

Coastal Association of REALTORS®
Coastal MLS Rules and Regulations
May 2016

Participation

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 real estate broker’s license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an association multiple listing service is strictly limited to the activities authorized under a Participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey “participation” or “membership” or any right of access to information developed by or published by an association multiple listing service where access to such information is prohibited by law. *(Amended 11/08)*

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm 'offers or accepts cooperation and compensation' means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and 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 to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant “actively endeavors during the operation of its real estate business” to “offer or accept cooperation and compensation” only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so.

The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants. *(Adopted 11/08)*

Listing Procedures

Section 1: Listing Procedures

Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, and are located within the territorial jurisdiction of the Multiple Listing Service, and are taken by Participants on exclusive right to sell and/or exclusive agency form(s). Listings shall be submitted to the Multiple Listing Service within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) after all necessary signatures of seller(s) have been obtained: (Amended 11/01)

- a) single family homes for sale, lease or exchange
- b) vacant lots and acreage for sale or exchange
- c) two-family, three-family, and four-family residential buildings for sale or exchange
- d) Commercial property, improved, unimproved or business opportunities for sale or lease.
- e) farms
- f) mobile homes
- g) docks

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

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

The Multiple Listing Service shall accept exclusive right to sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other Participants of the Multiple Listing Service acting as subagents, buyer agents, or both. (Amended 11/96)

The listing agreement must include the seller's written authorization to submit the agreement to the Multiple Listing Service. (Amended 11/96)

The different types of listing agreements include:

- Exclusive right to sell
- Exclusive agency

The Service may not accept **net listings** because they are deemed unethical and, in most states, illegal. **Open listings** are not accepted except where required by law because the inherent nature of an open listing is such as to usually not include the authority to cooperate and compensate other brokers and inherently provides a disincentive for cooperation. (Amended 4/92)

Coastal MLS Rules and Regulations

Lasted Approved by NAR: May 2016 | Updated: May 2016

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. *(Amended 4/92)*

The exclusive agency listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with no 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, by a notation in the Agent Remarks area of the Listing, 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. *(Amended 4/92)*

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

Note 3: A Multiple Listing Service may, as a matter of local option, accept exclusively listed property that is subject to auction as long as all of the required MLS fields contain data. *(Adopted 11/92)*

Section 1.1: Types of Properties

Following are some of the types of properties that may be published through the Service, including types described in the preceding paragraph that are required to be filed with the Service and other types that may be filed with the Service at the Participant's option provided, however, that any listing submitted is entered into within the scope of the Participant's licensure as a real estate broker: *(Amended 11/91)*

- Single Family Homes
- Multi-Family (Income Producing)
- Commercial Industrial Land
- Other Lots/Land
- Commercial Lease
- Condominium/Townhouse
- Timeshare
- Agricultural Tracts
- Commercial Improved
- Farm
- Mobile Homes
- Residential Building Lots
- Mobile Home/Trailer Lots
- Business Opportunity
- Docks/Boat Slips

Section 1.1.1: 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).

- Section 1.2:
Detail on Listings Filed
with the Service**
- A listing agreement or property data form, when filed with the Multiple Listing Service by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form.
- Section 1.2.1:
Limited Service
Listings**
- Listing agreements under which the listing broker will not provide one, or more, of the following services:
- a) arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s);
 - b) accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s);
 - c) advise the seller(s) as to the merits of offers to purchase;
 - d) assist the seller(s) in developing, communicating, or presenting counter-offers; or
 - e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property
- will be identified with an appropriate code or symbol (e.g. “LR” or “LS”) in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers’ clients, prior to initiating efforts to show or sell the property. (*Adopted 05/01*)
- Section 1.3:
Exempted Listings**
- If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing (“office exclusive”) and such listing shall be filed with the office of the Coastal Association of REALTORS® within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) but not disseminated to the Participants. Filing of the listing should be accompanied by certification signed by the seller that they do not desire the listing to be disseminated by the Service.
- Section 1.4:
Change of Status of
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 forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) after the authorized change is received by the listing broker.
- Section 1.5:
Withdrawal of Listing
Prior to Expiration**
- Listings of property may be withdrawn from the Multiple Listing Service by the listing broker before the expiration date of the listing agreement, provided an agreement between the seller and the listing broker which authorizes the withdrawal has been signed.
- Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker’s concurrence. However, when a seller(s) can document that his exclusive relationship with the listing broker has been terminated, the Multiple Listing Service may remove the listing at the request of the seller. (*Adopted 11/96*)
- 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.

Coastal MLS Rules and Regulations

Lasted Approved by NAR: May 2016 | Updated: May 2016

- 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. *(Amended 11/92)*
- 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 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. *(Amended 11/01)*
- If notice of renewal or extension is received after the listing has been removed from the compilation of current listings, the extension or renewal of the listing must be signed by the seller(s) and filed with the Service. *(Amended 11/01)*
- Section 1.11:
Termination Date on Listings** Listings filed with the Service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.
- Section 1.12:
Jurisdiction:** Only listings of the designated types of property located within the jurisdiction of the MLS are required to be submitted to the Service. Listings of property located outside the MLS's jurisdiction will be accepted if submitted voluntarily by a Participant, but cannot be required by the Service. *(Amended 11/01)*
- Section 1.13:
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, Board bylaws, MLS bylaws, MLS rules and regulations, or other membership obligation except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the Board (except where MLS participation without Board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing information. Prior to any removal of a suspended Participant's listings from the MLS, the suspended Participant should be advised, in writing, of the intended removal so that the suspended Participant may advise his clients.
- Section 1.14:
Listings of Expelled Participants** When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board 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 Board (except where MLS participation without Board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised, in writing, of the intended removal so that the expelled Participant may advise his clients.

**Section 1.15:
Listings of Resigned
Participants**

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

**Section 1.16:
Duplicate Listings of
properties**

The same property may not be listed twice in the MLS Service in different sub-types such as single family home, farms or duplex for the same address and/or tax identification number and is one singular property. Exceptions are made for all property types where property with the same address may be offered for sale or lease. Listing agreements must reflect the different offerings. *(Amended 11/15)*

**Section 1.17:
Customer Remarks**

A Subscriber's and/or Authorized User's name, telephone number, website address, link to a virtual tour, e-mail address, or any other personal advertisement, shall not be entered into the "customer remarks" field of the Listing. In addition, a company's and/or project's name, telephone number, website address, link to a virtual tour, e-mail address, or any other company advertisement, shall not be entered into the "customer remarks" field of the Listing.

It should be noted that any or all of this information is permitted in the "agent remarks" field of the Listing.

**Section 1.18:
Photos**

All photographs submitted for inclusion in the MLS shall not contain any text (watermarks and/or comments) overlaying the property photo, "For Sale" signs, banners, Company/Broker/Agent logos, signs, or photos and shall comply at all times with the following rules:

At least one (1) default picture is required upon entering the listing into the MLS. *(Amended 02/16)*

No photo shall be uploaded into the MLS that the broker/agent does not own or has no written permission to use. *(Adopted 4/14)*

Photographs must be of the listed property and may be any one of the following (agent's choice):

- A. Improved Property**
 - 1. An exterior photo of the dwelling - either a front, rear or aerial view;
 - 2. The new construction logo currently provided by the MLS service;
- (single family homes, multi-family homes, condominiums,*

Coastal MLS Rules and Regulations

Lasted Approved by NAR: May 2016 | Updated: May 2016

- townhomes, mobile homes, and farms)*
3. An architectural rendering of the exterior elevation;
 4. The floor plan;
 5. The subdivision or project sign; or
 6. A facsimile photo – Agent is required to include in the “customer remarks” field “that the photo is similar to the one being built”.

B. Unimproved Property
(Land Only)

1. A plat of the property;
2. A survey of the property; or
3. A photo of the property.

C. Commercial
(Improved or Unimproved)

1. An exterior photo of the building - either a front, rear or aerial view (agent’s choice);
2. A plat of the property;
3. A survey of the property;
4. A trade sign of the listed business; or
5. A floor plan.

**Section 1.19:
Virtual Tours**

Notwithstanding the provisions of Section 1 of this Policy, a Subscriber and/or Authorized user of the MLS shall be permitted to:

1. insert into the customer remarks field a text link to a virtual tour of that listed property, and/or
2. insert a text link to a virtual tour in the MLS of the listed property. All links to any virtual tours of listed properties in the MLS shall adhere to the following criteria:
 - a. The link must direct the user only to the virtual tour page of that listed property;
 - b. Removed 3/10
 - c. The virtual tour shall not contain any Subscriber and/or Authorized User contact information or links which will direct the user away from the virtual tour being viewed; and
 - d. The link name (text) shall not contain all or any part of the Subscriber’s and/or Authorized User’s name, telephone number, website address, e-mail address, or company name.

**Section 1.20:
Auction Listings**

Auction listings entered into the service shall be clearly disclosed as Auction Listings in the customer remarks. It is further required that the disclosure be on the first line of the remarks.

**Section 1.21:
Coming Soon Listings**

A Coming Soon Listing indicates that the broker and the seller are preparing the property for sale and for marketing as Active status. This status is not intended to give the listing broker an advantage in finding a buyer for the property to the detriment of cooperating brokers or to circumvent the selling of property on an open market. The intended use of this status is to provide a vehicle for subscribers to notify other subscribers of properties that will be made fully available for showing and marketing after preparations have been completed. While the property is in Coming Soon status, the seller and the listing broker may not promote or advertise

the property in any manner other than as “Coming Soon”. Properties in this status may not be shown. This status is for short term use preparatory to Active status, 21 days or less, and must have a listing agreement and seller approval.

Section 1.22: Any violations of this Policy which are not removed/corrected by the Subscriber and/or Authorized User within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) of written notification by the Association will result in Fines as set forth in these Rules and Regulations of the Service (See Section 6.1.1 and Section 6.1.2).

Selling Procedures

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

- a) the listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
- b) after reasonable effort, the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers. *(Amended 4/92)*

**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. *(Amended 4/92)*

**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. *(Adopted 11/87)*

**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. *(Amended 4/92)*

**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. *(Adopted 11/93)*

Section 2.5: Status changes, including final closing of sales and sale prices, shall be reported to the multiple listing service by the listing broker within forty-eight (48) hours (excluding

Reporting Sales to the Service

Saturdays, Sundays and Federal, State and Postal Holidays) 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 forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) after occurrence and the listing broker shall report them to the MLS within forty-eight (48) hours after receiving notice from the cooperating broker (excluding Saturdays, Sundays and Federal, State and Postal Holidays) after acceptance. (*Amended 4/92, 5/07, 3/10*)

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

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

In states where the actual sale prices of completed transactions are not publicly accessible, failure to report sale prices can result in disciplinary action only if the MLS:

1. categorizes sale price information as confidential and
2. limits use of sale price information to participants and subscribers in providing real estate services, including appraisals and other valuations, to customers and clients, and to government 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 connections with property value 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 government body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices.

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

Section 2.6:

The listing broker shall report to the Multiple Listing Service within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) that a contingency on

Reporting Resolutions of Contingencies file with the Multiple Listing Service has been fulfilled or renewed, or the agreement cancelled.

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 to the Multiple Listing Service the cancellation of any pending sale, and the listing shall be reinstated within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays).

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. *(Amended 11/08)*

Refusal to Sell

Section 3: Refusal to Sell If the seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) to the Service and to all Participants (Notice to be delivered via comments in the Agent Remarks of the Listing).

Prohibitions

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

Section 4.1: "For Sale" Signs Only the "For Sale" sign of the listing broker may be placed on a property. *(Amended 11/89)*

Section 4.2: "Sold" Signs Prior to closing, only the "Sold" sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign. *(Amended 4/96)*

Section 4.3: Solicitation of Listing Filed with the Service Participants shall not solicit a listing on property filed with the Service unless such solicitation is consistent with Article 16 of the REALTORS®' Code of Ethics, its Standards of Practice, and its Case Interpretations.

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

Without such protection, a seller could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made

aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present broker.

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

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

Division of Commissions

Section 5: Compensation Specified on Each Listing

The listing broker shall specify, on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. *(Amended 11/98)*

In filing a property with the Multiple Listing Service of an Association of REALTORS[®], the Participant of the Service is making blanket unilateral offers of compensation to the other MLS Participants, and shall therefore specify on each listing filed with the Service, the compensation being offered to the other MLS Participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.¹ *(Amended 11/96)*

¹ The compensation specified on listings filed with the Multiple Listing Service shall appear in one of two forms. The essential and appropriate requirement by a Board Multiple Listing Service is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the listing broker, in writing, in advance of submitting an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

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

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

Note: While MLSs are not required to authorize participants to offer cooperative compensation based on net sale prices, those that do permit such offers must define “seller concessions” for purposes other than new construction, unless that term is defined by applicable state law or regulation. The following definition of “seller concessions” is suggested but not required for adoption:

- a) Points paid by seller on behalf of buyer,
- b) seller-paid buyer closing costs,
- c) cash or cash allowances not escrowed,
- d) down payment assistance,
- e) additions or alterations not considered deferred maintenance,
- f) and personal property not usual and customary to such transactions conveyed from seller to buyer having an agreed upon monetary value.

(Adopted 5/12)

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

This shall not preclude the listing broker from offering any MLS Participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of submitting an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other Participants in the Service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount. *(Amended 5/10)*

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

Note 2: The listing broker may, from time to time, adjust the compensation offered to other Multiple Listing Service Participants for their services with respect to any listing by advance published notice to the Service so that all Participants will be advised. *(Amended 4/92)*

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. *(Amended 5/2016)*

Note 5: Nothing in these MLS rules precludes a listing participant and a cooperation 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. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where the participant discloses a potential short sale, they may, as a matter of local discretion, also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales, if allowed by local rules, must be communicated through dedicated fields or confidential “remarks” available only to participants and subscribers. *(Amended 5/09)*

**Section 5.0.1:
Disclosing Potential
Short Sales**

Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing participants. *(Amended 5/09)*

When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing agreement, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants. *(Amended 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 and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker. *(Adopted 2/92)*

**Section 5.3:
Dual or Variable Rate
Commission
Arrangements**

The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/ leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code, or symbol as required by the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease. *(Amended 5/01)*

Service Fees, Charges and Fines

**Section 6:
Service Fees and
Charges**

Service fees and charges for operation of the Multiple Listing Service are in effect to defray the costs of the Service and are subject to change from time to time in the manner prescribed. Service fees and charges are set forth in Section 6.3 and Section 7(a) of these Rules and Regulations.

**Section 6.1:
Violations and Fines**

Following is a list of violations which may be considered by the MLS Committee and the applicable fines as amended from time to time. These violations include minor violations; serious violations; and prohibited activities.

**Section 6.1.1:
Minor Violations
*Minimum Fine \$50***

If an alleged violation has occurred, the Coastal Association of REALTORS® of Maryland (“CAR”) staff will fax, e-mail or mail to the attention of the Participant (Broker) a MLS Listing Complaint & Fine Notification Form. If requested, the complainant who filed the original complaint will be notified as to the outcome by the CAR staff. Depending on the information to be corrected, the CAR staff may immediately make the required changes.

Coastal MLS Rules and Regulations

Lasted Approved by NAR: May 2016 | Updated: May 2016

Minor Violations Include:

1. Failure to correctly enter in MLS the Area Code for a listing;
2. Failure to correctly enter in MLS the Sale Price and any Seller Concessions on a closed (sold) listing;
3. Failure to correctly enter in MLS the Selling Office and Selling Agent on a closed (sold) listing;
4. Failure to correctly enter in MLS all of the required fields found on the MLS Input Sheet (for the property type being listed);
5. Failure to properly enter OC Location on properties located in the city of Ocean City. (6/15)
6. Failure to report a correct expiration date for a listing;
7. Failure to provide CAR with any documentation requested within three (3) business days of request;
8. Failure to correctly enter in MLS the correct property type OR entering a property into MLS with duplicate property types other than properties listed for both Lease or Sale. (Adopted 9/13)
9. Failure to properly geocode or place map pin;
10. Listings in the MLS with references to information such as, but not limited to, Projects, Brokers or Agents: name, phone number(s), web site(s), or e-mail address(es) in either the photograph(s) or the "Customer Remarks" section of the listing. This type of information may be entered in the "Agent Remarks" section of the Listing. For additional information on this, as well as, how Virtual Tour(s) of a property may be advertised to customers, see Section 2.9;
11. Any violation of Sections 1.17: Customer Remarks; 1.18 Photographs and 1.19 Virtual Tours.
12. An entry in the cooperative commission fields of a listing other than a specific dollar amount, percentage, or combination thereof. If the compensation being offered cannot be entered as a dollar, percentage or combination thereof, the compensation must be describe in detail in the "Agent Remarks"; OR
13. Failure to upload the required disclosure/disclaimer and lead-based paint documents, when applicable (Adopted 2/13);
14. A property that is listed for sale with the attribute of "also available for rent" and the property is leased, the listing must be canceled and reentered as a rental. (Adopted 1/14)
15. Any violation of Sections 18, 19
16. Failure to Correct Within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays)

The minimum fine for the above-identified minor violations is \$50. After the third fine within the calendar year (Jan 1-Dec 31), subsequent fines will increase to \$200 per incident. Fines will be immediately assessed upon notification to the Participant (Broker).

When a MLS Listing Complaint & Fine Notification Form has been sent the Participant (Broker) must make the correction within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays). Failure to correct the violation(s) within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) incurs an additional minimum fine of \$200. Payment must be received by CAR within 30 days. Failure to pay the fine(s) within the allotted time will result in termination of MLS service.

Section 6.1.2
Serious Violations
Minimum Fine \$200

If an alleged violation has occurred, the CAR staff will fax, e-mail or mail to the attention of the Participant (Broker) a MLS Listing Complaint Notification & Fine Notification Form. If requested, the complainant who filed the original complaint will be notified as to the outcome by the CAR staff.

Serious Violations Include:

1. Failure to input a new listing into the system within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) ¹;
2. Failure to correct a listing status within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) ¹ of any change. Listing status is to be changed when a ratified contract is in place (all signatures and initials are on the contract). Examples of listing status changes would be: from active to pending; from active to active w/kick-out; from active w/kick-out to pending when the contingency has been removed; from any status to closed (sold); from any status to withdrawn; or from any status back to active. NOTE: In general terms, a contract with a kick-out is where both the buyer(s) and the seller(s) have signed a contingency addendum stating that the seller's property is to remain actively on the market and if another offer acceptable to the seller(s) is received during the effective period of the contingency, the seller(s) may declare the current contract null and void;
3. Failure to input a price change within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays);
4. Improper use of the MLS Logo;
5. Failure to file with the CAR office within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) both an "Office Exclusive Form" signed by the seller(s) and a copy of the signed listing agreement when the seller(s) has refused to permit their listing to be disseminated to the MLS; or
6. Failure to have written consent from the seller(s) when making changes that require seller(s) authorization. For example: extending the listing, putting the listing back on the market, withdrawing the listing, changing the listed price, changing the commission amount, adding or removing a seller bonus, adding or removing any seller concessions, etc...

The minimum fine for these violations is \$200. After the third fine within the calendar year (Jan 1-Dec 31), subsequent fines will increase to \$500 per incident. Fines will be immediately assessed upon notification to the Participant (Broker).

When a MLS Listing Complaint & Fine Notification Form has been sent to the Participant (Broker) must make the correction within forty-eight (48) hours (excluding Saturdays,

Sundays and Federal, State and Postal Holidays). Failure to correct the violation(s) within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) incurs an additional minimum fine of \$200. Payment must be received by CAR within 30 days of the date of notice. Failure to pay the fine(s) within the allotted time will result in termination of MLS service.

**Section 6.1.3:
Prohibited Activities,
Unauthorized Access &
Unauthorized
Dissemination Of
System Access
Passwords**

Minimum Fine \$ 250

If an alleged violation has occurred, the CAR staff will fax, e-mail or mail to the attention of the Participant (Broker) a MLS Listing Complaint & Fine Notification Form. If requested, the complainant who filed the original complaint will be notified as to the outcome by the CAR staff.

**Section 6.1.3.1:
Prohibited Activities**

Prohibited Activities Include:

1. When a Participant or anyone in a Participants office provides MLS information to non-members for use in business, marketing or for-profit activities;
2. When a Participant or anyone in a Participants office other than the listing broker places a "For Sale" sign on a property;
3. When a Participant or anyone in a Participants office other than the listing broker places a "Sold" sign on a property prior to closing without the listing brokers authorization;
4. Not immediately notifying the CAR that an individual on waiver has had a change in status that would cause that individual to lose their waiver status and therefore be included in the MLS dues formula for an office. NOTE: User ID's and Passwords are assigned to specific individuals and are not transferable; or
5. When a property is found to have an agent name attached to a sign and that agent is not being assessed annual fees.

**Section 6.1.3.2:
Unauthorized Access**

Unauthorized Access Includes:

1. When an individual in a Participants' office who has been granted a waiver is found to be accessing the MLS in an unauthorized way; or
2. When an individual in a Participants' office who is not being assessed fees list property in the MLS

**Section 6.1.3.3:
Unauthorized
Dissemination of
System Access
Passwords**

Unauthorized Dissemination of System Access Passwords Include:

1. When User ID's and Passwords are loaned, shared, disclosed or allowed to come into the possession of another person. The only exception being the Designated REALTOR®, manager and/or administrator in that person's real estate company who is also bound to keep User ID's and Password's confidential; or
2. When User ID's and Passwords are used for purposes not permitted by the MLS Rules and Regulations

The fine(s) for these violations are first offense \$250.00, second offense \$1,500, and third offense will result in revocation of User ID and Password for a period of six (6) months. Fines will be immediately assessed upon notification to the Participant (Broker).

When a MLS Listing Complaint & Fine Notification Form has been sent the Participant (Broker) must make the correction within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays). Failure to correct the violation(s) within forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) incurs an additional minimum fine of \$200. Payment must be received by CAR within 30 days or before the next quarterly billing cycle – whichever comes first. Failure to pay the fine(s) within the allotted time will result in termination of MLS service.

**Section 6.2:
MLS Hearing
Procedures**

A violation of these Rules and Regulations shall be considered by the MLS Committee in accordance with the following procedures.

**Section 6.2.1:
MLS Hearing Request**

Any Participant (Broker) having reason to believe that the fine imposed by CAR is without merit may request a hearing by the MLS Committee within twenty (20) calendar days (including Saturday, Sunday and federal and state holidays). After the MLS Listing Complaint & Fine Notification Form is received, the Hearing(s) will be held within sixty (60) calendar days of the date of the filing.

Hearing Request Must:

1. Include proof of correction where applicable;
2. Include copies of any relevant documents; and
3. Include paid receipt for assessed fine(s). Amount to be paid is \$2,500 or the amount of the fine, whichever is less. *(Adopted 1/10)*

In the event a member chooses to dispute the imposition of a fine equal to or less than \$150, the member will have the option of meeting with a tribunal consisting of the Chairperson and two members of the MLS Committee, (acceptable to the member and not of the same brokerage) immediately following the next scheduled meeting of the MLS Committee to plead their case. Any decision made by the tribunal is subject to the same appeal process outlined in the Handbook on Multiple Listing Policy rules and regulations. *(06/15)*

**Section 6.2.2:
MLS Hearing
Committee**

Minor and Serious Violations will be heard by a MLS Hearing Committee. If the outcome is unsatisfactory to the Participant, the Participant may then request an appeal hearing before a Board of Directors panel. The decision by the Board of Directors panel will be final. The MLS Hearing Committee will consist of three (3) members from the MLS Committee and shall not be:

CAR staff; Members of the CAR Board of Directors, or more than one panel member from the same firm or franchise.

Members of the MLS Hearing Committee will be scheduled to serve on panels as primary and alternate participants on a rotating basis. Each Hearing panel shall elect its own Chairperson.

All Hearings and procedures shall be conducted in accordance with the Code of Ethics and Arbitration Manual of the National Association of REALTORS® and such Rules as promulgated hereunder.

Section 6.2.3: Cancellation of Hearing The Participant who requested the MLS Hearing may withdraw the request at any time prior to the outset of the hearing. If withdrawn, the findings are final unless the respondent again requests a hearing within the 20 day time period.

Section 6.2.4: Hearing Outcome Within ten (10) calendar days after the MLS Hearing, the panel will submit their decision in writing and signed by all panel members to both the CAR staff and the Participant who requested the Hearing. If a majority of the panel finds that a rule or regulation has been violated, the fine(s) will stand. If a majority of the panel finds that the Participant appeal prevails on its merits, the panel will refund the already imposed and paid fine(s).

Section 6.3 Service Fees and Charges

Section 6.3.1: Application Fees (paid at time of application) For a new office is \$200 plus \$40 for each subscriber in that office. For an individual subscriber in an office already a member in good standing is \$40. (*Amended 02/2015*)

Section 6.3.2: Reinstatement Fees For a subscriber who has resigned membership or a subscriber whose membership has been terminated the reinstatement fee is \$200 for an office and/or \$40 for an individual subscriber.

Section 6.3.3: Subscriber Fees (billed and due annually) Subscriber fees shall be determined by the Board of Directors each year based on the cost of providing MLS Service, are due and payable annually and will be billed to each subscriber forty-five (45) calendar days in advance. Any subscriber who has not paid by the Bill Due Date will be denied access until payment is received. In addition to any annual fees due, late fees are to be assessed at \$50.00 per subscriber if not paid by close of business on June 30th. Reinstatement Fees are \$75.00 for each subscriber after 31 days late and each office will be assessed \$200.00 per subscriber in each office who have not paid or the office has not provided the Status/Change Form for termination of that member. If the office does not pay the fine within 30 days of notification, all services for the office will be suspended.

Section 6.3.4: Waiver Policy It is the general policy of CAR that MLS fees shall be charged and MLS services shall be made available for every individual licensed with or under each Participant of the Service. Exceptions to this general policy shall be made only through approval by the CAR MLS Committee of a Waiver Request submitted by the Participant on the approved Waiver Request Form, and only under the specific circumstances detailed in this policy.

The CAR MLS Committee shall consider each waiver request on its own merits, adhering to the guidelines set forth in this policy. Waivers shall be granted only to individuals who qualify under one or more of the following circumstances:

- a) REALTORS® who are rendered temporarily unable to use or otherwise benefit from the services of the MLS due to illness, or personal or family emergency, in cases where such situation is expected to last for at least one quarter, but not more than six months. A Waiver under these circumstances shall be considered a “temporary waiver” and the individual so waived shall be required at the end of six months to return to full fee-paying status, re-apply for an additional six month waiver or transfer his or her license to inactive

status with the Real Estate Commission. There shall be no reinstatement fee for an individual who returns to fee-paying status at the end of a temporary waiver.

- b) REALTORS® who wish to request a waiver for a reason not listed above will fall under the category of “other” which will be addressed on a case by case basis. The Waiver Request Form is to be accompanied by a written explanation from the REALTOR® making the request as to why their functions and activities do not include the opportunity to list, or market real estate for sale, to sell or appraise real estate, that they do not have access to MLS services in any way, shape, or form and that they do not otherwise personally use the services of the MLS. *(Amended December 2014; Effective June 2015)*

Administrative and/or personal assistants who are duly licensed with a Participant and who work for one or more non-participant REALTOR® members are not eligible for waiver status.

When a waiver request is received by CAR, it will be time/date stamped and considered effective immediately. Access to MLS services will be ceased pending final approval by the MLS Committee. If a waiver request is ultimately denied by the MLS Committee, MLS services and fees will resume from the date of denial. Except for “temporary waivers,” all waivers will be granted for the remainder of the calendar year, and must be re-applied for at the beginning of the New Year.

Except for “temporary waivers,” a reinstatement fee of \$100.00 shall be charged to cover the cost of reinstating services to the individual, whenever an individual waiver status requests reinstatement of MLS services before the end of the waiver period (before the end of the calendar year). If, however, the individual on waiver status had not been an active fee-paying user of the MLS prior to being placed on waiver status, the \$100.00 reinstatement fee shall not apply.

It is the recommendation of CAR that any licensee not actively involved in the real estate business at the present time place his or her license on inactive status with the Maryland Real Estate Commission. Anyone who does so should immediately notify CAR.

**Section 6.3.5:
Exception to Waiver
Policy**

Notwithstanding the provisions of Section 6.3.3, it is the established policy of CAR that MLS services shall be made available to REALTOR® members who do not maintain a physical office within the territorial jurisdiction of CAR. Pursuant to the NAR Handbook on Multiple Listing Policy, under the NAR Board of Choice Policy, MLS participatory rights shall be made available to any REALTOR® principal or any firm comprised of REALTORS® (principals) irrespective of where such REALTOR(S)® hold primary or secondary membership subject only to the agreement of such REALTOR(S)® to abide by these Rules and Regulations; agreement to arbitrate disputes with other MLS participants; and payment of any MLS dues, fees and charges.

It is the policy of CAR that any REALTOR® principal who does not maintain an office within the territorial jurisdiction of CAR shall be entitled to participatory rights in the MLS of CAR and, further, that recurring MLS fees, dues and charges shall not be based upon the total number of licensees, whether associate real estate brokers; real estate salespersons or to licensed or certified real estate appraisers affiliated with or employed by the principal as an MLS participant subject to the following terms and conditions:

1. The REALTOR® principal shall be a participant in the MLS and shall subscribe to the MLS.
2. The REALTOR® principal shall:
 - a. abide by these Rules and Regulations;
 - b. agree to arbitrate disputes with other MLS participants; and
 - c. pay all recurring MLS dues, fees and changes when due

Any associate real estate broker; real estate salesperson or licensed or certified appraiser affiliated with or employed by the REALTOR® principal shall be eligible to subscribe to and become an authorized user of the MLS services provided:

1. The REALTOR® principal is an authorized participant in MLS, in good standing; and
2. The licensee affiliated with the REALTOR® principal agrees to:
 - a. abide by these MLS Rules and Regulations; and
 - b. pay all recurring MLS dues, fees and charges when due

A REALTOR® principal who does not maintain an office within the territorial jurisdiction of CAR who elects to become a participant in the MLS shall not be required to obtain a waiver as provided in Section 6.3.3 of these Rules and Regulations.

It is the expressed policy of CAR that any associate real estate salesperson; or licensed or certified appraiser affiliated with a REALTOR® principal who does not maintain an office within the territorial jurisdiction of CAR may elect to subscribe to MLS services on an individual basis subject to the terms and conditions of this Section 6.3.4.

However, the following limitations shall apply to any REALTOR® principal who does not maintain an office within the territorial jurisdiction of CAR:

1. MLS shall not accept listings from any associate real estate broker or real estate salesperson affiliated with the REALTOR® principal unless such individual is an authorized user of the MLS.
2. No offers of cooperation or compensation as made by participants in MLS shall be applicable to any real estate associate broker, or real estate salesperson affiliated with the REALTOR® participant who is not an authorized user of MLS; and
3. Recurring MLS dues, fees and charges, at the discretion of CAR, may be greater than dues, fees and charges imposed to MLS participants and authorized users who maintain an office within the territorial jurisdiction of CAR consistent with NAR policy.

Compliance with Rules

Section 7: Compliance with Rules- Authority to Impose Discipline

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

- a) letter of warning
- b) letter of reprimand

Coastal MLS Rules and Regulations

Lasted Approved by NAR: May 2016 | Updated: May 2016

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

Note: 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. *(Amended 05/14)*

Section 7.1: Applicability of Rules to Users and/or Subscribers

Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the Participant to the same or other discipline. This provision does not eliminate the Participant's ultimate responsibility and accountability for all users or subscribers affiliated with the Participant. *(Adopted 4/92)*

Meetings

Section 8: Meetings of MLS Committee

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

Section 8.1: Meetings of MLS Participants

The Committee may call meetings of the Participants in the Service to be known as meetings of the Multiple Listing Service.

Section 8.2: Conduct of the Meetings

The Chairperson or Vice Chairperson shall preside at all meetings or, in their absence; a temporary Chairperson from the membership of the Committee shall be named by the Chairperson or, upon his failure to do so, by the Committee.

Enforcement of Rules or Disputes

**Section 9:
Consideration of
Alleged Violations**

The Committee shall give consideration to all written complaints having to do with violations of the rules and regulations. *(Amended 2/98)*

**Section 9.1:
Violations of Rules and
Regulations**

If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be considered and determined by the Multiple Listing Service Committee in accordance with the provisions of Section 6.2 of these Rules and Regulations. *(Amended 11/96)*

If, rather than conducting an administrative review, the multiple listing committee has a procedure established to conduct hearings, the decision of the multiple listing committee may be appealed to the board of directors of the association of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the association's grievance committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the association of REALTORS®. *(Amended 2/98)*

**Section 9.2:
Complaints of
Unethical Conduct**

All other complaints of unethical conduct shall be referred by the Committee to the Secretary of CAR for appropriate action in accordance with the professional standards procedures established in the Association's bylaws. *(Amended 11/88)*

Confidentiality of MLS Information

**Section 10:
Confidentiality of MLS
Information**

Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and real estate licensees affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants. *(Amended 4/92)*

**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 such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

**Section 10.2:
Access to Comparable
and Statistical
Information**

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

Ownership of MLS Compilation² and Copyright

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

² The term “MLS compilation,” as used in Sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to the Participants, including but not limited to bound book, loose-leaf binder, computer database, card file, or any other format whatever.

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.

Section 11.1

All right, title, and interest in each copy of every Multiple Listing compilation created and copyrighted by the Coastal Association of REALTORS® of Maryland, Inc. and in the copyrights therein, shall at all times remain vested in the Coastal Association of REALTORS® of Maryland, Inc.

Section 11.2

Each Participant shall be entitled to lease from the Coastal Association of REALTORS® of Maryland, Inc. a number of copies of each MLS compilation sufficient to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such compilation. The Participant shall pay for each such copy the rental fee set by the Board.³

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

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 Board of REALTORS®, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by a Board 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. (*Amended 4/92*)

**Section 12.1:
Display**

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

**Section 12.2:
Reproduction**

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

Participants or their affiliated licensees may reproduce from the MLS compilation and distribute to prospective purchasers a reasonable number of single copies of property listing data contained in the MLS compilation which relate to any properties in which the prospective

³ This section should not be construed to require the Participant to lease a copy of the MLS compilation for any licensee (or licensed or certified appraiser) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, or appraising the types of properties which are required to be filed with the MLS and who does not, at any time, have access to or use of the MLS information or MLS facility of the Board.

purchasers are or may, in the judgment of the participants or their affiliated licensees, be interested.

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 who are authorized to have access to such information. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, 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 05/14)

Use of MLS Information

Section 13: Limitations on Use of MLS Information

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

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

“Based on information from the Coastal Association of REALTORS® for the period (date) through (date).” *(Adopted 11/97)*

Changes in Rules and Regulations

**Section 14:
Changes in Rules and Regulations** Amendments to the rules and regulations of the Service shall be by a simple majority vote of the Members of the Multiple Listing Service Committee, subject to approval by the Board of Directors of the Board of REALTORS®.

Orientation

**Section 15:
Orientation** Any applicant for MLS Participation and any licensee (including licensed or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no less than three (3) 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 sixty (60) days after access has been provided. *(Amended 11/04)*

Section 15.1 Any clerical or virtual assistant is required to take onsite training or online training, with a test, within sixty (60) days of CAR processing the application. Failure to complete training within sixty (60) days will result in suspension of access until the test is taken and passed or class is attended. Failure to comply will result in a \$40.00 reinstatement fee. *(February 2013)*

Section 16 Deleted (6/2013)

Section 17 Deleted (2/2010)

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 05/12)*

**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, ~~or~~ 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. *(11/2009)*

- 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 brokers to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs). *(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, exclusive agency, or open listing), 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. *(11/2006)*
- Section 18.2.5** Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads not less frequently than every 12 hours. *(Amended 11/14)*
- 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 displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
 - b) displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing,
- either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants. Except for the foregoing and subject to Section 18.2.9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. *(Amended 05/12)*

- Section 18.2.9** Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. *(Amended 05/12)*
- Section 18.2.10** An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, "comingling" 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 11/14)*
- Section 18.2.11** Participants shall not modify or manipulate information relating to other participants listings. MLS Participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields.
- Section 18.3: 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 18.3.2** Removed 05/2016
- 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 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 05/12)*
- Section 18.3.4** All listings displayed pursuant to IDX shall identify the listing agent. *(11/2009)*

- Section 18.3.5** Non-principal brokers and sales licensees affiliated with IDX Participants may display information available through IDX on their own websites subject to their participant’s consent and control and the requirements of state law and/or regulation. *(11/2009)*
- 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 05/12)*
- Section 18.3.8** Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers’ personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. Displays of minimal information (e.g., “thumbnails,” text messages, “tweets,” etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. *(Amended 05/12)*
- Section 18.3.9** The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance shall be limited to fewer than one hundred(100) listings or five percent (5%) of the listings available for IDX display, whichever is fewer.*(Amended 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 feed from REALTOR® Association MLSs where the MLS Participant holds participatory rights must be displayed separately from listings obtained from other sources, including information provided by other MLSs. Listings obtained from other sources (e.g., from other MLSs, from non-participating brokers, etc.) must display the source from which each such listing was obtained. Displays of minimal information (e.g., “thumbnails,” text messages, “tweets,” etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. *(Amended 11/14)*
- 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 results page; and that Participants may display listings from each IOX feed on a single webpage or display. *(Adopted 11/14)*
- Section 18.3.12** Display of expired, withdrawn, and sold⁴ listings is prohibited. *(Amended 05/2016)*

⁴ Note: If "sold" information is publicly accessible, display of "sold" listings may not be prohibited. *(Adopted 11/14)*

- Section 18.3.13** Display of seller’s(s’) and/or occupant’s(s’) name(s), phone numbers and e-mail address(es) is prohibited. *(11/2009)*
- Section 18.3.14** Participants are required to employ appropriate security protection such as firewalls on their websites and displays, provided that any security measures required may not be greater than those employed by the MLS. *(Amended 05/12)*
- Section 18.3.15** Participants must maintain an audit trail of consumer activity on their website and make that information available to the MLS if the MLS believes the IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers. *(Amended 05/12)*
- Section 18.3.16** Deceptive or misleading advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. For purposes of these rules, co-branding will be presumed not to be deceptive or misleading if the participant’s logo and contact information is larger than that of any third party. *(Adopted 11/09)*
- Section 18.4** Services Fees and Charges: Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. *(Adopted 11/01, Amended 5/05)*

Section 19 **Virtual Office Website (VOW) Rules for MLS** *(adopted 2/2009)*

Section 19.1:
VOW Defined

- a. A Virtual Office Website (“VOW”) is a Participant’s Internet website, or a feature of a Participant’s website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant’s oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant’s consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant’s oversight, supervision, and accountability.
- b. As used in Section 19 of these Rules, the term “Participant” includes a Participant’s affiliated non-principal brokers and sales licensees – except when the term is used in the phrases “Participant’s consent” and “Participant’s oversight, supervision, and accountability”. References to “VOW” and “VOWs” include all 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.

<p>Seller Opt-Out Form</p> <ul style="list-style-type: none">1. Please check either Option a or Option b<ul style="list-style-type: none">a. <input type="checkbox"/> I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internetb. <input type="checkbox"/> 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. <p>_____</p> <p>Initials of seller</p>

- 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 forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) 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.⁵
 - 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 information⁶
- 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

⁵ 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 participant’s VOW

⁶ If sold information is publically accessible in the jurisdiction of the MLS, Subsection 19.15f must be omitted.

- 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 current listings and not more than 100 sold listings in response to any inquiry.
- Section 19.20** A Participant shall require that Registrants' passwords be reconfirmed or changed every 90days.
- 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 forty-eight (48) hours (excluding Saturdays, Sundays and Federal, State and Postal Holidays) . (11/2008)

**Coastal Association of REALTORS®
Internet Data Exchange (IDX) Participation Form
Opt In / Opt Out**

This form is used to either Opt In or Opt Out of the Coastal Association of REALTORS® (CAR) Internet Data Exchange (IDX) Program (CARIDX).

By default, all Participants have Opted In. If you wish to Opt Out or if you have previously Opted Out and wish to Opt In, please complete this form and fax or mail to:

Coastal Association of REALTORS® of Maryland, Inc.
314 Franklin Avenue, Suite 106 • Berlin, MD 21811
Office: 410.641.4409 Fax: 410.641.2995

Check one of the following:

- OPT IN** - I understand by subscribing to CARIDX, I am giving every other Participant in the Coastal Association Of Realtors Multiple Listing Service (MLS) who also subscribes to CARIDX permission to display (advertise) my listings on their CARIDX compliant web site subject to the Rules and Regulations of the Coastal Associations MLS. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller.

- OPT OUT** - I understand by NOT subscribing to CARIDX, other Participants in the Coastal Association Of Realtors Multiple Listing Service (MLS) who do subscribe to CARIDX will not be permitted to display (advertise) my listings on their web sites. I further understand that my firm will not be allowed to display the listings of other Participants unless I receive permission from them on an individual basis.

If this form does not apply to all of the offices in your firm, attach a separate page with a list of the offices to which this form should apply.

Firm Name: _____ Broker MLS ID: _____

Designated Broker: _____ Branch MLS ID: _____

E-mail Address: _____

Firm Address: _____

City, State, Zip: _____

Firm Phone: _____ Fax: _____

Certification by the REALTOR® Participant of the Coastal Association of REALTORS® as to the information contained on this form.

Signature: _____ Date: _____

