Revised May 2001, Approved August 2001 by NAR, Approved by General Membership January 2002, Revised May/June, 2003 – Pending Review by NAR Approved by NAR August 2003, Revised – May 2006, Reviewed by NAR August, 2006 ~ Approved Approved by General Membership December 2007. Approved by the Board of Directors December 9, 2008 and by Participants March 26, 2009. Approved by NAR March 20, 2011. Revised April 2013. Approved by NAR July 11, 2013. Approved by NAR February 29 2016.

ARTICLE I. NAME

The name of this organization shall be The Central Mississippi MLS, Inc. hereinafter referred to as the Service, and this organization shall function under a corporate charter granted to it by the State of Mississippi. All the shares of stock of this corporation shall be solely and wholly owned by the Central Mississippi REALTORS®, Inc.

ARTICLE II. PURPOSE

The Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuation of real property for bona fide clients and customers; by which participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale (or lease). (Amended 11/04)

ARTICLE III. SERVICE AREA

The area within which the Service shall function shall at all times be coextensive with or within the territorial jurisdiction of the Central Mississippi REALTORS®.

ARTICLE IV. PARTICIPATION

4.1 PARTICIPATION DEFINED. Any REALTOR of this or any other Association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service Membership or Participation unless they hold a current, valid Mississippi real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's Licensure(s) or Certification and

unauthorized uses are prohibited. Further, none of the foregoing is intended to convey Participation or Membership or any right of access to information developed by or published by the Association's Multiple Listing Service where access to such information is prohibited by law. The REALTOR Principal of any firm, partnership, corporation or the branch office manager designated by said firm, partnership, or corporation as the "Participant" in the Service and shall have all rights, benefits, and privileges of the Service, and shall accept all obligations to the Service for the Participant's firm, partnership, or corporation, and for compliance with the Bylaws and Rules and Regulations of the Service by all persons affiliated with Participants who utilize the Service. Said Firm, Partnership, or corporation shall have the right to change its REALTOR Principal designee without further charges by the Service, by giving notice of such changes to the Board of Directors of the Service, provided that such change is submitted to the Board of Directors in writing within ninety (90) days of the date of change.

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

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

4.1 APPLICATION FOR PARTICIPATION. Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors of the Service and made available to any REALTOR (Principal) Member of this or any other Association requesting it. The application form shall contain a signed statement agreeing to abide by these Bylaws and any other applicable Rules and Regulations of the Service as from time to time adopted or amended.

4.2 DISCONTINUANCE OF SERVICE. Participants of the Service may discontinue the service by giving the Service thirty (30) days written notice and may reapply to the Service after three (3) months by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid.

4.3 SUBSCRIBERS. Subscribers of the MLS include non-principle brokers, sales associates, and licensed and certified appraisers affiliated with participants. Subscribers also include affiliated unlicensed administrative and clerical staff and personal assistants who are under the direct supervision of an MLS participant or the participant's licensed designee.

4.4 TERMINATION OF SERVICE BY THE BOARD OF DIRECTORS. Should any Participant terminate or be compelled to terminate his membership in the Central Mississippi REALTORS®, his participation and use in the Service will automatically terminate provided the decision of the Board to terminate the individual's membership in the Board is clearly written articulating that the individual will be denied MLS participatory rights or access privileges. Should any Participant be suspended temporarily from membership in the Central Mississippi REALTORS®, the Board of Directors of the Service shall suspend his participation in Service for a commensurate time providing the decision of the Board to terminate the individual's membership in the Board is clearly written articulating the individual will be denied MLS participatory rights and/or access privileges.

4.5 LEAVE OF ABSENCE. Any participant may request a leave of absence from the Service for a maximum of one (1) year per request upon submission of such request in writing to the Board of Directors. The Board of Directors will not be required to grant a leave of absence but will consider each case on its merits. If a Participant is granted a leave of absence, such Participant shall not participate in any of the activities of the Service. Any Participant granted a leave of absence shall surrender possession of his MLS key, and during such leave of absence shall have no listing sent or given to him. The Participant granted a leave of absence may be reinstated upon written request to the Board of Directors. Any sales representative employed by a Participant taking a leave of absence shall be required to take a commensurate leave of absence under like condition.

4.6 VOTING BY SURROGATE. In the event of the absence of a Participant from any meeting of Participants, said Participant shall have the right to designate from within his own firm, partnership or corporation, a REALTOR surrogate, who may speak and vote for the said Participant at the meeting, provided that written notice of such substitution is delivered to the Executive Officer at or before that meeting, and that the notice is signed by the Participant.

ARTICLE V. SERVICE CHARGES

The charges made for participation in the Service shall be as determined, and as amended from time to time by the Board of Directors of the Service, and specified in the Rules and Regulations of the Service.

ARTICLE VI. COMPLIANCE WITH RULES and ENFORCEMENT OF RULES OR DISPUTES

SECTION 1. COMPLIANCE WITH RULES. The following action may be taken for non-compliance with the rules:

A. For failure to pay any service charge or fee within thirty (30) days of the date due, and provided that at least ten (10) days prior notice has been given, the Service shall be suspended until service charges or fees are paid in full.

B. For failure to comply with any other rule, the provisions of Section 2 shall apply.

SECTION 2. ENFORCEMENT OF RULES OR DISPUTES.

A. CONSIDERATION OF ALLEGED VIOLATIONS. The Board of Directors shall give consideration to all written complaints from Participants having to do with a violation of the Rules and Regulations. The Board may adopt rules of procedure and investigation consistent with the provision of due process for all parties.

B. VIOLATIONS OF RULES AND REGULATIONS. If the alleged offense is a violation of Rules and Regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the Board of Directors of the Service, and if a violation is determined, the Board of Directors may direct the imposition of sanction, provided that the recipient of said sanction may request a hearing before the Professional Standards Committee in accordance with the Bylaws of the Association.

C. COMPLAINTS ON UNETHICAL CONDUCT. All other complaints on unethical conduct shall be referred by the Board of Directors of the Service to the Central Mississippi REALTORS® for appropriate action in accordance with the usual procedure under terms of the Bylaws of the Central Mississippi REALTORS®.

ARTICLE VII. OFFICERS AND DIRECTORS

1. The government of the Service shall be vested in its Board of Directors. Directors shall be elected from the Participants of the Service as provided below, but shall serve only after confirmation by majority vote of the Board of Directors of the Central Mississippi REALTORS®..

2. The Board of Directors of the Service shall consist of a President, President-Elect, Treasurer and eight other elected Directors, all of which shall be elected from a slate of nominees presented by the Nominating Committee. The Nominating Committee shall publish its report by mail or electronically to each Participant at least thirty (30) days prior to the annual election; additional nominations may be made by a petition signed by at least five (5) Participants at least ten (10) days prior to the annual election. Said Nominating Committee shall consist of all Past Presidents of the Service who are currently affiliated with an MLS participating firm in any capacity and three (3) Participants at large from the Service appointed by the immediate Past President. The Chairman shall be the immediate Past President and if he is unable to serve, his most recent and available active predecessor shall serve in his stead, and shall appoint the three (3) Participants at large, except that in no case shall a Past President serve as Chairman for two (2) successive years. The election of Directors and Officers shall be held at a duly called meeting of the Participants in August of each year. Each Director shall serve for a two (2) year period, on alternating terms, so that in each year four (4) new Directors shall be elected. The President of the Central Mississippi REALTORS® and the immediate Past President of the MLS Service shall also serve as ex-officio voting members of the Board of Directors of the Service. The Officers and Directors serve without compensation.

3. Any vacancy on the Board of Directors shall be filled by the Participants of the Service for the unexpired portion of the term, by way of a special election called by the Board of Directors at any duly called business meeting, through nominations by the Board of Directors. The Board of Directors shall publish its report of nominees by mail or electronically to each Participant at least five (5) days prior to the election meeting. Any such specially elected Director or Officer shall only hold office following confirmation by majority vote of the Board of Directors of the Central Mississippi REALTORS/

4. It shall be the duty of the Board of Directors to conduct all business of the organization, expend necessary funds, set service charges, and to provide and amend Rules and Regulations for the operation of the Service as the Board deems advisable. The Board of Directors in addition, shall have the authority to arrange for office space and equipment, to employ necessary personnel, and to fix a salary for any employee of the Service.

5. The resignation of any Officer or Director shall be tendered to the Board of Directors and the vacancy filled as in paragraph three (3) above.

6. No Participant shall serve as a member of the Board of Directors of the Service while serving as a member of the Board of Directors of the Central Mississippi REALTORS®, except the President of the Central Mississippi REALTORS®, and the President of the Service.

7. **ELECTORS SUBMITTED TO SHAREHOLDER FOR CONFIRMATION.** When electors for Officers and Directors of the Service for the forthcoming fiscal year have been selected by vote of the Participants of the Service, such electors shall be submitted to the Board of Directors of the Central Mississippi REALTORS® (shareholder) for confirmation pursuant to ARTICLE XVIII, SECTION 4, of the Bylaws of the Central Mississippi REALTORS®. Upon confirmation by the Board of Directors of the Central Mississippi REALTORS® (shareholder), the individuals so elected shall be considered Officers-Elect and Directors-Elect and shall assume their respective offices on January 1st. The term of Office for Officers and Directors of the Service shall be on a calendar year basis. In the event one (1) or more elector(s) is/are not confirmed by the Board of Directors of the Central Mississippi REALTORS® (shareholder), and upon notice of such failure of confirmation, the President of the Service shall select a proposed Participant or Participants as required, subject to confirmation by the Board of Directors, for submission as elector(s) to the Board of Directors of the Central Mississippi REALTORS® (shareholder) to be considered for confirmation to fill the vacancy or vacancies existing.

In the event that electors are not duly and timely provided by the Service the Board of Directors of the Central Mississippi REALTORS®, as provided in these Bylaws, then the Board of Directors of the Central Mississippi REALTORS® shall exercise rights as sole and exclusive shareholder to elect a Participant or Participants of the Service to fill any existing vacancy or vacancies as Officers or Directors of the Service.

ARTICLE VIII. DUTIES OF OFFICERS

1. The President shall preside at all meetings of the Participants and all meetings of the Board of Directors. He shall appoint all committees and serve as an ex officio member of all committees. The President shall, in general, perform such other duties as are normally associated with the position of chief executive officer of a business organization. The President Elect shall preside at meetings in the absence of the President and shall assume the duties of the President in his absences.

The Treasurer shall maintain accurate financial statements of the Service and report at a minimum of quarterly to the Board of Directors.

2. The officers of the Service and/or any other persons authorized to sign checks shall be placed under Bond.

3. The Board of Directors of the service shall be the governing body of the Service

and shall have control of all the affairs of the Service and shall authorize all expenditures of funds. The Board of Directors shall, prior to the end of the next fiscal year, prepare a budget reflecting projected costs and expenses of the Service for the next fiscal year, indicating projected income from all sources. The budget shall be submitted to the Board of Directors of the service not less than sixty (60) days and to the Board of Directors of the Central Mississippi REALTORS® for approval on a date not less than thirty (30) days prior to the first day of the next fiscal year. The Board of Directors shall not incur an obligation in excess of ten percent (10%) over the total budget without the authorization of the Board of Directors of the Central Mississippi REALTORS®, unless such excess is the result of an increase in the volume of listings processed by the Service, over the projected in preparing the annual budget. The Board of Directors may employ and/or contract for such executive, legal and office personnel or services it deems necessary to care for and maintain the properties of the Service and otherwise conduct the administrative business of the Service. The Board of Directors shall have the right to make an audit of all books and accounts at any time without notice. The Board of Directors shall have the power from time to time to adopt such Rules and Regulations that they may deem appropriate subject to final approval of the Board of Directors of the Central Mississippi REALTORS® (shareholder). Except as otherwise provided in these Bylaws, and Rules and Regulations, the actions of the Board of Directors shall be final.

ARTICLE IX. MEETINGS

1. Meetings of the Participants of the Service may be held at such time and place as the Board of Directors shall determine.
2. Special meetings of the Participants of the Service may be called by the President, or by a majority of the Board of Directors, upon at least five (5) days prior written notice mailed to all Participants. Special meetings of the Participants of the Service may also be called by petition signed by at least twenty-five (25) Participants, and delivered to the President for publication of notices as above.
3. A majority of the Participants present and voting at any meeting of the Service shall constitute a quorum for all purposes provided proper notice has been given to each Participant. Only Participants may participate in deliberations of official matters.
4. The Board of Directors of the Service shall meet monthly at a time and place to be determined by the Board of Directors. Special meetings of the Board of Directors may be called by the President, or by any three (3) members of the Board of Directors upon twenty-four (24) hours notice to all members of the Board of Directors. A majority of the members of the Board of directors shall constitute a quorum for all purposes.

ARTICLE X. RULES OF PROCEDURE

The rules of procedure at meetings of the Participants of the Service and the Board of Directors shall be according to Robert's Rules of Order, so far as applicable and when not inconsistent with these Bylaws. The rules of procedure may be suspended by a majority vote of those present and voting at any meeting.

ARTICLE XI. COMMITTEES

The President, with the approval of the Board of Directors, shall create such standing or Ad Hoc Committees as he deems desirable and shall appoint their Members. Each committee shall consist of not less than three (3) Participants in the Service, but may also include other REALTORS, employed by or affiliated as independent contractors with a REALTOR Participant serving as representatives of said REALTOR Participants and with their consent and who may serve either as a chairman or member of a committee.

ARTICLE XII. FISCAL YEAR

The fiscal year of the Service shall commence on January 1st and shall end December 31st.

ARTICLE XIII. AMENDMENTS

1. **AMENDMENTS TO BYLAWS.** Alterations or amendments to these bylaws may be considered at any meeting of the Participants of the Service in accordance and shall become effective if a two-thirds (2/3) majority of the Participants present at such meeting vote in favor of such change in the Bylaws, provided that notice of the substance of the proposed amendment has been mailed or delivered electronically to the Participants at least thirty (30) days prior to the meeting of the Participants. Any changes or amendments to these Bylaws shall be submitted to the Board of Directors of the Central Mississippi REALTORS® for final approval or rejection. When amendments to the Bylaws of the Service have been approved by the Board of Directors of the Central Mississippi REALTORS® (shareholder), said amendments shall be effective immediately or as stated in the amending resolution.

If the proposed amendments to the Bylaws of the Multiple Listing Service fail approval of the Board of Directors of shareholder, the Board of Directors of the Multiple Listing Service shall be informed, and advised that the proposed amendment or amendments to Bylaws be further considered and resubmitted to shareholder as approved by the Participants of the Multiple Listing Service.

2. **AMENDMENTS TO RULES AND REGULATIONS.** Amendments to the Rules and Regulations of the Service shall be by consideration and approval of the Board of Directors of the Multiple Listing Service in accordance with the Provisions of ARTICLE IX, SECTION 4, concerning meetings of the Board of Directors, subject to final approval by the Board of Directors of the Central Mississippi REALTORS® (shareholder).

When approved by the Board of Directors of the Central Mississippi REALTORS®

(shareholders) as described, the amendments of the Rules and Regulations of the Multiple Listing Service shall be effective immediately or as stated in the amending resolution.

If the proposed amendments of the Multiple Listing Service Rules and Regulations fail approval by the Board of Directors of the shareholder, the Board of Directors of the Multiple Listing Service shall be informed and advised that the proposed amendment or amendments must be further considered and resubmitted as approved by the Board of Directors of the Multiple Listing Service to the Board of Directors of the Central Mississippi REALTORS® (shareholder).

3. AMENDMENTS MANDATED BY THE NATIONAL ASSOCIATION OF REALTORS. Any changes to the Model bylaws for local boards and associations, which are approved by the Board of Directors of the NATIONAL ASSOCIATION OF REALTORS, and/or any changes to the Model Multiple Listing Bylaws or Model MLS Rules and Regulations which are so approved by the NATIONAL ASSOCIATION OF REALTORS, and which are noticed by the Central Mississippi as being mandated for verbatim adoption, in amendments to these Bylaws, or Rules and Regulations, and relating to any provision which affects the Association charter or the Association's errors and omissions or liability insurance coverage, may be adopted by the Board of Directors of the Central Mississippi REALTORS® directly, and without necessity of approval by the general membership of the Association, or the Board of Directors or Participants of the Service, by majority vote of the Board of Directors of the Association present and voting, at any regular or special called meeting for which notice is given that Bylaws and/or Rules and Regulations adopted in this manner shall be noticed to the Board of Directors of the service at their next meeting; the Board of Directors of the Service shall then notice all Participants of the changes, by mail, within fifteen (15) days after the said next meeting.

ARTICLE XIV. DISSOLUTION

In the event this Service shall at any time terminate its activities, the Board of Directors of the Service shall consider and adopt a plan of liquidation and dissolution with the approval of the Participants thereof and of the Board of Directors of the Central Mississippi REALTORS® (shareholder). Said plan shall provide for the collection of all assets, the payment of all liabilities, and the remaining portions thereof be assigned to the parent corporation, namely the Central Mississippi REALTORS®, Inc.

ARTICLE XV. SPECIAL NOTICES AND VOTING

Notwithstanding anything hereunto the contrary, any and all actions of the Board of Directors of the Service pertaining to the adoption of Bylaws and Rules and Regulations, shall be subject to the approval of the Participants at a duly called meeting of the Participants. Notice of the action of the Board of Directors shall be given to the Participants at least ten (10) days prior to such duly called meeting except where alterations or amendments to the Bylaws are involved, then, at least thirty (30) days

notice of the Proposed alterations or amendment shall be given to the Participants prior to such duly called meeting. A two-third (2/3) of the Participants present at such meeting must vote in favor of the proposal on Bylaws alterations or amendments in order for the same to become effective.

A majority of the Participants present at such meeting must vote in favor of the proposals on Rules and Regulations in order for the same to become effective. Actions of the Board of Directors of the Service pertaining to the Bylaws and Rules and Regulations shall not become effective until such time as the same have been approved by the Participants as provided herein.

RULES AND REGULATIONS OF THE CENTRAL MISSISSIPPI MLS, INC.

A Wholly owned subsidiary Corporation of the Central Mississippi REALTORS, Inc.

Adopted June 10, 1980, Revised June, 1996, Revised March, 1997, Revised March 17, 1999, Approved by NAR, August, 2001, Approved by General Membership January 2002, Revised May/June, 2003 – Pending Review by NAR, Approved by NAR – August, 2003, Approved by NAR August 2006, Approved by MLS Board of Directors March 2007, JAR Board of Directors March 2007, Approved by Membership December 2007, Approved by Board of Directors 12/09/08 and by Membership March 26, 2009. Approved by NAR April 2009. Revised March, 2010. Approved by NAR May 28, 2009. Amended February 2011. Approved by NAR March 30, 2011. Amended 3/2012. Amended 7/2012. Amended 4/2013. Approved by NAR July 11, 2013. Revised and approved by NAR 02/2016.

PREAMBLE

The Central Mississippi MLS, Inc. hereinafter referred to as the Service, through its Bylaws, has authorized its Board of Directors to develop Rules and Regulations governing the business and operation of the Service, for the benefit of Participants. These Rules and Regulations may be modified or amended by a majority vote of the Board of Directors, or by a two-third (2/3) majority vote of the Participants present at any meeting of the Participants for which at least a five (5) day notice has been given with notice of the substance of the proposed changes. Any changes or amendments to these Rules and Regulations shall be submitted to the Board of Directors of the Central Mississippi REALTORS®, after having been submitted to the Participants, for final approval or rejection, in accordance with the Bylaws of the Service.

SECTION 1. LISTING PROCEDURES

Section 1. Listing procedures: Any and all listings of properties of the following types located within the territorial jurisdiction of the Association of REALTORS taken by participants on an exclusive right to sell and exclusive agency listing form shall be delivered to the Multiple Listing Service within 24 hours, exclusive of Sundays, or holidays, after all necessary signatures of Seller(s) have been obtained.

- (a) Single family homes for sale or exchange.
- (b) Vacant lots and acreage for sale or exchange.
- (c) Two-family, three family and four-family residential buildings for sale or exchange.

(Note 1:) The Multiple Listing Service shall not require a Participant to submit listings on a form other than the form the Participant individually chooses to utilize provided the listing is of a type accepted by the Service, although a "Property Data Form" may be required as approved by the Multiple Listing Service, through its legal counsel:

1. May reserve the right to refuse to accept a listing form which fails to adequately protect the interest of the public and the Participant.
2. Assure that no listing filed with the Multiple Listing Service establishes, directly or indirectly, any contractual relationship between the Multiple Listing Service and the client (buyer or seller).

The Multiple Listing service shall accept exclusive right to sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreements which make it possible for the listing broker to offer cooperation and compensation to the other Participants of the Multiple Listing Service acting as subagent, buyer agent, or both.

The Listing agreement must include the seller's written authorization to submit the agreement to the Multiple Listing Service.

3. The different types of listing agreements include:
 - (a) exclusive right to sell
 - (b) exclusive agency
 - (c) open
 - (d) net

The Service may not accept net listings because they are deemed unethical and, in most states, illegal. Open listings are not accepted except where required by law because the inherent nature of an open listing is such as to usually not include the power to cooperate and compensate other brokers and inherently provides a disincentive for cooperation.

The exclusive right to sell listing is the conventional form of listing submitted to the Multiple Listing Service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.

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

regardless of type will be included in data feeds (unless a participant withholds consent for such transmission), except that the Service may exclude from such data feed any listing where both the following conditions are present:

- a. the listed property's street address or a graphic display of the property's specific location will be displayed to the public; and
 - b. the seller displays on the property a "for sale by owner" sign or other sign or notice indicating that the seller is soliciting direct contact from buyers.
- (02/2013)

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

(Note 3: A Multiple Listing Service may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the MLS compilation of current listings.)

TYPES OF PROPERTIES: The following are some types of properties that may be handled through The Service, including types described in the preceding paragraph that are required to be filed with The Service and other types that may be filed with The Service at the Participant's option provided, however, that any listing submitted is entered into within the scope of the Participant's licensure as a real estate broker.

1. Residential
2. Residential Income
3. Subdivided Vacant Lot
4. Land and Ranch
5. Business Opportunity
6. Motel-Hotel
7. Mobile Homes
8. Mobile Home Park
9. Commercial Income
10. Industrial

Section 1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE: Any listing taken on a contract to be filed with the Multiple Listing Service is subject to the Rules and Regulations of The Service upon signature of the seller(s). The Service has the right to request a copy of the listing agreement and/or property data form at anytime. In the event the Service requests this information, it must be submitted immediately or within twenty-four hours of notification to Participant.

Section 1.2. DETAIL ON LISTINGS FILED WITH THE SERVICE: A Listing Agreement or Property Data Form, when filed with the Multiple Listing Service by the listing broker, shall be complete in every detail.

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

- a. Arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s) (04/13)
- b. accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s).
- c. advise the seller(s) as to the merits of offers to purchase
- d. assist the seller(s) in developing, communicating, or presenting counter-offers
- e. participate on the seller's(s') behalf in negotiations leading to the sale of the listed property

will be identified with the words Limited Service in the REALTOR Remarks and/or with an appropriate code or symbol (LS) specified in the MLS compilations so potential cooperating brokers will be aware of the extent of the service the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property. (Adopted 5/01)

Section 1.3 EXEMPTED LISTINGS (OFFICE EXCLUSIVES): (a) If the seller refuses to permit the listing to be disseminated by The Service, the Member may then take the listing ("office exclusive") and such listing shall be filed with The Service but not disseminated to the Participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by The Service. (b) The Board of Directors may set a reasonable filing fee for an exclusive listing.

Section 1.4 CHANGE OF STATUS OF LISTING: Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with The Service within twenty-four (24) hours (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing broker.

Section 1.5 WITHDRAWAL/CANCELLATION OF LISTING PRIOR TO EXPIRATION: A property may be placed in WITHDRAWN status during the term of the listing agreement while a temporary circumstance occurs resulting in the seller not wanting the property shown. All terms of the listing agreement are still intact; however, the listing

has been removed from Active compilations in the MLS. Examples: renovations being performed, illness of homeowner or occupant. When the temporary circumstance has ended, the listing broker may put the property BACK ON MARKET in accordance with the terms of the listing agreement. Sellers do not have the unilateral right to require an MLS Participant to withdraw a listing without the listing broker's concurrence. Withdrawal of a listing from the MLS with the seller's consent after the seller has accepted a purchase offer does not relieve the listing broker of the obligation to report the sale and sales price. (12/11)

A listing should be placed in CANCELLED status in MLS upon the termination of the listing agreement between the Broker and Seller prior to the expiration date. The Multiple Listing Service may cancel a listing at the request of a seller when a seller can document that his exclusive relationship with the listing broker has been terminated.

Sellers do not have the unilateral right to require an MLS Participant to cancel a listing. If a broker chooses not to cancel a listing agreement at the request of a seller prior to the expiration date, the listing Broker may use the WITHDRAWN status until the listing agreement expires. Cancellation of a listing agreement after the seller has accepted a purchase offer does not relieve the listing broker of the obligation to report the sale and sales price, unless the seller has directed the listing broker not to disclose the information in MLS. (12/11)

Section 1.6 CONTINGENCIES APPLICABLE TO LISTINGS: Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants. Definition of contingent: A contract for the purchase has been executed between a buyer and seller but is contingent upon one or more stipulations such as: first right of refusal or items remaining negotiable including, but not limited to property inspections or repairs. Contingent listings are included in those syndicated to public web sites.

Section 1.7 LISTING PRICE SPECIFIED: The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings, unless the property is subject to auction.

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

Section 1.9 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS: The Multiple Listing Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Multiple Listing Service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and nonparticipants.

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

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

If notice of renewal or extension is received after the expiration date of the original listing, then a new listing must be secured for the listing to be filed with The Service. It shall then be published as a new listing. Any extension or renewal of a listing must be signed by the Seller(s) and be filed with The Service.

Section 1.11 PHOTOS. (a). At least one photo must be uploaded to MLS within fourteen (14) days of the Listing Date except where sellers expressly direct that a photograph of their property not to appear in MLS compilations. (5/10). (b). The cloning or reusing of any photos in MLS for marketing purposes, including virtual tours, is prohibited unless cloned within the same company in which the listing agent who created the photos is associated, or with permission from the listing agent if outside the company (4/09). (c.) Photos taken for MLS use and distribution shall not include any signage other than subdivision entrance sign and/or subdivision amenities. (04/13)

Section 1.12 TERMINATION DATE ON LISTINGS: Listings filed with The Service shall bear a definite and final termination date as negotiated between the listing broker and the Seller.

Section 1.13 JURISDICTION: Only listings of the designated types of property located within the jurisdiction of MLS are required to be submitted to The Service. Listings of property located outside the MLS jurisdiction will be accepted if submitted voluntarily by a participant, but it cannot be required by The Service.

Section 1.14 LISTINGS OF SUSPENDED PARTICIPANTS: When a Participant of The Service is suspended from the MLS for failing to abide by a membership duty (i.e. violation of the Code of Ethics, Association Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligation except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended Participants shall, at the Participant's option, be retained in The Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the Association (except where MLS participation without

Association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, an Association MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing information. Prior to any removal of a suspended Participant's listings from the MLS, the suspended Participant should be advised, in writing, of the intended removal so that the suspended Participant may advise his clients.

Section 1.15 LISTING OF EXPELLED PARTICIPANTS: When a Participant of The Service is expelled from the MLS for failing to abide by a membership duty (i.e. violation of the Code of Ethics, Association Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS shall, at the expelled Participant's option, be retained in The Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a Participant has been expelled from the Association (except where MLS participation without Association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an Association MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised, in writing, of the intended removal so that the expelled Participant may advise his clients.

Section 1.16 LISTING OF RESIGNED PARTICIPANTS: When a Participant resigns from MLS, or is granted a leave of absence, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of a resigned Participant's listings from the MLS, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise his clients.

Section 1.17. The Cumulative Days on Market (CDOM). Rules that prompt the MLS system to automatically calculate Cumulative Days on Market. Applies ONLY to **Expired, Withdrawn and Cancelled** statuses. (8/2010)

STATUS: Expired

RULE: New Listing Office

Listing Expired with previous office **less than 60 days** ago
***CDOM** created by adding DOM from previous listing
Listing entered with new MLS #

RULE: Listing expired with previous office **more than 60 days** ago
Listing will be entered with a new MLS # and DOM starts
No CDOM

RULE: Same Listing Office

Listing Expired with previous office **less than 60 days ago**
Listing must be put Back on Market (BOM) keeping the same
MLS # with DOM continuing
No CDOM

RULE: Listing expired with previous office more than 60 days ago

Listing will be entered with a new MLS # and DOM starts
No CDOM

STATUS: Withdrawn (temporary status during term of listing agreement)

Days on Market (DOM) do not accumulate while a property is in the WITHDRAWN status since it is not among active listings. If a property is left in withdrawn status and passes the expiration date of the listing agreement, the listing will automatically expire and the expired status CDOM rules will apply. (MLS Rules 1.5)

STATUS: Cancelled (listing agreement between broker and seller is terminated)

RULE: New Listing Office

Listing was cancelled **less than 60 days ago**
*CDOM is created by adding DOM from previous listing
Listing is entered with a new MLS#

RULE: Listing was cancelled more than 60 days ago

Listing will be entered with a new MLS # and DOM will start
No CDOM

RULE: Same Listing Office

Listing was cancelled **less than 60 days ago**
Listing must be put Back on Market (BOM) keeping the same MLS # and
DOM continues: No CDOM

RULE: Listing was cancelled more than 60 days ago

Listing will be entered with new MLS# and DOM will start
No CDOM

II. SELLING PROCEDURES

Section 2. SHOWING AND NEGOTIATIONS: Appointments for showings and negotiations with the Seller for the purchase of listed property filed with the Multiple Listing Service shall be conducted through the listing broker except under the following circumstances:

- (a) the listing broker gives the cooperating broker specific authority to show and/ or negotiate directly, or
- (b) after reasonable effort, the cooperating broker cannot contact the listing

broker or his representative; however, the listing broker, at his option, may preclude such direct negotiations by the cooperating broker.

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

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

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

Section 2.3 RIGHT OF COOPERATING BROKER IN PRESENTATION OF OFFER: The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

Section 2.4 RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER-OFFER: The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 2.5 REPORTING SALES TO THE SERVICE: Status changes, including final closing of sales and sales prices, shall be reported to the Multiple Listing Service by the Listing Broker within 24 hours after they have occurred. If negotiations were carried on under Section 2 (a) or (b) hereof the cooperating broker shall report accepted offers and prices to the listing broker within 24 hours after occurrence and the listing broker shall

report them to the MLS within 24 hours after receiving notice from the cooperating broker (11/11).

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

Note 2: In disclosure states, if the sales price of a listed property is recorded, the reporting of the sale price may be required by the MLS.

In states where the actual sales prices of completed transactions are *not* publicly accessible (such as Mississippi), failure to report sale prices *can* result in disciplinary action only if the MLS:

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

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property) and to confirm the accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing services to participants and subscribers. In any instance where a governmental body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sales prices. (adopted 11/11).

Note 3: Regarding confidentiality...as established in the Virtual Office Website ("VOW") policy, sales prices can only be categorized as confidential in states (such as Mississippi) where the actual sale prices of completed transactions are *not* accessible from public records. (Adopted 11/11).

Section 2.6 REPORTING RESOLUTIONS OF CONTINGENCIES: The listing broker shall report to the Multiple listing Service within 24 hours that a contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the agreement canceled.

Section 2.7 ADVERTISING OF LISTING FILED WITH THE SERVICE: A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker.

Section 2.8 REPORTING CANCELLATION OF PENDING SALE: The listing broker shall report immediately to the Multiple Listing Service the cancellation of any pending sale, and the listing shall be reinstated immediately.

Section 2.9 DISCLOSING THE EXISTENCE OF OFFERS: Listing brokers, in response to inquiries from buyers or cooperating brokers, shall, with the seller's approval, disclose the existence of offers on the property. Where disclosure is authorized, the listing broker shall also disclose, if asked, whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a cooperating broker. (Adopted 11/05)

Section 2.10 AVAILABILITY OF LISTED PROPERTY: Listing brokers shall not misrepresent the availability of access to show or inspect listed property. (Adopted 11/05)

Section 2.11 BACK UP CONTRACT: Where a backup contract is desired, the property shall be reported Sold Pending with the contingency noticed to the participants.

III. REFUSAL TO SELL

Section 3.1 If the seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to The Service and to all Participants.

IV. PROHIBITIONS

Section 4. INFORMATION FOR PARTICIPANTS ONLY: Any listing filed with The Service shall not be made available to any broker or firm not a member of the MLS without the prior consent of the listing broker.

Section 4.1 "FOR SALE" SIGNS: Only the "For Sale" signs of the listing broker may be placed on the property.

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

Section 4.3 SOLICITATION OF LISTING FILED WITH THE SERVICE: Participants

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

(Note 1. This section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4. This section is intended to encourage sellers to permit their properties to be filed with The Service by protecting them from being solicited, prior to the expiration of the listing, by brokers and salespersons seeking the listing upon its expiration.

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

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

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

Section 4.4 LISTING SUBSEQUENT TO AN EXPIRED LISTING: Participants should exercise care in taking new listings on properties that have been previously listed, but expired, to take into account the protection period reservation, if any, contained in the prior listing, to exempt from the new listing those prospects preempted in such reservation, so that an owner is not put in jeopardy of owing two sales commissions.

V. DIVISION OF COMMISSIONS

Section 5. COMPENSATION SPECIFIED ON EACH LISTING: The listing broker shall specify, on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in

the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. (11/98)

In filing a property with the Multiple Listing Service of an Association of REALTORS, the Participant of The Service is making a blanket unilateral offer of compensation to the other MLS Participants, and shall therefore specify on each listing filed with The Service, the compensation being offered to the other MLS Participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell. (11/96)

The listing broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents or in any other agency or nonagency capacities defined by law) which may be the same or different. (11/96)

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

1. by showing a percentage of the gross selling price
2. by showing a definite dollar amount. (5/10)

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

Note 1: The Association's Multiple Listing Service shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Association Multiple Listing Service shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a Participant. The Association's Multiple Listing Service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

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

Note 3: The Multiple Listing Service shall make no rule on the division of commissions between Participants and nonparticipants. This should remain solely the responsibility of the listing broker.

Note 4: Multiple Listing Services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval; and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction. (adopted 5/10).

Note 5: Nothing in these MLS rules precludes a listing participant and a cooperating participant, as a matter of mutual agreement, from modifying the cooperative compensation to be paid in the event of a successful transaction. (Adopted 11/05).

Note 6: Multiple Listing Services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers; where the sale price is insufficient to pay the total of all liens and costs of sale; and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. In any instance where a participant discloses a potential short sale, they must also communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers. (Adopted 5/09)

Section 5.0.1: Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing participants.

When disclosed, participants may advise other participants whether and how any reduction in the gross commission established in the listing contract, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants. (5/09)

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

Section 5.2 PARTICIPANT AS PURCHASER: If a Participant or any licensee (including licensed or certified appraiser) affiliated with a Participant wishes to acquire an interest in property listed with any other Participant, such contemplated interest shall be disclosed in writing to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

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

VI. SERVICE CHARGES

Section 6.1 SERVICE FEES AND CHARGES: The following service charges for the operation of the Multiple Listing Service are in effect to defray the costs of The Service and are subject to change from time to time in the manner prescribed:

(a) Initial Participation Fee: An applicant for participation in The Service whose offices are within the jurisdiction of the Association shall pay an application fee of \$500.00 with such fee to accompany the application. The amount of such fee may be changed by the Board of Directors and shall approximate the cost of establishing service to the new Participant and his office.

(b) Recurring Fees. Any service charges, fees, fines, or invoices shall be collectible through the Subscriber. Although the recurring fees are collected from the Subscriber, the ultimate responsibility for delinquent dues, fees and charges is that of the participant. (See Section 7.1) If Subscriber is denied access for failure to pay and reactivates at any future date, Subscriber must pay all outstanding fees before reactivation. MLS recurring fees are due on the first day of each quarter in the amount of \$180 on January 1 for January, February and March; on April 1 for April, May and June; on July 1 for July, August and September; and October 1 for October, November and December. (See Section 7.1.1 Enforcement of Rules for procedures regarding late payments.)

Dues/assessments begin the date the Mississippi license is issued to the

Participant. The Designated REALTOR® is required to notify the Service of new licensees immediately through the completion of the Licensee Status form and the receipt of a copy of the licensee's wall license. Designated REALTORS® must notify the Service of all licensee changes, including, but not limited to: additions, drops, transfers and address changes. Failure to submit an accurate list of licensees and failure to notify the Service of license changes within 30 days will result in the Designated REALTOR® being responsible for all fees covering licensees that were not accurately reported within 30 days of licensure.

The monthly participation fee of each participant shall be an amount equal to \$60.00 times each salesperson and licensed or certified appraiser who has access to and use of the Service, whether licensed as a broker, sales licensee, or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such Participant. In addition to the monthly participation fee a monthly office participation fee may be an amount equal to \$60.00 times each office. The monthly participation fee is collected quarterly in the amount of \$165 per quarter as outlined in paragraph 1 above.

The monthly participation fee for authorized subscribers other than those named in the paragraph above shall be an amount established annually by the Board of Directors.

(c) Listing Filing Fees: It shall be optional with the Board of Directors to establish and fix filing fees for listings submitted to The Service and/or Exclusive Right to Sell Agreements and Exclusive Agency Agreements reported to The Service as in Section 2.3.

(d) Computer & Data Handling Service Fee: The Board of Directors may establish and assess computer and data handling service fees to those Participants who utilize such service.

VII. COMPLIANCE WITH RULES

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

- a. a letter of warning
- b. a letter of reprimand
- c. attendance at MLS orientation or other appropriate course or seminars which participant or subscriber can reasonably attend taking into consideration cost, location and duration.
- d. appropriate, reasonable fine not to exceed \$15,000

- e. suspension of MLS rights, privileges and services for not less than thirty (30) days nor more than one (1) year
- f. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

Note: A participant (or user/subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a participant (or user/subscriber, where appropriate) is placed on probation the discipline is held in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS rules during the probationary period may, at the discretion of the Board of Directors, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and the individual's record will reflect the fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance. (Revised 05/2014)

Section 7.1 The following action may be taken for noncompliance with the rules:

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

Note: Generally, warning, censure, and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the rules and regulations of the multiple listing service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service. If the MLS desires to establish a series of moderate fine, they should be clearly specified in the rules and regulations. (See MLS Violation and Fine Structure following Section 19 of these Rules.)

(See **Section 20.** MLS Violation and Fine Structure incorporated herein).

Section 7.1.1 LATE PAYMENTS: Participants shall be responsible on the first day of each quarter (January 1, April 1, July 1 and October 1) for the recurring participation fee for office or offices, established as in 6.1 (b). As a courtesy to the Participants, the fees are collectible through the Subscribers. If Subscriber fails to pay the service charge, fees, fines or invoices by the due date, MLS access will be denied the subscriber until payment is made. The Participant will be notified in writing or electronically that they have 30 days from the original due date to pay the Participants and/or Subscribers fees. Should the Participant fail to pay any outstanding invoices after 30 days, service will

be discontinued to the Participant and the Participation terminated in accordance with due process procedures adopted by the Board of Directors, and pursuant to Article six (6) Section 1, par. (a) of the bylaws of The Service.

Section 7.1.2 REINSTATEMENT AFTER TERMINATION: A Participant who has been terminated in accordance with the Bylaws, and wishes reinstatement to The Service, must apply for new membership and pay the Initial Participation fee upon approval of his application. A Participant who has been suspended may be reinstated by the Board of Directors upon payment in full of charges assessed to him during the time the Participant was active, plus the current quarter's charges for The Service.

Section 7.1.3 LICENSEES EXEMPT FROM CHARGES: The Board of Directors may, upon notarized request, exempt from fee charges and from distribution any licensed individual who in no manner uses any data published by The Service. Each Participant shall submit a roster of all licensed agents operating under his office(s), listing the status of each, as to whether he or she is active in participation in The Service or exempt under conditions set forth above.

VIII. MEETINGS

Section 9. MEETINGS: The meetings of the Participants of The Service or the Board of Directors of The Service for transaction of business of The Service shall be held in accordance with the provisions of Article IX, Bylaws of The Service.

IX. ENFORCEMENT OF RULES Or DISPUTES.

Section 9. CONSIDERATION OF ALLEGED VIOLATIONS: The Board of Directors shall give consideration to all written complaints from Participants having to do with a violation of the Rules and Regulations. The Board may adopt rules of procedure and investigation consistent with the provisions of due process for all parties.

Section 9.1 VIOLATIONS OF RULES AND REGULATIONS: If the alleged offense is a violation of Rules and Regulations of The Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the Board of Directors of The Service, and if a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of said sanction may request a hearing before the Professional Standards Committee of the Association of REALTORS for a hearing by the Professional Standards Committee in accordance with the Bylaws and Rules and Regulations of the Association of REALTORS within twenty (20) days following receipt of the Directors' decision. If the Board of Directors of The Service has a procedure established to conduct hearings, any appeal of the decision of the Board of Directors of The Service may be appealed to the Board of Directors of the Association.

9.2 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints on unethical conduct shall be referred by the Board of Directors of The Service to the Association of

REALTORS for appropriate action in accordance with the Professional Standards Procedures established in the Bylaws of the Central Mississippi REALTORS®, Inc.

X. PUBLICATION AND INFORMATION

Section 10. CONFIDENTIALITY OF MLS INFORMATION: Any information provided by the Multiple Listing Service to the Participants shall be considered official information of The Service. Such information shall be considered confidential and exclusively for the use of Participants and real estate licensees affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such participants.

Section 10.1 MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION:

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

Section 10.2 ACCESS TO COMPARABLE AND STATISTICAL INFORMATION:

REALTORS who are actively engaged in real estate brokerage, management, appraising, land development, or building, but who do not participate in MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS, including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association members and individuals affiliated with these members who are also engaged in the real estate business and may not be transmitted, retransmitted, repackaged for profit or commercial uses or provided in any manner to any unauthorized individual, office, firm or entity except as otherwise specified in the MLS Rules and Regulations.

XI. OWNERSHIP OF MLS COMPILATION* AND COPYRIGHTS

Section 11. By the act of submitting any property listing content to the MLS the Participant represents that he has been authorized to grant and also thereby does grant authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property. (5/06)

Note: The Digital Millennium Copyright Act (DMCA) is a federal copyright law that enhances the penalties for copyright infringement occurring on the Internet. The law provides exemptions or "safe harbors" from copyright infringement liability for online service providers (OSP) that satisfy certain criteria. Courts construe the definition of

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

To qualify for this safe harbor, the OSP must:

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

Full compliance with these DMCA safe harbor criteria will mitigate an OSP's copyright infringement liability. For more information see 17 U.S.C. 512. (1/2016)

Section 11.1 All right, title, and interest in each copy of every Multiple Listing Compilation created and copyrighted by the Central Mississippi REALTORS®, and in the copyrights therein, shall at all times remain vested in the Central Mississippi REALTORS®.

Section 11.2 Each Participant shall be entitled to lease from the Central Mississippi REALTORS®, a number of copies of each MLS Compilation sufficient to provide the Participant and each person affiliated as a licensee with such Participant with one copy, the rental fee set by the Association.

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

*The terms MLS Compilation, as used in Section 10 and 11 herein, shall be construed to include any format in which property listing data is collected and disseminated to the Participants, including, but not limited to, bound book, loose-leaf binder, computer data base, card file, or any other format whatever.

XII. USE OF COPYRIGHTED MLS COMPILATION

Section 12. DISTRIBUTION: Participants shall at all times maintain control over and responsibility for each copy of any MLS Compilation leased to them by the Association of REALTORS, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed or published by a Board Multiple Listing Service where access to such information is prohibited by law.

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

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

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

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties other than that in which the prospective purchaser has expressed interest, or in which the Participant or the affiliated licensees are seeking to promote interest, does not appear on such reproduction.

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any MLS content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information deemed confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations. (Amended 05/2014)

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

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

XIII. USE OF MLS INFORMATION

Section 13. LIMITATIONS ON USE OF MLS INFORMATION FOR MARKET SHARE

Information from MLS compilations of current listing information, from statistical reports, and from any sold or comparable report of the Association or MLS may be used by MLS Participants as a basis for aggregated demonstrations of market share or comparisons of firms in public mass-media advertising or representations. This authority does not convey the right to include in any such advertising or representation information about

specific properties which are listed with other Participants, or which were sold by other Participants (as either listing or cooperating broker).

However, any print or non-print forms of advertising or other forms of public representation based in whole or part on information supplied by the Association or its MLS must clearly demonstrate the period of time over which such claims are based and include **ALL** search criteria used to create the claim. Further, the following statement, or substantially similar notice must appear with the claim:

*“Based on information from the Central Mississippi MLS, Inc.. for the period of time (date) through (date) and upon (include **ALL** search criteria).”* (Amended 3/09)

XIV. CHANGES IN RULES AND REGULATIONS

Section 14. Amendments to the Rules and Regulations of The Service shall be by consideration and approval of the Board of Directors and the Participants of the Multiple Listing Service, in accordance with the provisions of Article XIII, Section 2, and of Article XV, Bylaws of The Service, subject to final approval by the Board of Directors of the Central Mississippi REALTORS® (shareholder).

XV. LOCK BOX RULES AND REGULATIONS

Section 15.1 LOCK BOX RULES: The Service shall adopt and follow policies for the regulation of the use of lock boxes by the Participant consistent with Minimum Security Measures for Common Lock Box systems as adopted by the National Association of REALTORS.

Central Mississippi Inc. shall be the exclusive provider of the MLS approved lockbox system. The only MLS approved lockboxes supported by the MLS are the SUPRA BTLE lockboxes. If a lockbox is indicated in the MLS as the method of access by real estate professionals, it must be the the MLS approved SUPRA BTLE lockbox.

This rule does not require the use of a SUPRA lockbox nor preclude the use of other types of lockboxes or additional lockboxes authorized by the seller, including combination boxes or contractor boxes.

If a seller denies the benefits of the MLS-approved SUPRA lockbox and prefers a contractor, combination or other access device, the listing agent must make the selection among those in MLS that provide timely access for showing but will not have the option of “non-MLS lockbox”. The term “lockbox” in MLS denotes the MLS approved-SUPRA lockbox. Timely access is defined by the Board of Directors as not more than 24 hours. (1/2016).

NAR Policy Statement 7.31 (10): MLSs may, as a matter of local option, require placement of an MLS approved lock box on listed properties if any device giving access to real estate professionals and/or service providers is authorized by the seller and occupant and is placed on the property. The purpose of this requirement, if adopted by

an MLS, is to ensure cooperating participants and subscribers have timely access to listed properties. Requiring that a lock box or other access device be “MLS-approved” does not limit the devices that satisfy the requirement to lock boxes leased or sold by an association or MLS. The MLS may require that the devices be submitted in advance for approval, and the access device may be any lock box or other access device that provides reasonable, timely access to listed property. The MLS also may revoke the approval an/or subject the participant to discipline if the device is used in a manner that fails to continue to satisfy this requirement. (Adopted 05/12)

15.2 OWNER'S RIGHT OF REFUSAL: Nothing shall prevent an owner's right to refuse to have a lock box on his property, or a Participant's right to decline to use lock boxes on properties listed by his office, or to carry a key.

Section 15.3 KEY AGREEMENTS: The Board of Directors may adopt and approve Key Lease Agreements for use between The Service and Participants (Participants' licensed agents and affiliates who are authorized to hold lock box keys), for the protection of The Service and property owners, and consistent with Section 15.1 above.

Section 15.4. AFFILIATE KEYHOLDERS: Affiliate members of the Central Mississippi REALTORS® who are licensed by the State of Mississippi as Home Inspectors may be issued MLS keys upon signing the key lease agreement and paying all appropriate affiliate application and membership fees and key costs. It is the obligation of the affiliate keyholder to follow all applicable MLS rules and are bound by all compliance and enforcement duties.

It is the responsibility of the affiliate keyholder to coordinate through the Buyer's Agent all appointments to gain access to the property for which a home inspection has been scheduled.

XVI. ORIENTATION

Section 16. Any application for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided. (Amended 11/04)

Participants and Subscribers may be required at the discretion of the MLS, to complete training in addition to Orientation of not more than four classroom hours in any twelve month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancement and/or changes to MLS rules or policies. Participants and Subscribers must be given the opportunity to complete any mandated additional training remotely. (11/09).

XVI. INTERNET DATA EXCHANGE (IDX)

Section 18 – IDX Defined: IDX affords MLS Participants the ability to authorize limited electronic display of their listings by other participants. (Amended 5/12)

Access to MLS databases, or any part of such databases, may not be provided to any person or entity not expressly authorized such access under the MLS rules. (11/09)

Section 18.1 – Authorization: Participants' consent for display of their listings by other participants pursuant to these rules and regulations **is presumed** unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display. (Amended 05/12)

Section 18.2 – Participation: Participation in IDX is available to all MLS Participants who are REALTORS who are engaged in real estate brokerage and who consent to display of their listings by other Participants. (11/09)

Section 18.2.1 Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. (Amended 05/12)

Section 18.2.2 MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. (Amended 05/12).

Section 18.2.3 Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their listing or the listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs). (Amended 05/12)

Section 18.2.4 Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location ("uptown", "downtown", etc), list price, type of property, (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right to sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each Participant.

Section 18.2.5 Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every 12 hours. (Amended 11/2014)

Section 18.2.6. Except, as provided in the IDX policy and these rules, an IDX site or a participant or user operating an IDX site or displaying IDX information as otherwise

permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity. (Amended 05/12)

Section 18.2.7 Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, “control” means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules. (Amended 05/12)

Section 18.2.8. Any IDX display controlled by a participant or subscriber that

- a. Allows third-parties to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. Displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing, either or both of those features shall be disabled or discontinued for the seller’s listings at the request of the seller has elected to have one or both of these features disabled or discontinued on all a participant’s IDX display may communicate the participant’s professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. (Adopted 05/12)

Section 18.2.9. Participants shall maintain a means (e.g., email address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. (Amended 05/12)

Section 18.2.10 An MLS participant (or where permitted locally, an MLS subscriber) may co-mingle the listing of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules., and the MLS participant (or MLS subscriber) hold participatory rights in those MLSs. As used in this policy, “co-mingling” means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that participants may display listings from each IDX feed on a single webpage or display. (Adopted 11/2014)

Section 18.2.11. Participants shall not modify or manipulate information relating to other participant’s listings. MLS Participants may augment their IDX display of MLS data with applicable property from other sources to appear on the same webpage or display, clearly separated by the data supplied by the MLS. The source (s) of the

information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all the available listings or fewer authorized fields. (1/2016)

Section 18.3 – Display: Display of listing information pursuant to IDX is subject to the following rules:

Section 18.3.1 – Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS participants and users (e.g., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed. (Amended 05/12)

Section 18.3.1.1 - The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed. (Amended 05/12)

Section 18.3.3 – All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data. Displays of minimal information (e.g., “thumbnails”, text message, “tweets”, etc. of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 05/12)

Section 18.3.4 – All listings displayed pursuant to IDX shall identify the listing agent.

Section 18.3.5 – Non-Principle brokers and sales licensees affiliated with IDX Participants may display information available through IDX on their websites subject to their participant's consent and control and the requirements of state law and/or regulation.

Section 18.3.6 – Deleted November 2006

Section 18.3.7 – All listings displayed pursuant to IDX shall show the MLS as the source of the information. Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 5/12)

Section 18.3.8 – Participants (and their affiliated licensees, if applicable) shall indicate on their website that IDX information is provided exclusively for consumers’ personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this

requirement but only when linked directly to a display that includes all required disclosures. (Amended 5/12)

Section 18.3.9 – The data consumers can retrieve or download in response to an inquiry shall not be fewer than 100 listings or five percent (5%) of the listings available for IDX display, whichever is fewer. (11/09)

Section 18.3.10 – The right to display other Participants' listings pursuant to IDX shall be limited to a Participant's office(s) holding participatory rights in this MLS.

Section 18.3.11 Listings obtained through IDX feeds from REALTOR® Association MLSs where the MLS Participant holds participatory rights must be displayed separately from listings obtained from other sources. Listings obtained from other sources (e.g., from other MLSs, from non-participating brokers, etc.) must display the source from which such listing was obtained. Displays of minimal information (e.g. “thumbnails”, text messages, “tweets”, etc., of two hundred (200) characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 11/2014)

Note: An MLS participant (or where permitted locally, an MLS subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS subscriber) holds participatory rights in those MLSs. As used in this policy, “co-mingling” means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search result page; and that participants may display listings from each IDX feed on a single webpage for display. (Adopted 11/2014)

Section 18.3.12 – Display of expired, withdrawn and sold listings* is prohibited. (Amended 12/2015)*

Section 18.3.13 Display of seller's(s') and/or occupant's (s') name(s), phone number(s) and email address(es) is prohibited.

Section 18.4 – Service Fees and Charges: Service fees and charges for participation in IDX shall be as established annually by the Board of Directors.

SECTION 19. MLS RULES RELATED TO VOWS

Note: Adoption of Sections 19.1 through 19.14 is required.

Section 19.1

(a): A Virtual Office Website (“VOW”) is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first

* Note: If “sold” information is publicly accessible, display of “sold” listings may not be prohibited. (Adopted 11/2014)

established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.

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

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

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

Section 19.2

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

(b) Subject to the provisions of the VOW Policy and these Rules, a Participant's VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange ("IDX").

(c) Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW.

Section 19.3

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

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

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

(iii) The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password.

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

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

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

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

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

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

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

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

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

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

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

Section 19.4: A Participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

Section 19.5: A Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of MLS Listing Information. A Participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

(NOTE: MLSs may adopt rules requiring Participants to employ specific security measures, provided that any security measure required does not impose obligations greater than those employed by the MLS.)

Section 19.6

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

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

Seller Opt-Out Form

1. Please check either Option a or Option b

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

OR

b. I have advised my broker or sales agent that I do not want the address of

the listed property to be displayed on the Internet.

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

initials of seller

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

Section 19.7:

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

(b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 19.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller."

Section 19.8: A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 19.9: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 19.10: Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

Section 19.11: A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 19.12: A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 19.13: A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies.

Section 19.14: A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

Section 19.15: A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:

a. Expired and withdrawn listings.

Note: Due to the 2015 changes in IDX policy and the requirement that participants are allowed to use MLS listing information through all delivery mechanisms when providing brokerage services, MLSs can no longer prohibit the display of pending (under contract) listings to the Registrants of a participating's VOW. (1/2016)

b. The compensation offered to other MLS Participants.

c. The type of listing agreement, i.e., exclusive right to sell or exclusive agency.

d. The seller's and occupant's name(s), phone number(s), or e-mail address(es).

e. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.

f. Sold information

Section 19.16: A Participant shall not change the content of any MLS Listing Information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS Listing Information with additional information not otherwise prohibited by these Rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS Listing Information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields.

Section 19.17: A Participant shall cause to be placed on his or her VOW a notice indicating that the MLS Listing Information displayed on the VOW is deemed reliable but is not guaranteed accurate by the MLS. A Participant's VOW may include other

appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

Section 19.18: A Participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

Section 19.19: A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 (one hundred) current listings and not more than 0 (zero) sold listings in response to any inquiry.

(Note: The number of listings that may be viewed, retrieved, or downloaded should be specified by the MLS in the context of this rule but may not be fewer than 100 (one hundred) listings or 5% of the listings in the MLS, whichever is less.)

Section 19.20: A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 (ninety) days.

(Note: The number of days passwords remain valid before being changed or reconfirmed must be specified by the MLS in the context of this rule and cannot be shorter than 90 days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.)

Section 19.21: A Participant may display advertising and the identification of other entities ("co-branding") on any VOW the Participant operates or that is operated on his or her behalf. However, a Participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this Section, co-branding will be presumed not to be deceptive or misleading if the Participant's logo and contact information (or that of at least one Participant, in the case of a VOW established and operated on behalf of more than one Participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all Participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

Section 19.22: A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

Section 19.23: A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.

Section 19.24: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 19.25: Where a seller affirmatively directs their listing broker to withhold either

the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within 48 hours.

SECTION 20:

MLS Violation and Fine Structure - made part of and incorporated into the MLS Rules. Rules are changed as needed as approved by the MLS Board of Directors and noticed to Participants and Subscribers.

Central Mississippi MLS, Inc.

MLS VIOLATION AND FINE STRUCTURE
Section 20 of the MLS Rules and Regulations

Effective September 1, 2008; Last Amended November 2013; Approved By NAR July, 2013; Approved by NAR July 2014, Amended July, 2015. Revised and approved by NAR 02/2016.

Download from Paragon homepage under Resources.

INTRODUCTION

By becoming and remaining a **Participant** or **Subscriber** in the MLS, each agrees to be subject to the rules and regulations and any other MLS governance provision. The **MLS Participant** (principal broker who applied for MLS Participation), however, is the member of MLS and the individual held responsible and sanctioned if violations occur even through the acts of their agents, who are MLS Subscribers.

If an alleged offense is a violation of the rules and regulations of the MLS and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered by the MLS Board of Directors, and if a violation is determined the Board may direct the imposition of a sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the bylaws within twenty (20) days following the receipt of the Board's decision. (12/2015)

Category 1 violations are minor in nature and carry a 72-hour grace period for correction prior to a \$100 fine being imposed on the Participant.

Category 2 violations are serious in nature and carry an automatic \$100 fine imposed on the Participant with no grace period for correction.

Category 3 violations are severe and could result in one or more of the following authorized sanctions imposed upon the Participant by the MLS Board of Directors through an administrative process.

- a. Letter of warning
- b. Letter of reprimand
- c. Attendance at an MLS Orientations
- d. Appropriate, reasonable fine not to exceed \$15,000
- e. Probation for a stated period of time not less than 30 days or more than 1 year
- f. Suspension of MLS rights, privileges, and services for not less than 30 days or more than 1 year
- g. Termination of MLS rights, privileges, and services with no right to reapply for a specified period of time not to exceed 3 years. (NAR Policy adopted (11/07)

HOW TO REPORT AN INACCURACY OR VIOLATION

MLS Participants and Subscribers may report a violation of one of a specific MLS rule by clicking on the icon in Paragon labeled "Corrections". If you are reporting a violation of a rule included in this Violation and Fine Structure, be specific by including the **Rule number plus** any additional comments that make it clear what rule was violated. The notification is sent

anonymously to MLS Staff for follow up. Examples of correct reporting:

Change in Status. Property listed as pending when it has actually closed

- 2.1 Incorrect comp data. Incorrect sales price reported
- 2.6 Incorrect listing type. Reported as an Exclusive Right to Sell Listing (ERS) when it was learned that the seller is excluded from the listing agreement making it an Exclusive Agency (EA) listing.

To report an alleged violation that is NOT one of the inaccurate entry of data into MLS, a written communication describing the violations should be sent to MLS staff.

CATEGORY 1. – \$100 fine per occurrence if not corrected during grace period

Agents (MLS Subscribers) and Brokers (the MLS Participants) will be notified of violations by email and will have 72 hours to correct the violation before a fine is levied on the Broker.

Violations not corrected within the 72 hours, excepting weekends, holidays and postal holidays, elevate to a Category II violation.

1.1 CHANGE IN STATUS. Any change in list price or list status (including Pending, Contingent, or Contingent First Right of Refusal, Sold or Rented and cancellation of same) or any other change in the original listing agreement or rental agreement shall be filed with the Service within twenty-four (24) hours (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing broker. [MLS Rules Section 1, 1.1,1.4] (07/13)

1.2 WITHDRAWN and CANCELLED LISTINGS

Placing a listing in WITHDRAWN or CANCELLED status after the seller has accepted a purchase offer does not relieve the listing broker of the obligation to report the sale and sales price to the MLS. A sale cannot be withdrawn or cancelled for the purpose of not reporting the sale or sales price to the MLS. [MLS Rules Section 2.5]

A **withdrawn** listing is one in which the seller and broker have agreed to withdraw the listing from Active compilations although the terms, conditions and obligations of the listing agreement remain intact through the expiration date.

A **cancelled** listing is one in which the broker has agreed to terminate the listing agreement with the seller rendering all terms, conditions and obligations of the agreement voided at the time of cancellation.

1.3 Listings filed with the Service shall bear a definite and final termination date as negotiated between the listing broker and the seller. [MLS Rules Section 1.2]

1.4 SHOWING INSTRUCTIONS. Listing shall include accurate list date and accurate showing instructions. [MLS Rules Section 2.10]

1.5 PROPERTY INFORMATION. Listings shall include accurate property description including year built, subdivision, city, zip code, county, number of bedrooms and baths. [MLS Rules Section 1.2]

1.6 Listings shall include accurate **school information**. [MLS Rules Section 1.2]

1.7 Listings shall include accurate **tax or financing information**. [MLS Rules Section 1.2]

- 1.9 Listings shall include accurate **General Information** and/or **Features** or **Utilities**. [MLS Rules Section 1.2]
- 1.10 **PROPERTY TYPE.** Listings must be placed into MLS under the appropriate **Property Type** (i.e., Residential, Residential Rental, Commercial, Land, etc.) As an example, a Residential LOT should be entered as Property Type LAND and subtype RESIDENTIAL. [MLS Rules Section 1.1]
- 1.11 **PROPERTY SUB-TYPE.** Listings must be placed in MLS under the appropriate **sub-type** (Example, condo, townhouse, etc.) [MLS Rules Section 1.1]
- 1.12 **PHOTOS.** Photos taken for MLS use and distribution shall not include any signage other than subdivision entrance sign and/or subdivision amenities. [MLS Rules Section 1.11 PHOTOS see also 1.17 pertaining to photos]
- 1.13 **GEOGRAPHICAL AREA.** Properties must be classified into the correct geographical area to assist in agent and public searches and to maintain correct comparable data. [MLS Rules Section 1.2]
- 1.14 **FOR SALE SIGNS.** Only the “For Sale” signs of the listing broker may be placed on the property. [MLS Rules Article IV, Section 4.1]
- 1.15 **SOLD SIGNS.** Prior to closing, only the “Sold” sign of the listing broker may be placed on the property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign. [MLS Rules Article IV, Section 4.2].
- 1.16 **REMOVAL OF SIGNS.** For Sale/Sold Signs are required to be removed from property within 72 hours after closing, cancellation or withdrawn unless addressed above through an agreement between the new owner and the selling broker.

CATEGORY 2 – \$100 fine; no grace period to correct.

Listing Agents and Brokers will be notified of violation by email and will be fined immediately. Category II violations, if not corrected within 24 hours of notification (excepting weekends, holidays and postal holidays), will elevate to a Category III offense.

- 2.1 **COMPARABLE INFORMATION.** Listings shall include accurate comparable information, including but not limited to, the true and correct sales price. (12/11) [MLS Rules Section 2.5]
- 2.2 **WRITTEN LISTING AGREEMENT.** A listing shall not be displayed in the MLS without a written listing agreement signed by the parties. [MLS Rules Section 1.1]
- 2.3 **ADVERTISING LISTINGS.** A listing shall not be advertised by any Participant other than the listing broker without prior consent of the listing broker. [MLS Rules 2.7]
- 2.4 **COMPENSATION.** The listing broker shall specify, on each listing filed with the MLS, the Compensation offered to other MLS Participants for their services in the sale of such listing. (Compensation is required and shall be shown either by a percentage of the gross selling price or by a specific dollar amount.) (3/11) [MLS Rules Section 5]

2.5 AVAILABILITY TO SHOW. It is prohibited to misrepresent the availability of a property for showing. [MLS Rules Section 2.10]

2.6 LISTING TYPES. Listings shall include the accurate listing type. (i.e. **Exclusive Right to Sell** (ERS), **Exclusive Agency** (EA)). The **exclusive right to sell** listing is the conventional form of listing submitted to the Service in that the seller authorizes the listing broker to cooperate and compensate other brokers. The **exclusive agency** listing reserves to the seller the right to sell the property on an unlimited or restrictive basis.

Further, listings with a **variable rate commission** and those that are Exclusive Right to Sell with **Reserved Prospects** should be clearly noticed to Participants. A **variable rate commission** arrangement is one in which one amount of commission is payable if the listing broker’s firm sells the property and a different amount of commission is payable if the sale results from the efforts of a cooperating broker. **Reserved Prospects** are those listings in which the seller has excluded from the listing agreement specifically named individuals. [MLS Rules Section 1.1]

2.7 MULTIPLE GEOGRAPHIC AREAS. Listings may not be placed in MLS in multiple geographic areas or zip code or listed more than once within the same property type. [MLS Rules Section 1.2]

2.8 LIMITED SERVICES LISTINGS. Limited service listing agreement must be noted as such when filed with the service. [MLS Rule 1.2.1]

2.9 LISTING AVAILABILITY. Any listing filed with the Service shall not be made available to any broker or firm not a member of the MLS without the prior consent of the listing broker. [MLS Rules Article IV, Section 4]

2.10 OWNERSHIP INTERESTS. If a Participant, or any licensee affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through MLS, that person shall disclose that interest when the listing is filed with the MLS and such **information shall be disseminated to all MLS Participants in the REALTOR® remarks section.** [MLS Rules Article V, Section 5.1]

2.11 OWNERSHIP INTERESTS. If a Participant or any licensee affiliated with a Participant wishes to acquire an interest in property listed with any other participant, such contemplated interest shall be disclosed in writing to the listing broker no later than the time an offer to purchase is submitted to the listing broker. (MLS Rules 5.2)

2.12 FIELDS INTENDED FOR PUBLIC VIEWING shall not contain names or contact information for the owner, listing agent, listing broker or any vendor or any web sites or email address. This rule does not prohibit the name only of builders, architects or designers that are deceased. (07/15) [MLS Rules Sections 18.3.1, 18.3.12]

2.13 VIRTUAL TOURS. Advertising, lead capturing, client information, and listing broker and/or listing agent information is prohibited in any virtual tour submitted for IDX and/or any other display. Redirection of viewers via link, pop-up or any other means are also prohibited. Any broker information regarding the listing broker shall be provided in a standard format from the Central Mississippi MLS, Inc.

- 2.14 LOCKBOXES.** Lockboxes shall be removed from sold, expired, withdrawn, or cancelled listings within 24 hours excepting weekends and holidays, and postal holidays.
- 2.15 USE OF MLS STATISTICAL DATA.** Publication of statistics from MLS for use by Brokers in claiming market share, or for any other reason, must include ALL criteria used that created the claim or Report. (4/10) [MLS Rules Section 13]
- 2.16 CLONING OF ORIGINAL LISTING AGENTS PHOTOS.** The cloning of any photos in MLS for marketing purposes, including virtual tours, is prohibited unless cloned within the same company in which the listing agent who created the photos is associated, or with permission from the listing agent if outside the company. (4/09) [MLS Rules Section 1.11]
- 2.17 NOTIFICATION BY MLS PARTICIPANT OF CHANGE IN SUBSCRIBER OR PARTICIPANT STATUS.** The MLS Participant (Broker) is required immediately to report to the MLS through the Licensee Status Form the fact that any licensee (Subscriber OR Participant) has (a) affiliated with the firm, (b) left the affiliation of the firm or (c) for any reason does not have an ACTIVE license. (9/10) [Article 4, MLS Bylaws]
- 2.18 LISTING PROCEDURES.** Any and all listings of properties of the following types located within the territorial jurisdiction of the Association of REALTORS taken by participants on an exclusive right to sell and exclusive agency listing form shall be entered into the Multiple Listing Service within 24 hours, exclusive of Sundays, or holidays, after all necessary signatures of Seller(s) have been obtained. [MLS Rule and Regulations, Section 1] (11/13)
1. Single Family homes for sale or exchange
 2. Vacant Lots and acreage for sale or exchange
 3. Two family, three family and four family residential buildings for sale or exchange

CATEGORY 3 – see authorized sanctions listed as *a-g* on the first page of this document under the description of Category 3 violations.

- 3.1 LOANING PASSWORDS.** It is prohibited to distribute an MLS password and username to an unauthorized person or entity. [MLS Rules Sections 4, 10]
- 3.2 LISTINGS ON WEBSITES.** It is prohibited for a broker or agent to include or disseminate any listing information obtained from MLS which is not their own to any company, franchise or other website without written consent from the listing Broker or the MLS.[MLS Rules 2.7, 18.1]
- 3.3 REMOVAL OF KEYS FROM LOCKBOXES.** It is prohibited to remove a key from a property without the listing broker's permission.
- 3.4 KEYS TO UNAUTHORIZED PERSONS.** Once removed from a lockbox, agent or broker shall not transfer control of the key to any other individual without listing broker's permission.

- 3.5 PROVIDING MLS DATA TO UNAUTHORIZED PERSONS.** MLS data must not be loaned to or left in the possession of an any vendor, customer, client, friend, or non-member of MLS. [MLS Rules Section 12.12]
- 3.6 DISTRIBUTION OF MLS DATA.** Unauthorized distribution or reproduction of confidential or copyrighted information is prohibited. Data provided by MLS Participants must be in a format preapproved by MLS or by any executed MLS-approved third-party vendor agreement and subject to its intended purpose. [MLS Rules Section 10, 10.2, 11, 11.1, 11.2, 12, 12.1, 12.2, 13]
- 3.7 FALSE OR MISLEADING INFORMATION.** Any input of data in MLS or the withholding of data from MLS that is false, misleading or meant to misrepresent information for the purpose of falsifying statistics or for any other purpose is prohibited. [MLS Rules Section 1.2,1.3, 1.4,1.5,1.6,1.7,1.8, 1.10,1.12, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10]
- 3.8 FAILING TO CORRECT within the appropriate time** information as a result notification of violations in Categories I and II. [MLS Rules Section 1]
- 3.9. PROVIDING MLS KEYS TO UNAUTHORIZED PERSONS.** MLS keys (DisplayKEY, eKEY and key fobs) must not be loaned to or left in the possession of any vendor, customer, client, friend, contractor or any MLS subscriber who is not a key holder.