

**RULES AND REGULATIONS
OF THE
MULTIPLE LISTING SERVICE**

OPERATED AS A COMMITTEE OF THE SUMTER BOARD OF REALTORS

DECEMBER 1992

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Introduction

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

SECTION 1. LISTING PROCEDURES: Listings of real 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 Sumter multiple listing service, and are taken by Participants on SCR form 509 will be loaded into the multiple listing service computer within 48 hours after all necessary signatures of seller(s) have been obtained. **The listing date should be entered in the MLS as the contract date.** This listing when entered into the MLS system allows the listing broker to offer compensation and cooperation with buyer's agents and Sub-Agency to other participants of the Service. Photos must accompany a listing or they will **delete from the system within 24 hours.** A participant in the Sumter MLS is a Broker-In-Charge member of the Sumter Board of REALTORS®. All other Licensee's (including licensed and certified appraisers) are affiliated with their participant.

- a. The MLS reserves the right to refuse to accept a listing, which fails to adequately protect the interest of the public and the Participants.

- b. No listing form filed with the MLS shall establish, directly or indirectly, any contractual relationship between the MLS and the client (buyer or seller).
- c. The MLS shall not require a Participant to submit listings on a form other than a form the Participant individually chooses to utilize providing the listing is of a type accepted by the service, although a property data form may be required as approved by the MLS.
- d. The listing agreement must include the seller's authorization to submit the listing information to the MLS.
- e. The Service may not accept **net listings** because (1) 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.
- f. 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.
- g. The **exclusive agency** listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with named prospects exempted, should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to sell listings with no named prospects exempted, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right-to-sell listings with no named prospects exempted. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right-to-sell listing with prospect reservations.
- h. 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 limited the kind of listings it will accept, it shall leaves its members free to accept such listings to be handled outside the multiple listing service.
- i. A multiple listing service, may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the MLS compilation of current listings.

IF ANY FORM OF AGENCY, OTHER THAN EXCLUSIVE RIGHT TO SELL, IS USED; IT MUST BE STATED IN THE "AGENT REMARKS" SECTION OF THE LISTING.

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 listed property.

Limited Service Listings must be identified in the "agent remarks" section as a "limited service listing" 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.

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:

1. Residential
2. Subdivided vacant lot
3. Land and ranch
4. Motel-hotel
5. Mobile homes attached to real property
6. Mobile home parks
7. Industrial
8. Multi-family

SECTION 1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE:

Any listing taken on a contract to be filed with the multiple listing service is subject to the Rules and Regulations of the Service upon signature of the seller(s).

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 and shall include a photo. Listings without a photo will be removed from the MLS data base **within 24 hours**. Photos must be an actual photo of the subject property listed for sale. Company LOGOS may be used for the first thirty (30) days of the listing period for new construction only.

The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker the 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.

Information provided to the MLS in the "remarks" area is viewed by the public and must include only facts relating to the property. Agent personal information such as name, phone number, or other sensitive/security information is not permitted in the "remarks."

FAILURE TO COMPLY WITH LISTING PROCEDURES AND REQUIREMENTS:

Agents/Brokers will be e-mailed indicating the listing error or omission and will have 1 day to comply. If on the 2nd day, error/omission is not corrected, agent and his/her broker will be called and sent a second e-mail. If correction is not completed within 24 hours of 2nd notice, the agent/broker will be fined \$50.00, the listing will be deleted and MLS access will be suspended until fine is paid in person at the Board office. Deleted listings must be reentered by the agent at the cost of \$3.50.

SECTION 1.3 EXEMPTED LISTINGS:

If the seller refuses to permit the listing to be disseminated by the service, the REALTOR® may then take the listing (office exclusive) and such listing shall be filed with the service and not disseminated to the participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the service.

SECTION 1.4 CHANGE OF STATUS OF LISTING:

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

SECTION 1.5 WITHDRAWAL 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 notice is filed with the MLS/Association Office including a copy of the agreement between the seller and the listing broker which authorized the withdrawal.

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller(s) can document that his or her exclusive relationship with the listing broker has been terminated, the multiple listing service may remove the listing at the request of the seller.

SECTION 1.6 CONTINGENCIES APPLICABLE TO LISTINGS:

Any contingency or conditions of any term in a listing shall be specified and noticed to the participants in the "agent remarks" section of the mls.

SECTION 1.7 LISTING PRICE SPECIFIED:

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

SECTION 1.8 LISTING MULTIPLE UNIT PROPERTIES:

All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the multiple listing service.

SECTION 1.9 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS:

The multiple listing service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by participants. Further, the multiple listing service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating participants or between participants and nonparticipants.

SECTION 1.10 EXPIRATION OF LISTINGS:

Listings filed with the multiple listing service will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed.

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

SECTION 1.11 TERMINATION DATE ON LISTINGS:

Listings filed with the service shall bear a definite and final termination date as negotiated between the listing broker and 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.

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 obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended participant shall, at the participant's option, be retained in the service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an association MLS is not obligated to provide MLS services, including continued inclusion of the suspended participant's listings in the MLS compilation of current listing information. Prior to any removal of a suspended participant's listings from the MLS, the suspended participant should be advised in writing of the intended removal so that the suspended participant may advise his clients.

SECTION 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 association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an association MLS is not obligated to provide MLS services, including continued inclusion of the expelled participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled participant's listings from the MLS, the expelled participant should be advised in writing of the intended removal so that the expelled participant may advise his clients.

SECTION 1.15 LISTINGS OF RESIGNED PARTICIPANTS:

When a participant of the service 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.

SELLING PROCEDURES

SECTION 2. SHOWINGS AND NEGOTIATIONS:

Appointments for showings and negotiations with the seller for the purchase of listed property filed with the multiple listing service shall be conducted through the listing broker except under the following circumstances:

(a) The listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or

(b) After reasonable effort, the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers

SECTION 2.1 PRESENTATION OF OFFERS:

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

SECTION 2.2 SUBMISSION OF WRITTEN OFFERS:

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

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

SECTION 2.3 RIGHT OF COOPERATING BROKER IN PRESENTATION OF OFFER:

The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor 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 or lessor's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

SECTION 2.4 RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER OFFER:

The listing broker or his representative has the right to participate in the presentation of any counter - offer made 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 where the cooperating broker is a subagent) However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter - offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

SECTION 2.5 REPORTING SALES TO THE SERVICE:

Status changes, including final closing of sales, shall be reported to the multiple listing service by the listing broker within 24 hours after they have occurred. If negotiations were carried on under Section 2 (a) or (b) hereof, the cooperating broker shall report accepted offers to the listing broker with 48 hours after occurrence and the listing broker shall report them to the MLS with 48 hours after receiving notice from the cooperating broker. (Amended 11/08)

NOTE: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise, to file the listing with the MLS; to provide timely notice of status 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.

SECTION 2.6 REPORTING RESOLUTIONS OF CONTINGENCIES:

The listing broker shall report to the multiple listing service within 24 hours that a contingency on file with the Multiple listing service has been fulfilled or renewed, or the agreement 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 immediately to the Multiple Listing Service the cancellation of any pending sale and the listing shall be reinstated immediately.

SECTION 2.9 DISCLOSING THE EXISTENCE OF OFFERS

Listing brokers, in response to inquiries from buyers or cooperating brokers shall, with the seller's approval, disclose the existence of offers on the property. Where disclosure is authorized, the listing broker shall also disclose whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a cooperating broker.

SECTION 2.10 AVAILABILITY OF LISTED PROPERTY

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

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 to the service and to all participants.

PROHIBITIONS

SECTION 4. INFORMATION FOR PARTICIPANTS ONLY:

Any listing filed with the service shall not be made available to any broker or firm not a member of the MLS without the prior consent of the listing broker.

SECTION 4.1 "FOR SALE" SIGNS:

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

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.

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

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

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

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

SECTION 4.4 Use of the TERMS MLS and Multiple Listing Service

No MLS participant, subscriber, or licensee affiliated with any participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise.

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.

In filing a property with the multiple listing service of an association of REALTORS, the participant of the service is making a blanket unilateral offer of cooperation to the other MLS participants, and shall therefore specify on each listing filed with the service, the compensation being offered to the other MLS participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.*

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

writing, in advance of his producing 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

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 nonagency capacities as defined by law) which maybe the same or different.

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 his producing 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. The SCR form -"Buyer's Agency Fee Agreement" - should be completed and signed by the appropriate parties prior to or at the presentation of a Contract for Sale.

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.

NOTE 3: The multiple listing service shall make no rule on the division of commissions between participants and non-participants. This should remain solely the responsibility of the listing broker.

NOTE 4. Multiple Listing Services, at their discretion, may adopt rules and procedures enabling brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval or to lender 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 or by a lender. In such instances, the fact that the gross commission is subject to court or to lender 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 produce an offer that ultimately results in a successful transaction.

NOTE 5. Nothing in these MLS rules precludes a listing participant and a cooperating participant, as a matter of mutual agreement, from modifying the cooperative compensation to be paid in the event of a successful transaction.

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 sufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the close 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 a participant disclosed a potential short sale, they must 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 must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers.

SECTION 5.0.1: Participants must disclose potential short sales when reasonably known to the listing participants. When disclosed participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing agreement, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants.

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 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.

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 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.

SERVICE FEES AND CHARGES

SECTION 6. SERVICE FEES AND CHARGES: (See Section 16.4)

The following service 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.

(a) **Initial Participation Fee:** An applicant for participation in the service shall pay an application fee as determined by the MLS Committee and approved by the Board of Directors. The initial participation fee shall approximate the cost of bringing the service to the participant. This fee includes the access to the lockbox lease system.

(b) **Recurring Participation Fee:** The annual participation fee of each participant will be determined by the MLS Committee and approved by the Board of Directors (SBR). This fee may be billed annually or quarterly.

(c) **MLS Monthly Fee:** Participants will be charged a fee based on each salesperson and licensed or certified appraiser who has access to and use of the Service, whether licensed as a broker, sales licensee, or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such Participant. Participants may submit a request for exemption of licensees in writing, stating the justification for exemption, to the MLS committee. All reference to licensees in these Rules and Regulations refer to non-exempted persons whether licensed as a broker, sales licensee, or licensed or certified appraiser.

(1) Participants of exempted licensees may be fined up to \$500.00 for exempted licensee's illegal use of the MLS system or books.

(2) Participants of Licensees who release the MLS book or MLS Access to unauthorized persons will be fined \$250.00.

(d) **Listing Fee:** Participants will pay a one-time fee, to be determined by the Multiple listing service Committee, for each listing submitted. This fee will be billed monthly.

(e) Fee schedule is shown in attached section 16.4 and may be amended as needed by the Multiple listing service Committee.

Note 1. The fees should be a minimal charge based on actual costs of producing and distributing information.

Note 2. Any combination of charges may be used if they are in accordance with the National Association's MLS Antitrust Compliance Policy Point 3, which prohibits a fee that is contingent on the sale of a listed property.

Note 3. Financing from the MLS should be adequate but not in such amounts as to be the source of financing the Board's operation. The MLS should pay its own way and allow for a reasonable operating reserve, but it is merely another service of the Board and not the principal activity or reason for the association's existence. As long as it is able to restrict its services exclusively or primarily to association's members, the service is not properly an association profit center.

Note 4. MLS's that choose to include affiliated unlicensed administrative and clerical staff, personal assistants, and/or individuals seeking licensure or certification real estate appraisers among those eligible for access to and use of MLS information as subscribers may, at their discretion, amend section 6, recurring participation fee and subscription fees, as necessary to include such individuals in the computation of MLS fees and charges.

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

Section 7.1 Compliance with Rules

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

- (a) For failure to pay any service charge or fee within 10 days of the date due, the MLS Service shall be suspended until service charges or fees are paid in full, including \$50 late fee. If a payment is over 30 days late from the due date, an additional \$60 reinstatement fee will apply.**
- (b) Blatant violations to include but not limited to sharing MLS login/password or MLS #'s and info, giving electronic keys to non-member/non-licensee (ex.: contractors, repairmen, realtors from other boards, clients) will incur a \$1000 fine for the first offense. Loss of electronic key privileges and deactivation of MLS access will occur until fine is paid. Second offense will incur a \$2500 fine, loss of electronic key privileges, deactivation of MLS access and other disciplinary action.**
- (c) For failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply.**

Note: Generally, warning, censure, and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the Rules and Regulations of the Multiple Listing Service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violations of the Rules and Regulations of the Service.

SECTION 7.2. 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.

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 THE 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 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.

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 administratively considered and determined by the multiple listing service committee, and if a violation is determined, the committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the professional standards committee of the association in accordance with the bylaws and rules and regulations of the association of REALTORS® within twenty (20) days following receipt of the committee's decision. If the multiple listing committee has a procedure established to conduct hearings, the decision of the multiple listing committee tribunal may be appealed to the Board of Directors within twenty (20) days of the tribunal's decision being rendered.

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®.

SECTION 9.2 COMPLAINTS OF UNETHICAL CONDUCT:

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

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.

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.

OWNERSHIP OF MLS COMPILATIONS* AND COPYRIGHTS

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

SECTION 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 the listed property.

SECTION 11.1 All right, title, and interest in each copy of every multiple listing compilation created and copyrighted by the SUMTER Board of REALTORS®, and in the copyrights therein, shall at all times remain vested in the SUMTER Board of REALTORS®.

SECTION 11.2 Each participant shall be entitled to lease from the SUMTER Board of REALTORS® a number of copies of each MLS compilation sufficient to provide the participant and each person affiliated as a licensee (including licensed or certified appraisers) with such participant with one copy of such compilation. The participant shall pay for each such copy the rental fee set by the association*. The monthly fee will be established by the MLS committee and approved by the SUMTER Board of REALTORS® Board of Directors. Participants shall acquire by such lease only the right to use the MLS Compilations in accordance with these rules.

*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 association.

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

USE OF COPYRIGHTED MLS COMPILATIONS

SECTION 12. DISTRIBUTION

Participants shall at all times maintain control over and responsibility for each copy of any MLS compilation leased to them by the association of REALTORS®, and shall not distribute any 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 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.

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-Option 1

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 relates to any properties in which the prospective purchasers are or may, in the judgment of the participant or their affiliated licensees, be interested.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties of other than that in which the prospective purchaser has expressed interest, or in which the participant or the affiliated licensees are seeking to promote interest, does not appear on such reproduction. Reproductions to prospective buyers shall not include the following listing detail information: owners'/sellers' name, compensation offered, expiration date, and agent remarks.

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 an estimate of value on a particular property for a particular client. However, only such information that an association or association-owned multiple listing service has deemed to be nonconfidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

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

USE OF MLS INFORMATION

SECTION 13. LIMITATIONS ON USE OF MLS INFORMATION:

Use of information from MLS compilation of current listing information, from the association's statistical report, or from any sold or comparable report of the association or MLS for public mass-media advertising by an MLS participant or in other public representations may not be prohibited.

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the association or 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 Board/Association of Realtors* (alternatively, from the Sumter Board of Realtors MLS) (Date)_____.

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 two-thirds (2/3) vote of the Members of the multiple listing service committee, subject to approval by the SUMTER Board of REALTORS® Board of Directors.

Note: Some associations may prefer to change the rules and regulations by a vote of the participants, subject to approval by the board of directors of the association 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 more than eight (8) classroom hours devoted to the MLS Rules and Regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty-ninety (30-90) days after access has been provided.

INTERNET DATA EXCHANGE (IDX)

SECTION 16 –IDX Defined: IDX affords MLS participants the option of authorizing display of their active listings on other participant’s Internet Web sites.

SECTION 16.1 – Authorization:

Participant’s consent for display of their active 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 the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller.

SECTION 16.2 – Participation

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

Section 16.2.1

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

Section 16.2.2

Participants must protect IDX information from misappropriation by employing reasonable efforts, to monitor and prevent "scraping" or other unauthorized accessing, reproduction, or use of MLS database. The IDX site or the Participant operating the IDX site may not distribute, provide, or make any portion of the MLS database available to any person or entity.

Section 16.2.3

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

Section 16.2.4

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

Section 16.2.5

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

Section 16.2.6

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

Section 16.2.7

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

SECTION 16.3 Display

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

SECTION 16.3.1

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

Section 16.3.1.1

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

SECTION 16.3.2

Participants shall not modify or manipulate information relating to other participant's listings (This is not a limitation on site design but refers to changes to actual listing data.) MLS data may be augmented with additional data not otherwise prohibited from display so long as the source of the additional data is clearly identified. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized data fields.

SECTION 16.3.3

All listings displayed pursuant to IDX shall identify the listing firm in a readily visible color and typeface not smaller than the median used in the display of listing data.

SECTION 16.3.4

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

Section 16.3.5

Non-principal brokers and sales licensees affiliated with IDX Participants may display information available through IDX on their own Web sites subject to their participant's consent and control and the requirements of state law and/or regulation.

Section 16.3.6

Deleted November 2006

Section 16.3.7

All listings displayed pursuant to IDX shall show the MLS as the source of the information.

Section 16.3.8

Participants (and affiliated licensees, if applicable) must refresh all downloads and refresh all data at least once every 7 (seven) days.

Section 16.3.9

The data consumers can retrieve or download in response to an inquiry shall be limited to 25 listings per search.

Section 16.3.10

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 16.3.11

Listings obtained through IDX 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.

Section 16.3.12

Display of expired, withdrawn, and pending listings is prohibited

Section 16.3.13

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

Section 16.4

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

Service Fees and Charges

- A. Initial Company Participation Fee, whose primary membership is with the Sumter Board of REALTORS, for participation in the MLS Service shall pay an application fee of \$500.00 with such fee to accompany the application of the BIC.

Note: The initial participation fee shall approximate the cost of bringing the Service to the Participant.

For those applicants, who are secondary members of the Sumter Board of REALTORS®, for participation in the MLS service shall pay an application fee of 600.00 with such fee to accompany the application.

For those applicants, who do not desire membership with the Sumter Board of REALTORS®, for participation in the MLS service shall pay an application fee of \$700 with such fee to accompany the application.

- B. Company MLS Recurring Participation Fee - \$200.00 Annually or \$50.00 Quarterly for Primary Board participants. Secondary members and non-members shall pay a monthly access fee in an amount of \$300 annually or quarterly fee of \$75.00. These amounts are due on or before the invoice due date. If not paid within 10 days of due date, staff will notify the broker in charge of that office, the first business morning after that they will have 48 hours to correct the situation or the access to the MLS Service will be disabled for the entire office.

- C. Primary Board participants - \$23.50 monthly MLS fee per participant-Non-Primary Board participants 53.50 per month per licensee.
- D. MLS Active Listing Fee New Listing Fee - \$3.50/Per New Listing.
- E. Comparable Books Will Be Billed Per Issue, Including State Tax, at no loss or gain To multiple listing service.
- F. Data Push Set up fee \$100.00 with a recurring charge of \$50.00 per month.
- G. Courthouse Retrieval System-\$5.50 per agent-per month.

All licensees under a secondary member broker must pay MLS Access fees but are not required to join the Association.

SECTION 17- Lockbox and Electronic Key System

No multiple listing service need use lock boxes and no listing broker need use a lock box on a property, but if the multiple listing services does offer the lock boxes, it must make them available to anyone who participates in the multiple listing service, whether an association member or not. Nothing shall prevent the owner's right to refuse to have a lock box on his property. If a participant withdraws from the MLS/Association, the Participant needs to report to the Association the status of their lock boxes. If lock box ownership changes, the Association requires that the new owner of the lock boxes bring the lock boxes within 7 days of ownership transfer.

The fee to purchase lock boxes are to be the same as the cost to the Board of REALTORS. Boxes are the property of each BIC.

ELECTRONIC KEYS and key service are for the exclusive use of the applicant to whom the key or key service is leased. The lease of the key/key service is administered by the Board and the system provider including all lease agreements and responsible for replacement of lost, stolen or damaged keys. Penalties shall apply to any applicant who allows the use of their key/key service by a non-licensee, non-member or non-MLS participant. The fees are set up by the key lease provider and are subject to change. The deposit for each participant/member of the MLS will be \$30.00 with the rental subject to change. If a Participant withdraws from the MLS/Association, the Participant needs to report to the Association the status of their electronic key. If a Participant changes companies, the Association requires that the owner of the electronic key bring the key to be re-programmed within 7 days of agency transferal.

A lock box is a container affixed to property containing a device to gain access to the property being marketed by a participant in the MLS. Participants in the MLS or their salespersons (and licensed or certified appraisers affiliated with the participants) are authorized under certain conditions to open these lock boxes under terms specified by the listing broker. Cooperating brokers and sales licensees, whether functioning as subagents of

the listing broker or as agents of potential purchasers, must contract the listing broker to disclose their agency status and to arrange appointments to show listed property even if the property has a lock box affixed to it unless the listing broker has given specific permission (through information published in the MLS or otherwise) to show the property without first contacting the listing broker.

If an association or its multiple listing service elects to engage in the sale, rental, or distribution of lock boxes to its members or be involved in any way with the sponsorship or endorsement of a common lock box system, the lock box security requirements as established by the NATIONAL ASSOCIATION OF REALTORS® shall be the minimum security measures adopted and implemented in connection with such lock box system. Eligibility for coverage under the National Association's blanket errors and omissions insurance program is contingent on compliance with the lock box security requirements whether the system is operated by the association, its MLS, or on behalf of an association by a recognized lock box vender.

If a Participant withdraws from the Association, is no longer a member of the Association for any reason, or is not in good standing because of outstanding fees/fines, the key shall be returned immediately to the Association Office and the key service be disabled immediately.

Broker Reciprocity

Section 18--"Broker Reciprocity" is a means by which each Participant subscribing to the program (the "Broker Reciprocity Subscriber" or "BRS") permits the display of its active listings appearing in MLS on each other's BRS Internet web site.

The "Broker Reciprocity Database" is the current aggregate compilation of all active exclusive right to sell listings of all Broker Reciprocity Subscribers except those listings where the property seller has opted out of Internet publication by so indicating on the listing contract.

Section 18.1 – AUTHORIZATION

Participants' consent for display of their active listings by other Participants pursuant to these rules and regulations is presumed unless a Participant opts out in writing through the Sumter Board of REALTORS® office. Participation in IDX is available to all MLS Participants who consent to display of their listing by other Participants subject to the following rules.

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. This requirement can be met by maintaining an office or Internet presence from which Participants are available to represent real estate sellers or buyers (or both).

Section 18.3 -BROKER RECIPROCITY RULES

- (a) A participating BRS (Broker Reciprocity Subscriber) may download or frame the Sumter Board of REALTORS®

- (b) In order to be a BRS, a Participant must be actively engaged in providing real estate brokerage services in residential and/or commercial real estate transactions.
- (c) The REALTOR® shall update the information on its Internet web site at least every 72 hours.
- (d) A REALTOR® may not modify or manipulate the data relating to another REALTOR®'s listing. (This I is not a limitation on the design of the site, but refers to the actual data).

1. A detailed display of another REALTOR®'s listing may not include any contact information or branding of the Participant who owns the web site or any of it's agents within the "body" of the listing data. The "body" is defined as the rectangular space whose borders are delimited by the utmost extent in each direction of the listing text and photo data.

The prohibition on branding or contact information with the "body" of the listing data is intended to prevent any possible confusion on the part of the consumer as to the source of the listing.

- (e) A REALTOR® who manipulates the listings display provided by the board must make changes to their site within five business days of notice from the Sumter Board of REALTORS® MLS of the violation.

You must make corrections to your web site if the Sumter Board of REALTORS® MLS determines that it is in violation on some point. The Sumter Board of REALTORS® MLS reserves the right to discontinue the data feed you receive without further notice if you do not comply with this requirement. You may also be subject to fines from the Sumter Board of REALTORS®, consistent with the provisions of Sections 9 and 9.1 of the MLS Rules and Regulations.

Virtual Office Websites (VOWs)

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 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 MLS(s) may operate a master website with links to the VOWs of the other offices.

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

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

Section 19.3 (a): Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:

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

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

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

(b) The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant.

The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.

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

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

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

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

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

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

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

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

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

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

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

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

Section 19.6 (a): A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

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

Seller Opt-Out Form

1. Please check either Option a or Option b

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

OR

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

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

initials of seller

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

Section 19.7:

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

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

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

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

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

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

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

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

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

® Indicates REALTOR is a registered trademark.

Amendments To Rules And Regulations Added June 24,1993
Amendments To Rules And Regulations Added May 1,1996
Amendments To Rules And Regulations Added September 27,1999
Amendments To Rules And Regulations Added February 20, 2003
Amendments To Rules and Regulations Added October 21, 2003
Amendments To Rules and Regulations Added October 15, 2006
Amendments to Rules and Regulations Added January 1, 2009
Amendments to Rules and Regulations Added March 15, 2009

Darlene Hebert, Executive Officer

1. APPROVED BY NAR: 3-26-1997
2. APPROVED BY NAR: 10-08-1999
3. APPROVED BY NAR: 11-21-2003
4. APPROVED BY NAR: 11/2006
5. APPROVED BY NAR: