

RULES & REGULATIONS

Section I. LISTING PROCEDURES:

Listing contracts 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 (a) Single Family homes for sale or exchange (b) Vacant lots and acreage for sale or exchange (c) Two-family, three-family, and four-family residential buildings for sale or exchange, shall be placed on NAVICA within (24) twenty-four hours after all necessary signatures of seller (s) have been obtained. If not, the fine for the first day is \$10 and each day after is \$25 per day.

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

Note I : 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:

The Fort Dodge Multiple Listing Service will require a Participant to submit listings agreement and the Offer to Purchase on all listing (s) that go Offer Pending with 48 hours of going on NAVICA.

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

The Multiple Listing Service shall accept exclusive right to sell listings 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 Listings Service acting as subagents, buyer agents, or both.

The listings agreement must include the seller's written authorization to submit the agreement to the Multiple Listing Service. The different types of listing agreement include:

Exclusive right to sell Exclusive agency Open Net

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

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

The exclusive agency listings also authorize the listing broker, as exclusive agent, to offer cooperate and compensate 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 symbiotic from exclusive right to sell listings with no named prospects exempted, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right to sell listings with no named prospects exempted. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right to sell listings with prospect reservations.

A Sellers Disclosure Statement (SDS) and or Lead-Based Paint (LBP) disclosure are required to be submitted to the Service at the same time as the listing contract and under the same time constraints, by the (24) twenty four hours and must include all necessary signature(s). If the SDS and or the LBP are late the following fees will apply: \$10 for the first day and \$25 for each day after until those items are received by the Service.

Photos: one singular front facing exterior photo of the property is required to be uploaded to the listing when the listing is uploaded to the Service, otherwise the fine is \$10 for the first day missing a photo and \$25 for every day following.

Missing Information (such as commission split, taxes, assessed values, room sizes, etc.) must be on listing within 24 hours. Fine \$10.00 for first day and \$25.00 for every day following. Total Square Feet (only above grade footage is to be included in the Total Square Feet. Fine \$100.00 for incorrect total square feet on listing.

All signs and lockboxes are to be removed from the property within 24 hours of the transaction closing.

Section 1.01 — Clear Cooperation

Within one (1) business day (24 hours) of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public-facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public. (Adopted 11/19)

NOTE: Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Police. This applies to listings filed under Section I and listing exempt from distribution under Section 1.3 of the NAR model MLS rules if it is being publicly marketed, and any other situation where the listing broker is publicly marketing and exclusive listing that is required to be filed with the service and is not currently available to other MLS Participants. Fine \$500.00

Section 1.1 Types of Properties

The 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 listings submitted is entered into within the scope of the Participant's licensure as a real estate broker:

- | | |
|---|-----------------------|
| 1. Residential | 2. Residential Income |
| 3. Subdivided Vacant Lot | 4. Land and Ranch |
| 5. Business Opportunity | 6. Hotel-Motel |
| 7. Mobile Homes | 8. Mobile Homes Parks |
| 9. Commercial Income | 10. Industrial |
| I I. Proposed Listings (vacant lots with proposed blueprints) | |

Properties that are not to be included: cooperative units without a deed.

Section 1.11 Listings Subject to Rules and Regulations of the Service

Any Listings 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 Submitted 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 1.3 Exempted Listings

If the seller refuses to permit the listings to be disseminated by the Service, the REALTOR® may then take the listing ("office exclusive") and such listings shall be filed with the Service within (24) Twenty four hours after obtaining final signatures from seller(s) but not disseminated by 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/ Secretary.

Note I : Section I .3 is not required if the service does not require all (indicate type(s) of listing (s) accepted by the service) listings to be submitted by a participant to the service.

Note 2: MLS Participants must distribute exempt listings within (1) one business day (24 hours once the listing is publicly marketed. See Section 1.01, Clear Cooperation.

Section 1.4 Change of Status of Listings/Delayed Showing

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 submitted with the Service within twenty four (24) hours

after the authorized change is received by the listing broker. If the change of status is not updated on the MLS within 24 hours a fine of \$10 for the first day and \$25 for every day after until the information is updated are entered on NAVICA.

If a Seller chooses to delay the showing of the property, no one shall be allowed to show the property. A \$ 1000 fine will be assessed to any listing and/or selling agent that knowingly allows the delayed showing property to be shown..

*The date/time may not be changed earlier than what is stated above unless all members have been notified of such change no less than 48 hours in advance of the new Delayed Showing date/time. The following statement shall be added at the beginning of the public remarks and used in any marketing of the property.

"This home is currently listed as a "delayed showing". Under no circumstances will any showings be allowed _____ until (date)(time). The Sellers will not review or accept any proposed purchase agreements/offers until the conclusion of the first showing date."

Assessing a property without prior Approval: Fine \$500.00 1st Offense, \$1,000.00 for 2nd Offense and removal from the Fort Dodge MLS.

Lockbox Assess: Allowing others to use your pin to assess a lockbox will be a VIOLATION! Fine of \$500.00 1st Offense, \$1,000.00 plus removal from the Fort Dodge MLS for the 2nd Offense.

Section 1.5 Withdrawal/Cancellation of Listings Prior to Expiration

Listing contracts remain valid until the contractual expiration date. Property may be withdrawn from the Multiple Listing Service by the listing broker before the expiration date of the listing agreement, provided notice is submitted with the Service, including a copy of the agreement between the seller and the listing broker which authorizes the change in status. While withdrawn the listing cannot be marketed or shown. The property can resume as active on the MLS within the contract period if sellers wish to do so.

Sellers do not have the unilateral right to require an MLS to withdraw or cancel a listing without the listing broker's concurrence. A canceled listing can be relisted immediately with a new listing contract by a new/different listing agent. Otherwise, a relisting with the previous agent must have a 30 day off market period to prevent abuse. For expiration details please refer to Section 1, 10 Expiration of Listings

Section 1.6 Contingencies Applicable to Listings

Any contingency or conditions of any' term in a listing shall be specified and noted to the Participants. Active listings with contingencies must be added by the end of the next business day after acceptance. This does not need to be turned into the Service, but the Service reserves the right to request these forms from Participants. If there are violations, then there will a \$10.00 fine for the first day and \$25.00 for everyday after.

C=Contingent, ie: seller finding home of choice P=Subject is Pending

Section 1.7 Listing Price Specified

The full gross listing price should be stated in the 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. If this information is not reported within 24 hours, the fee shall be \$10,

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 dates specified in the agreement unless prior to that date the MLS receives notice that the listing has been extended or renewed.

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

Section 1.11 Termination Date of 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 Service Area

Only listings of the designated types of property located within the service area of the MLS are required to be submitted to the service. Listings of property located outside the MLS's service area will (or will not) be accepted if submitted voluntarily by a participant but cannot be required by the service. (Amended 11/17)

Note: Associations must choose whether the service will accept listings from beyond its jurisdiction into the MLS compilation. (Amended 1 1/17)

Section 1.13 Listing 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 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 listings 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 Listing 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 Listing of A "Proposed Listing" (Vacant Lot with Proposed Blueprints)

A listing agreement or property data form for a "proposed listing", when filed with the Multiple Listing Service by the listing broker, shall have the main photo appear as a floor plan or proposed sketch of the property, no like photos will be allowed. The owner of the lot must be the builder of the proposed listing. In the remarks of this data, it should be clearly stated that this property is a proposed idea with a vacant lot and proposed blueprints only, no construction has begun. A separate checklist for "proposed listings" must accompany the listing.

Section 1.17 Property Addresses

At the time of filing a listing, participants and subscribers must include a property address available to other participants and subscribers, and if an address doesn't exist a parcel identification number can be used. Where an address or parcel identification number is unavailable, the information filed with the MLS must include a legal description of the property sufficient to describe its location.

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

NOTE: Any listing that is requesting that showings be delayed must have the seller's signature.

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 Submissions of Written Offers and Counter Offers The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, regulations, 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 2.21 Pending Listings and Pending's with Contingencies

Pending listings must be recorded within 24 hours following the sellers acknowledging and agreeing that the property will be taken off the market until sellers receive notice of a mortgage commitment or denial from Buyers, unless otherwise agree in writing by both parties, per the purchase agreement.

This do not need to be turned into the Service, but the Service reserves the right to request these forms from Participants. If there are violations, then there would be a \$10 fine for the first day and \$25 for every day after. Contingencies to pending(s) must be added within 24 hours after acceptance. This do not need to be turned into the Service, but the Service reserves the right to request these forms from Participants. If any abuse occurs, fines may be assessed as the Services sees fit, not to exceed the normal fines outline.

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 lesser 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 lesser and the listing broker. However, if the seller or lesser gives written instructions to the listing broker that the cooperating broker is

not present when an offer the cooperating broker secured is presented, the cooperating has the right to a copy Of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

Section 2.4 Right of Listing Broker in Presentation of Counteroffer

The listing broker or his representative has the right to participate in the presentation of any counteroffer made by the seller or lesser. He does not have the right to be present at any discussion or evaluation of a counteroffer 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 is not present when a counteroffer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 2.5 Reporting Sales to the Service

Status changes, including final closing of sales and sale prices, shall be reported to the Multiple Listing Service by the listing broker and within 5 days 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 5 days after occurrence and the listing broker shall report them to the MLS within 5 days after receiving notice from the cooperating broker. If these notifications to the service are not completed by the time frame outlined above the fine will be \$10 for the first day after SOLD and then \$25.00 per day.

Multiple Units: When part of a listed property has been sold, proper notification should be given to the Multiple Listing Service. If this information is not reported within 24 hours after execution, the fee shall be \$10.

Note I: 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, then 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 governmental bodies and third-party entities only as provided below.

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property) and to confirm the accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing services to participants and subscribers. In any instance where a governmental body or

third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices. (Adopted 11/11)

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. (Adopted 11/11)

Section 2.6 Reporting Resolutions of Contingencies

The listing broker shall report to the Multiple Listing Service within 24 hours that a contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the agreement cancelled. If the information is not received within that time frame, the fee shall be \$10 for the first day and \$25 for each day after.

Section 2.7 Advertising of Listing Filed with Service

A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker.

Section 2.8 Reporting Cancellation of Pending Sale

The listing broker shall report immediately to the Multiple Listing Service the cancellation of any pending sale and the listing shall be reinstated immediately.

Section 2.9 Disclosing the Existence of Offers

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

Section 2.10 Availability of Listing 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 should be transmitted immediately to the Service and to all Participants.

Prohibitions Section 4 Information for Participants Only

Any listings 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 (seller) 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: 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 that 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.

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 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.

Section 4.5 Services Advertised as "FREE"

MLS participants and subscribers must not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the participant or subscriber will receive no financial compensation from any source for those services.

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 the entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease). The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a quest 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 a Board Of REALTORS®, the participant of the Service is making blanket unilateral offers 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 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 services shall appear in one of two forms. The essential and appropriate requirement by an association multiple listing services 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 1/1/95)

MLS participants may offer cooperative compensation as a percentage of the net sales price, with net sales price defined as the gross sales price minus buyer upgrades (new construction) and seller concessions.

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 no agency capacities defined by law) which may be 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 submitting an Offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other Participants in the Service. Any superseding Offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

NOTE 1: The 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 Board Multiple Listing Service shall not publish the total negotiated commission on a listing, which has been submitted, to the MLS by a Participant. The Board Multiple Listing Service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

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

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

Note: MLSs may also, as a matter of local discretion, allow participants to offer cooperative compensation as a percentage of the net sales price, with the net sales price defined as the gross sales price minus buyer upgrades (new construction) and seller concessions (as defined by the MLS unless otherwise defined by state law or regulation). (Adopted 5/08)

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:

Points paid by seller on behalf of buyer, seller-paid buyer closing costs, cash or cash allowances not escrowed, down payment assistance, additions or alterations not considered deferred maintenance, and personal property not usual and customary to such transactions conveyed from seller to buyer having an agreed upon monetary value. (Adopted 05/12)

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 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 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 5/10)

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

NOTE 6: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. 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 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 (Adopted 5/19)

Section 5.0. I 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.

Section 5.1 Participant as Principal

If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any interest in 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.

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. Service Charges

Section 5.4 Display of Listing Brokers Offer to Compensation

Participants and subscribers who share the listing brokers offer of compensation for an active listing must display the following disclaimer or something similar.

The listing brokers offer of compensation is made only to participants of the MLS where the listing is filed.

Section 6. Service Fees and Charges

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 prescribed:

- a.) Initial Participation Fee: An applicant for participation in the Service shall pay a onetime only fee \$500.00 to cover startup costs, activation fees, and ongoing MLS services.
- b.) An Orientation fee to cover the MLS software training of \$50
- c.) Iowa Association of Realtors Fee: An applicant for participation in the Service shall pay a one-time fee of \$100.00 to cover activation fees with IAR

NOTE: The initial Participation Fee shall approximate the cost of bringing the Service to the Participant.

- d.) Recurring Participation Fee: The monthly participation fee of each Participant shall be determined by the secretary of the multiple listing service and shall be based on the fee from the MLS provider (s) and shall be divided among all members of the MLS and other participants of the service. All 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. Payment of such fees shall be made on or before the 10th day of each month or co of the Multiple Listing Service. Fees shall be prorated on a monthly basis.

However, MLSs must provide participants the option of a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS where the principal broker participates. MLSs may at their discretion require waiver recipients and their participants to sign a certification for nonuse of its MLS services. which can include penalties and termination of the waiver if violated. * (Adopted 1 1/1 7) M

* Mandatory waiver provision is effective no later than July 1, 2018.

NOTE 1: A Multiple Listing Service may elect to have such fees payable on a quarterly or even on a monthly basis. However, added administrative services are necessitated by increased frequency of such payments.

Note 2: Multiple listing services that choose to include affiliated unlicensed administrative and clerical staff, personal assistants, and/or individuals seeking licensure or certification as real estate appraisers among those eligible for access to and use of MLS information as subscribers may, at their discretion, charge recurring fees. (Amended 1/1/17)

NOTE: Any combination of charges may be used if they are in accordance with the National Association's Multiple Listing Policy Point No. 3. Multiple Listing Policy Point No. 3 prohibits a fee that is contingent on the sale of a listed property.

NOTE: Financing from the Multiple Listing Service should be adequate but not in such amounts as to be the source of financing the Board's operation. The Multiple Listing Service 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 Board's existence. If it's able to restrict its services exclusively or primarily to Board Members, the Service is not properly a Board profit center.

NOTE: If a member desires to have an exclusive listing, the listing shall be hand typed and not entered the M.L.S. Software for other members to access. The fee to process this listing shall be \$100.00 plus Other considerations.

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 that 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 or 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. suspensions 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 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.

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 one (1) month of the date due, and provided that at least ten (10) days' notice has been given, the Service shall be suspended until service charges are fees are paid in full.
- (b) *ALL FINE/VOILATIONS MUST BE PAID BY DUE DATE, IF NOT PAID THE OFFICE WILL BE SUSPENDED FROM THE MLS AND A RECONNECT FEE OF \$25.00 PER AGENT WILL BE CHARGED AND BOARD SECRETARY WILL HAVE UP TO FIVE DAYS TO GET OFFICE REINSTATED AFTER FINE AND FEES ARE PAID IN FULL.
- (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 is enough to constitute a deterrent to violation of the Rules and Regulations of the Multiple Listing Service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the Rules and Regulations of the Service. If the MLS desires to establish a series of moderate fines, they should be clearly specified in the Rules and Regulations.

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 meetings of the Participants of the Service or the Board of Directors or the Committee of the Service for transaction of business at a time and place to be determined by the committee or at the call of the Secretary.

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 Secretary shall preside at all meetings or in their absence, a temporary committee member from the membership shall be named, or by the committee.

Enforcement of Rules or Disputes

Section 9. Consideration of Alleged Violations

The Committee shall consider all written complaints from Participants 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 Board of Directors of the Service, and if a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Board in accordance with the Bylaws and rules and regulations of the Board of REALTORS@ within twenty (20) days following receipt of the Director's decision. If the

Board of Directors of the Service has a procedure established to conduct hearings, any appeal of the decision of the Board of Directors of the Service may be appealed within twenty (20) days of the tribunal's decision being rendered to the Board of Directors of the Board.

If, rather than conducting an administrative review, the MLS has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the Board of Directors of the MLS within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the Board of REALTORS@ for processing in accordance with the professional standards procedures of the board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board of REALTORS@.

Section 9.2 Complaints of Unethical Conduct

All other complaints of unethical conduct shall be referred by the Board of Directors of the Service of the Board of REALTORS@ appropriate action in accordance with the professional standards procedures established in the Board'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 Compilation* and Copyright

*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, cardfile, or any other format whatsoever.

Ownership of MLS Compilations and Copyrights

Section 11 By the act of submitting any property listing content to the MLS, the participant represents that he has been authorized to license and also thereby does license authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparable. 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.

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.
6. Not receive a financial benefit attributable to complained-of infringing activity when the OSP can control 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. (Adopted 1 1/15)

Section 11.1 All right, title, and interest in each copy of every Multiple Listing Compilation created and copyrighted by the Fort Dodge Board of REALTORS@/ Fort Dodge MLS and in the copyrights therein, shall at all times remain vested in the Fort Dodge Board of REALTORS@/Fort Dodge MLS.

Section 11.2 Each Participant shall be entitled to lease from the Fort Dodge Board of REALTORS@/Fort Dodge MLS a number of copies of each MLS Compilation sufficient to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such Compilation. The Participant shall pay, for each such copy, the rental fee set by the Board. **

**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 Compilations 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 Board of REALTORS@, and shall not distribute any such copies to persons other than persons 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 by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

Section 12.1 Display

Participants, and those persons affiliated as licensees with such Participants, shall be permitted to display the MLS Compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, 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 purchasers are or may, in the judgment of the Participant or their affiliated licensees, be interested.

*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 purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent and thus reasonable in number, shall include, but are not limited to, the total number of listings in the MLS compilation, how closely the 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 properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

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

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

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and those licensees affiliated with the Participant 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, comparable, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any MLS content in data 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.

USE OF MLS INFORMATION

Section 13 Limitations on Use of MLS Information

Use of information from MLS compilation of current listing information, from the Board's "Statistical Report," or from any "sold" or "comparable" report of the Board 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 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 Fort Dodge Board of REALTORS (alternatively, from the Fort Dodge M.L.S.)

Section 14 Changes in Rules and Regulations Amendments to the rules and regulations of the Service shall be by consideration and approval of the Board of Directors or Committee of the Multiple Listing Service, subject to final approval by the Fort Dodge Board of REALTORS® / Fort Dodge MLS and Fort Dodge Board of Directors.

Note: Some associations may prefer to change the rules and regulations by a vote of the participants of the service, subject to approval of the board of directors of the service, with final approval by the board of directors of the association of REALTORS® which is the sole and exclusive shareholder of the stock of the service corporation.

Section 15 Orientation Any applicant for MLS Participation and any licensee affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided. (Amended 1/1/96)
Internet Data Exchange (IDX)

Section ~~16~~—IDX Defined IDX affords MLS participants the ability to authorize limited electronic display and delivery of their listings by other participants via the following authorized mediums under the participant's control: websites, mobile apps, and audio devices. As used throughout these rules, "display" includes "delivery" of such listings. (Amended 5/17)

Section 16.1--Authorization: Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings through IDX, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display or other electronic forms of display or distribution.

(Amended 05/17)

Section 16.2—Participation: Participation in IDX is available to all MLS Participants who are REALTORS® and who consent to display of their listings by other Participants.

Section 16.2.1 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.

Section 16.2.2

MLS participants may not use IDX-provided listings or 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 5/12)

Section 16.2.3 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) or other electronic forms of display or distribution. (Amended 05/17) M

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 through IDX must be independently made by each participant. (Amended 05/17)

Section 16.2.5 Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every twelve (12) hours. (Amended 1/14)

Section 16.2.6 Except as provided in 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 5/12)

Section 16.2.7 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 5/12)

Section 16.2.8 Any IDX display controlled by a participant or subscriber that
a. allows third parties to write comments or reviews about particular listings 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 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 5/12)

Section 16.2.9 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 5/12)

Section 16.2.10 An MLS participant 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 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 IDX feed on a single webpage or display.

Section 16.2. II

Participants shall not modify or manipulate information relating to other participants' listings. MLS participants may augment their IDX displays of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated from the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all the available listings or fewer authorized fields.

Section 16.2.12

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. * (Amended 05/17) M

* 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. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application. (Amended 5/17)

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

Section 16.3.1—Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. 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 5/12)

Section 16.3.2

Section 16.3.3

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

Section 16.3.5—Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own websites subject to their participant's consent and control and the requirements of state law and/or regulation.

Section 16.3.7—All listings displayed pursuant to IDX shall show the MLS as the source of the information. * (Amended 05/17) O

*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. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application. (Amended 05/17)

Section 16.3.8 -Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use and 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) For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application. (Amended 05/17)

Section 16.3.9 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 five hundred (500) listings or fifty percent (50%) of the listings available for IDX display, whichever is fewer. (Amended 11/17) o

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 feeds from REALTOR Association MLSs where the MLS participant holds participatory rights must be displayed separately from listings obtained from other sources. Listings obtained from other sources (e.g. from other MLS, from non-participating brokers, etc.) must display the source from which each such listing was obtained. Displays or 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 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 holds a participatory right in those MLSs. As used in this policy, "co-mingling" means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that participants may display listings from each IDX feed on a single webpage or display.

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. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application. (Amended 05/17)

Section 16.3.12—Display of expired, withdrawn and sold listings* is prohibited. *Note: If "sold" information is publicly accessible, display of "sold" listings may not be prohibited. (Adopted 1/14)

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 16.3.14 - Advertising (including co-branding) on pages displaying IDX-provided listings is prohibited.

Section 16.3.15 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 great than those employed by the MLS. (Amended 05/12)

Section 16.3.16 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 16.3.17 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.

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

Section 17 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 (30) days after access has been provided.

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancements and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely.

VOWS

Section 18.1 (a) VOW: A Virtual Office Website ("VOW") is a Participant's Internet website, or a torture 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 ("AV P") on behalf of a Participant.

(c) 'Affiliated VOW Partner' ("AV P") 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 18.2 (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 AV P, 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.

Sections 18.2.4

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

Section 18.2.12

All listings displayed pursuant to IDX shall identify the listing firm, and the email or phone number provided by the listing participant in a reasonable prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.

Section 18.3 (a): Before permitting any consumer to search [Or 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 slate 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 username 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 username and password or may allow the Registrant to establish its username and password. The Participant must also assure that any email address is associated with only one username 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 always maintain a record of the name, email address, username, 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 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 18.3.1

Listing 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., showing instructions, and property security information) may not be displayed.

Section 18.3.12

Display of expired, and withdrawn listings is prohibited (Amended 11/15)

Section 18.4: 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 18.5: 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 if 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 18.6 (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

I .Please check either Option a or Option b

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

OR

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

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

initials of seller

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

Section 18.7:

(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 features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 17.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a feature has been disabled "at the request of the seller. "

Section 18.8: 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 18.9: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 18.10: 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 18.11: A Participant's VOW must display the Participant's privacy policy informing Registrants of all the ways in which information that they provide may be used.

Section 18.12: 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 of listing broker, and whether the listing broker is a REALTOR@.

Section 18.13: 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 18.14: 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.

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

- a.) Expired and withdrawn listings
- b.) The compensation offered to other MLS participants.
- c.) The type of listing agreement, [E, exclusive right —to-sell or exclusive agency
- d.) The seller's and occupant's names(s), phone number(s) or e-mail address(es)
- e.) Instructions or remarks intended for cooperating brokers only, such as those regarding showing or security of listed property.
- f.) Sold information

NOTE: If sold information is publicly accessible in the jurisdiction of the MLS, Subsection 19.15f. must be omitted.

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, or type of property.

Section 19.15

A participant's VOW may not make available for search by or display to Registrants any of the following information.

Sales price if sold information is not publicly accessible in the jurisdiction of the MLS Sold information.

Note: If sold information is publicly accessible in the jurisdiction of the MLS, Subsection 19.15 must be omitted (Revised 11/15)

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, the listing broker or agent, and the email or phone number provided by the listing participant in a readily visible color, in a reasonable prominent location, and in typeface not smaller than the median typeface used in the display of the listing data.