



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

**(A COMMITTEE OF THE
ROYAL GORGE ASSOCIATION OF REALTORS®)**

(Last Revised August 2017)

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OF THE MULTIPLE LISTING SERVICE
ROYAL GORGE ASSOCIATION OF REALTORS®**

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PART ONE
AUTHORIZATION FOR A MULTIPLE LISTING SERVICE
(Functions, Purpose, Duties, Definitions, Meetings)

ARTICLE XVIII

BYLAWS OF THE ROYAL GORGE ASSOCIATION OF REALTORS®

TITLE: MULTIPLE LISTING

Section 1. Authority

The Royal Gorge Association of REALTORS® shall maintain for the use of its members a Multiple Listing Service which shall be subject to the bylaws of the Royal Gorge Association of REALTORS® and such Rules and Regulations as may be hereinafter adopted.

Section 2. Purpose

A multiple listing service is a means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease). (1/2015)

Section 3. Duties

This service shall be provided under the supervision of the Multiple Listing Service Committee, whose duties shall include the determination of operating procedures, the administration of rules and regulations and the making of recommendations for improvement and other details of the service, subject to approval of the Board of Directors.

Section 4. Participation

Any REALTOR® member and secondary member of this or any other association, who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, of a firm, without further qualifications, shall be eligible to participate in Multiple Listing upon agreeing, in writing, to conform to these rules and regulations and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service membership or participation unless they hold a current, valid Colorado real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed or published by an association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by an association Multiple Listing Service where access to such information is prohibited by law.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means a continual and ongoing basis during the operation of the

participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law.

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

Upon compliance with the foregoing, all other principals, brokers, and salespersons affiliated in the firm of said participant shall have access to and use of the service through the principal(s) with whom they are affiliated. The participation of any principal, partner, or corporate officer, and salesperson affiliated with the firm of such participants, shall suspend or terminate as provided in the Bylaws of the Royal Gorge Association of REALTORS®. Termination of participation in the Multiple Listing Service shall not entitle terminating participants to any refunds. When any participant terminates his/her participation, or is suspended or expelled from participation, then the access to the service of all other principals, brokers, and salespersons in his/her office or firm whether members of the Royal Gorge Association of REALTORS®, or not, is also suspended or terminated. Failure to conform to these Rules and Regulations may be deemed a violation of these rules and regulations.

Section 5. Supervision

The activity shall be operated under the supervision of the Multiple Listing Committee in accordance with the Rules and Regulations, subject to the approval of the Board of Directors.

Section 6. Appointment of Committee

The President of the Royal Gorge Association of REALTORS® shall appoint subject to confirmation by the Board of Directors, a committee of no less five (5) REALTOR® members, who shall be participants in the Multiple Listing or affiliated with Participants. The committee shall always be an odd number. Those members of the committee shall be from an office or firm that participates in Multiple Listing Service. The committee members so named shall serve 2-year terms. A final member shall be the president-elect of the Board, and shall be a voting member of the committee and shall serve a one (1) year term. The President of the Royal Gorge Association of REALTORS® from the then, current members of the MLS Committee shall appoint a committee chairman to serve a three (3) year term commencing with the fiscal 1999/2000 year with a new appointment every three years thereafter or as necessary due to a chairman's resignation. The Chairperson shall vote only in the case of breaking a tie vote. The presence of the chairman is to count in determining if a quorum is present.

6.1 Name

The Name of this committee shall be the Multiple Listing Service Committee, or MLS, a committee of the Royal Gorge Association of REALTORS®.

6.2 Paid Assistants

The MLS Committee and/or the association Board of Directors may employ a paid secretary and such assistants and other employees as necessary to maintain service to members. All paid assistants of the

MLS shall be supervised by the chairman of the MLS Committee.

Section 7. Vacancies

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

Section 8. Attendance

Any committee member who fails to attend two (2) consecutive regular or special meetings of the committee, without excuse acceptable to the Chairman of the committee, or no more than four (4) excused absences, shall be deemed to have resigned from the committee and the vacancy shall be filled as herein provided for original appointees.

Section 9. Access to Comparable and Statistical Information

Association members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including “comparable” information, “sold” information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Association Members who receive such information, either as a Association service or through the Association’s MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

Section 10. Subscribers

Subscribers (or users) of the MLS include non-principal brokers, sales associates and licensed and certified appraisers affiliated with Participants. Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of a MLS Participant or the Participant’s licensed designee.

Section 11. Amendment of Rules and Regulations

Changes in, additions to, and deletion from the Rules and Regulations may be accomplished as set forth in said Rules and Regulations. The Board of Directors may suggest to the MLS Committee that they adopt changes in, additions to, and deletions from such Rules and Regulations. Such suggestions shall be in written form, and delivered to the Chairman of the MLS Committee. Upon the expiration of sixty (60) days from the delivery of such suggested changes to the said chairman, the Board of Directors may initiate the voted changes in the Rules and Regulations of the Multiple Listing Service. Any such change in, addition to, or deletion from the Rules and Regulations which is initiated by the Board of Directors and voted favorably thereon, shall be effective from the time of said vote, notwithstanding the failure of the MLS Committee to ratify or adopt such change in, addition to or deletion from the Rules and Regulations

PART TWO RULES AND REGULATIONS

PROCEDURES OF THE MULTIPLE LISTING SERVICE

Section 1. Listing Procedures

Listings of real or personal property of the following types which are listed subject to real estate broker’s license and are located within the territorial jurisdiction of the Royal Gorge Association of REALTORS® taken by participants on exclusive right and exclusive agency forms, along with a main photo or map or elevation of the actual subject property that is a hard copy or proof that said item has

been uploaded to the MLS system, shall be entered into the Multiple Listing Service within five (5) working days after all necessary signatures of seller(s) have been obtained. On request, a copy of the listing agreement must be provided to the Board Office within 2 business days. Submission of the following listings is mandatory. (11/3/2016)

Note 1: The multiple listing service shall not require a participant to submit listings on a form other than the form the participant individually chooses to utilize provided the listing is of a type accepted by the service, although a property data form may be required as approved by the multiple listing service. However, the multiple listing service, through its legal counsel may reserve the right to refuse to accept a listing form which fails to adequately protect the interests of the public and the participants •assure that no listing form filed with the multiple listing service establishes, directly or indirectly, any contractual relationship between the multiple listing service and the client (buyer or seller)

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

The listing agreement must include the seller's written authorization to submit the agreement to the multiple listing service. (1/2015)

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

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

Note 2: Regulation of Listings

The MLS shall not regulate the type of listings its members may take. The MLS shall decline to accept open and net listings.

1.1 Types of Property

- (a) Residential
- (b) Residential Income & Multi-Family
- (c) Vacant Lot/Land
- (d) Commercial & Business
- (e) Business Opportunity
- (f) Farm & Ranch

1.1.1 Listing Subject To Rules and Regulations of the Service

Any listing taken on 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).

1.1.2 Photos.

All listings shall have a main photo that accurately depicts the listed property except where sellers expressly direct that photographs of their property not appear in the MLS. (1/2015)

- a) Residential, Multi-Family and Improved Commercial Property shall have an exterior photo of the main structure as the main photo.
- b) All other listings shall have an exterior photo that is an accurate representation of the listed real property, map or elevation of the actual subject property as the main photo. Business listings may have an interior photo that is an accurate representation of the listed property as the main photo.

- c) There shall be no broker identification or contact information other than mandatory on photos or in Public Remarks and Directions input into the MLS.
- d) No photos will be accepted with people in them.

1.2 Forms (Detail on Listing Filed with the Service)

Detail on Listings Filed with the Service: A Minilist Input form or electronically transmitted listing, when filed with the MLS by the Participant, shall be complete in every detail which is ascertainable as specific on the currently approved Royal Gorge MLS input form.

Section 1.2.1 Limited Service Listings

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

- (a) arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s)
- (b) accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s)
- (c) advise the seller(s) as to the merits of offers to purchase
- (d) assist the seller(s) in developing, communicating, or presenting counter-offers
- (e) participate on the seller's(s') behalf in negotiations leading to the sale of the listed property will be identified with an appropriate code or symbol (e.g., LR or LS) in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property.

1.3 Exempted Listings

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

1.4 Change of Status

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

1.4.a. Any increased differential of the current list price vs. final sold price shall be filed with the service at the time the property is shown as sold. This can be noted in the Seller Concessions field (if applicable), as an upgrade, or explained in the Remarks section.

1.4.b. The original list price shall never be changed unless there is a typographical error upon input.

1.5 Withdrawal of Listing Prior to Expiration

Listings of property may be withdrawn from the Multiple Listing Service by the listing broker before the expiration date of the listing agreement provided notice is filed with the service including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal.

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

1.6 Contingencies Applicable to Listing

Any contingency or conditions of any term in a listing shall be specified and noticed to the participants.

1.7 Listing Price Specified

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

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. Vacant lots owned by the same seller in the same subdivision may be submitted on one data form. When part of the listed property has been sold, proper notification should be given to the Multiple Listing Service.

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 non-participants.

1.10 Expiration of Listings, Extension, Renewal of Listings

Any listing filed with the Multiple Listing Service automatically expires on the dates specified in the agreement unless renewed by the listing broker and notice of renewal or extension is filed with the service prior to expiration. If notice of renewal or extension is dated after the expiration date of the original listing, then a new listing must be secured for the listing to be filed with the Service. It should then be published as a new listing. Any extension or renewal of a listing must be signed by the seller(s) and be filed with the Service.

1.11 Termination Date on Listings

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

1.12 Jurisdiction

Only listings of the designated types of property located within the jurisdiction of the Royal Gorge Association of REALTORS® are required to be submitted to the service. Listings of property located outside the Board's jurisdiction will be accepted if submitted voluntarily by a Participant, but will not be required by the service.

1.13 Listings of Suspended Participants

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

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

1.15 Listings of Resigned Participants

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

1.16 Lead Based Paint Disclosures

Lead Based Paint Disclosures must be uploaded to the system within five (5) working days after all necessary signatures of seller(s) have been obtained except where sellers expressly direct that such disclosure documents not be disseminated through MLS. (1/2015)

Section 2. Selling Procedures

2.0 Showings and Negotiations

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

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

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.

2.2 Submission of Written Offers

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

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

2.3 Right of Cooperating Broker in Presentation of Offer

The cooperating broker or his representative shall have the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of the offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

2.4 Right of Listing Broker in Presentation of Counter-Offer

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

2.5 Reporting Sales to the Service

Status changes, including final closings of sales, shall be reported within 48 hours or two (2) business days (Monday through Friday) to the Multiple Listing Service by the listing broker after they have occurred. If negotiations were carried on under Section 2.0 (a) or (b) hereof, the cooperating broker shall report accepted offers to the listing broker within 24 hours after occurrence and the listing broker shall report them to the MLS within 48 hours after receiving notice from the cooperating broker. (1/2015)

2.5.1 Entering Sales “For Comps Only”

MLS participating brokers may enter sales of properties not listed in the MLS for comparable information only if they were the selling broker of said properties.

2.6 Reporting Resolutions of Contingencies

The listing broker shall report to the Multiple Listing Service within 24 hours that per Colorado Real Estate Law contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the agreement cancelled.

2.7 Advertising of Listing Filed with the Service

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

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.

2.9 Disclosing the Existence of Offers

Listing brokers, in response to inquiries from buyers or cooperating brokers shall, with the sellers’ approval, disclose the existence of offers on the property. Where disclosure is authorized, listing brokers 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. (1/2015)

2.9.1 Delivery of Acceptance

Acceptance of any sales agreement, a copy of such agreement and any addendum or counter proposal shall be delivered to the listing broker as per Colorado Real Estate law.

2.10 Availability of Listed Property

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

Section 3. Refusal To Sell

If the seller of any listed property filed with the multiple listing service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the service and to all participants except in the case of multiple offers at the same time.

Section 4. Prohibitions

4.0 Information for Participants Only

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

4.1 “For Sale” Signs

Only the “For Sale” signs of the listing broker may be placed on the property.

4.2 Sold Signs

Prior to closing, only the “Sold” sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

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 hundred of calls, communications, and visits from brokers and salespersons who have been made aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present broker.

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

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

Section 5. Divisions of Commissions

5.0 Cooperative Compensation Specified On Each Listing

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

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

The listing broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, transaction brokers, seller agents, buyer agents, or in other agency or non-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.

*The compensation specified on listings filed with the Multiple Listing Service shall appear in one of two forms. The essential and appropriate requirement by a Board Multiple Listing Service is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative

transactions, unless advised otherwise by the listing broker, in writing, in advance of submitting an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one or more of the following forms:

1. By showing a percentage of the gross selling price or
2. By showing a definite dollar amount.
3. A variable commission, if applicable, must be shown on form with a yes or no, (i.e., if listing broker is also selling broker the commissions is to be lower)

Note: MLS's 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.

Note 1: The association Multiple Listing Service shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the 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.

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

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

Note 4: Multiple Listing Service, at its 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 commission is reduced by the 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 submit to the time they produce an offer that ultimately results in a successful transaction.
(1/2015)

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

Note 6: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is 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 must also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers.

5.0.1 Disclosing Potential Short Sales

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

5.1 Participants as Principal

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

5.2 Participants 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.

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.

Section 6. Service 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 manner prescribed:

(a) Initial Participation fee:

A Brokerage Office Applicant for participation in the service shall pay an application fee of \$500.00 with such fee to accompany the application.

An Appraiser Applicant for participation in the service shall pay an application fee of \$250.00 with such fee to accompany the application.

Should any applicant in good standing choose to cancel his participation in the service after June 1, 2009, after an absence of one year, he must, once again, pay Application Fees. Should the applicant be absent less than one year, he will not be required to repay application fees; however, upon reinstatement, the applicant must pay the monthly MLS recurring service fee from the date of cancellation of services to the reinstatement date plus any outstanding, past-due fees. Application Fee is returnable if the application is not accepted by the MLS Committee and the association Board of Directors.

(b) Recurring Service Fee: A recurring service fee will be charged to each participant on a monthly basis. The amount of this fee to be determined from time to time following the guidelines as set forth by the MLS Committee and the association Board of Directors. The service fee shall be based on the number of licenses or licensed or certified appraisers affiliated with each Participant whether a REALTOR® member or not. This fee shall continue to be charged until such time as the Participant has supplied the MLS a copy of the letter to the Real Estate Commission returning the license of any broker or salesperson employed by or affiliated as an independent contractor with the Participant. (1/2015)

The MLS fees are due and payable on the 1st of each month, they must be paid by the 20th of the month billed, their service will be suspended and they will be charged \$10 per agent per month until fees are brought current. However, they will not receive another notice, but the original invoice will state "This will be the only notice you will receive, if fees are not paid by the 30th of this month, your service will

be suspended and you will be charged \$10.00 per agent per month until all fees are paid.”

(c) Property Managers for Designated REALTORS®: The Designated REALTOR® of an office in which a property manager is affiliated shall not be subject to the MLS service fees for the property manager as long as the property manager is not actively listing or selling real estate.

(d) All MLS fees and service charges, including, but not limited to initial participation fees, recurring service fees, listing origination fees, subscription fees, etc., shall be assessed only to the MLS Participant. Payment of such fees may only be accepted from the MLS Participant and not from non-principal brokers or sales licensees affiliated with the Participant. None of the foregoing is intended to preclude the MLS Participant from being reimbursed by affiliated licensees for fees or charges incurred on their behalf pursuant to any in-house agreement that may exist.

(e) Change in name of Participant: Any change in name of company such as trade name of DBA (doing business as) shall not constitute a change in the active status of said Participant so long as Participant was in good standing prior to said change. New participation fees shall not be charged in this event.

(f) Change of Ownership: Change in ownership due to outright sale of firm or partial buyout of existing owners shall not constitute filing as a new participant as per Section 6 (a), so long as evidence of said sale is presented in writing to MLS Committee designating new owners and designated Broker as required by Colorado Association of REALTORS® rules. Any new members in the Board shall comply with bylaws relating to fees due. Business being purchased must be in good standing at time of sale and transfer. Participation is not transferable; however, MLS Committee will have the right to waive the application fee for a new owner.

Section 7. Compliance with Rules – Authority to Impose Discipline

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

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

Note: A participant (or user/subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a participant (or user/subscriber, where appropriate) is placed on probation the discipline is held in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS rules during the probationary period may, at the discretion of the Board of Directors, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and the individual’s record will reflect the fulfilment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance. (Revised 05/14)

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 month of the date due, and provided that at least ten days notice has been given, the service shall be suspended, to include but not limited to,

withdrawal of all active listings until service charges or fees are paid in full.

(b) For failure to comply with any other rule, the provisions of Section 9 and 9.1 shall apply.

Note: Generally, warning, censure, and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the rules and regulations of the multiple listing service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service. A series of fines has been established per MLS Committee.

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.

Note: Adoption of Section 7.2 is optional and should be adopted by multiple listing services desiring to establish authority to impose discipline on non-principal users or subscribers affiliated with MLS members or participants.

Section 8. Meetings

The committee shall meet for the conduct of its business at a time and place determined by the committee or at the call of the chairperson.

8.1 Participants' Meetings

The committee may call meetings of the participants.

8.2 Chairman Shall Preside

The chairperson shall preside at all meetings, or in his/her absence a temporary chairperson from the membership of the committee shall be named by the chairperson or by the committee.

Section 9. Enforcement of Rules and Disputes

9.0 Consideration of Alleged Violations

The committee shall give consideration to all written complaints having to do with violations of the Rules and Regulations.

9.1 Violations of Rules and Regulations

If the alleged offense is a violation of the Rules and Regulations of the service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be considered and determined by the Multiple Listing Service Committee, and if a violation is determined, the committee may direct the imposition of sanction, provided the recipient of such sanction may appeal it to the Professional Standards Committee of the association for a hearing by the Professional Standards Committee in accordance with the bylaws of the association of REALTORS®, within 20 days following receipt of the committee's decision.

9.1.a If, rather than conducting an administrative review, the MLS Committee has a procedure established to conduct hearings, the decision of the MLS Committee may be appealed to the Board of Directors of the Royal Gorge Association of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the Board's Grievance Committee 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 Royal Gorge Association of REALTORS®.

9.2 Complaints of Unethical Conduct

All other complaints of unethical conduct shall be referred by the committee to the Executive Officer of the Royal Gorge Association of REALTORS® for appropriate action in accordance with the

professional standards procedures established in the Board's bylaws.

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.

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 Participants. 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 information such Participant provides.

10.2 Access to Comparable and Statistical Information

Association members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of these Members and individuals affiliated with these Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Members who receive such information, either as a Board service or through the Board's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

10.2.1 Affiliate members who are in good standing shall be granted access to Sold data only from the MLS and shall be subject to the fees and guidelines as outlined in Section 6., Services Charges.

SECTION 11. Ownership of MLS Compilations* and Copyrights

By the act of submitting of 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 comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to the listed property.

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.

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

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 is capable of controlling such activity.

Full compliance with these DMCA safe harbor criteria will mitigate an OSP's copyright infringement liability. For more information see 17 U.S.C. §512. **I**

11.1 All rights, title and interest in each copy of every Multiple Listing Compilation created and copyrighted by the Royal Gorge Association of REALTORS®, and in the copyrights therein, shall at all times remain vested in the Royal Gorge Association of REALTORS®.

11.2 Each Participant shall be entitled to lease from the Royal Gorge Association of REALTORS® a number of copies of each MLS Compilation sufficient to provide the Participant and each participant affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such compilation. The Participant shall pay, for each copy, the rental fee set by the association.* Participants shall acquire by such lease only the right to use the MLS Compilations in accordance with these rules.

*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.

SECTION 12. Use of Copyrighted MLS Compilations

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 or published by a Board Multiple Listing Service where access to such information is prohibited by law.

12.05 Photo Copyrights to Royal Gorge Association of REALTORS® Deleted (1/2015)

12.1 Display

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

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 participants or their affiliated licensees, be interested.

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support an ~~estimate of value~~ valuations on a particular ~~property~~ properties for a particular clients and customers. Any MLS content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. However, only such i Information that an association or association-owned multiple listing service has deemed to be non confidential and necessary to support the estimate of value may not be reproduced and attached to the report used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations. (Amended 11/14)

*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 types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a select basis, and whether the types of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

Section 13. Use of MLS Information

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

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

---“Based on information from the Royal Gorge Association of REALTORS®’ MLS for the period date through date “.

Any forms of advertising or other forms of public representations based in whole or in part on information supplied by the association or its MLS must also clearly state,

--- “As interpreted by the _____ (office name of the Participant.”, if applicable.

Section 14. Changes in Rules and Regulations

Amendments to and deletions from the Rules and Regulations of the service shall be by a 2/3 vote of the members of the Multiple Listing Service Committee, subject to approval by the Board of Directors as specified in the bylaws of the Royal Gorge Association of REALTORS®.

Section 15. Arbitration of Disputes – Not Applicable to Royal Gorge Association of REALTORS®

Section 16. MLS, Only, Participants

If the Participant holds REALTOR® membership in another REALTOR® Association, the Participant must provide evidence of current membership of the Participant and all Licensees as listed by the Colorado Real Estate Commission under his license, including appraisers, to the Royal Gorge Association of REALTORS. The Participant may request a MLS exemption for any licensee provided it is in writing to the Royal Gorge Association of REALTORS. The Participant must participate and is not eligible for MLS exemption. The initial participation fee is required and an “Agent Data Worksheet” must be completed for the Participant and each licensee participating in the MLS.

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

16.1 MLS Exemptions

Requests for MLS exemptions must be presented by the Participant, in writing, for approval by the Board of Directors of the Royal Gorge Association of REALTORS. Exemptions for MLS fees and services will be granted, upon certification from the Participant, for the licensees who do not utilize the service and do not list, sell, or appraise real estate within the territorial jurisdiction of the Royal Gorge Association of REALTORS. An exempted licensee may not co-list properties with another licensee within their brokerage unless both licensees are RGAR MLS members. Licensees operating as a team must all be added under the Participant. Team members cannot be exempted. This exemption will be granted only to those REALTORS whose offices, home agent offices and main source of business are physically located outside the territorial jurisdiction of the Royal Gorge Association of REALTORS. (2/2/2017)

Section 17. Orientation

MLS applicant(s) and/or any licensee affiliated with a MLS Participant who has access to and use of MLS generated information shall complete an orientation program of no more than eight (8) class room hours devoted to the MLS Rules and Regulations within 185 days of application date. Computer training related to MLS information entry and retrieval and the operation of the MLS is recommended. (1/2015)

Section 18. Internet Data Exchange (IDX)

IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants.

18.1 Authorization

Participants’ consent for display of their listings by other participants pursuant to these rules and regulations must be established in writing. If a participant withholds consent on a blanket basis to permit the display of that participant’s listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for

other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display.

18.2 Participation

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

18.2.1

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

18.2.2

MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. (1/2015)

18.2.3

Listings, including property addresses can be included in IDX displays except where a seller has directed their listing broker to withhold their listing or the listing's property address from all displays on the Internet (including, but not limited to, publicly-accessible Web sites or VOWs).(1/2015)

18.2.4

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

18.2.5

Participants must refresh all MLS downloads and displays automatically fed by those downloads at least once every ~~three (3) days~~ 12 hours. (11/14)

18.2.6

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

18.2.7

Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, "control" means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules. (1/2015)

18.2.10

An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, "co-mingling" means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display. (Adopted 11/14)

18.2.11

Participants shall not modify or manipulate information relating to other participants listings. MLS participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by the data supplied by the

MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields. (*Adopted 05/15*)

18.3 Display

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

18.3.1

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

18.3.1.1

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

18.3.2

Deleted May 2015.

18.3.3

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

18.3.4

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

18.3.5

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

18.3.7

All listings displayed pursuant to IDX shall show the MLS as the source of the information. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (*1/2015*)

18.3.8

Participants (and their affiliated licensees, if applicable) shall indicate on their Web sites that IDX information is provided exclusively for consumers’ personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability.

18.3.9

The data that consumers can retrieve or download in response to an inquiry shall not be limited.

18.3.10

The right to display other participants’ listings pursuant to IDX shall be limited to a participant’s office(s) holding participatory rights in this MLS.

18.3.11

Listings obtained through IDX feeds from REALTOR® Association MLSs where the MLS Participant holds participatory rights must be displayed separately from listings obtained from other sources, ~~including information provided by other MLSs~~. Listings obtained from other sources (e.g., from other MLS’s, from non-participating brokers, etc.) must display the source from which each such listing was

obtained. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (11/14)

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

18.3.12

Display of expired, withdrawn, ~~pending~~ or sold listings* is prohibited.

** Note: If "sold" information is publicly accessible, display of "sold" listings may not be prohibited. (Amended 11/09 11/14)*

18.3.13

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

18.3.14

Participants are required to employ appropriate security protection such as firewalls, provided that any security measures required may not be greater than those employed by the MLS.

18.3.15

IDX operators must maintain an audit trail of consumer activity on the IDX site 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.

18.3.16

Licensed data may also be provided to vendors that provide I.D.X. Internet services to franchise companies to which Participant belongs. I.D.X. Licensed Data shall not be accessed on any site that is not that of the Participant or the franchise company to which the Participant belongs.

18.4 Service Fees and Charges

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

Section 19. Virtual Office Website (VOW)

Section 19.1

(a): A Virtual Office Website ("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.

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

(c) "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability

and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

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

Section 19.2

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

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

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

Section 19.3

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

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

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

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

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

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

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

- i. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;
- ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;
- iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;
- iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;
- v. That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.

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

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

Section 19.4:

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

Section 19.5:

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

Section 19.6

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

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

Seller Opt-Out Form

1. Please check either Option a or Option b

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

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

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

initials of seller

(c) The Participant shall retain such forms for at least (1) one year from the date they are signed, or (1) one year from the date the listing goes off the market, whichever is greater.

Section 19.7:

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

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

Section 19.8:

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

Section 19.9:

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

Section 19.10:

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

Section 19.11:

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

Section 19.12:

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

Section 19.13:

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

Section 19.14:

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

Section 19.15:

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

- a. Expired and withdrawn or ~~pending ("under contract")~~ listings.

Note: Due to the 2015 changes in IDX policy and the requirement that participants be permitted to make MLS listing information available to Registrants of VOW sites where such information may be made available via other delivery mechanisms, MLSs can no longer prohibit the display of pending ("under contract") listings on VOW sites.

- b. The compensation offered to other MLS Participants.
- c. The type of listing agreement, i.e., exclusive right to sell or exclusive agency.
- d. The seller's and occupant's name(s), phone number(s), or e-mail address(es).
- e. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.

~~f. Sold information.~~

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

Section 19.16:

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

Section 19.17:

A Participant shall cause to be placed on his or her VOW a notice indicating that the MLS Listing Information displayed on the VOW is deemed reliable but is not guaranteed accurate by the MLS. A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

Section 19.18:

(Not adopted by the Royal Gorge Association of REALTORS®)

Section 19.19:

A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 current listings and not more than 100 sold listings in response to any inquiry.

Section 19.20:

A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

Section 19.21:

(Not adopted by the Royal Gorge Association of REALTORS®)

Section 19.22:

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

Section 19.23:

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

Section 19.24:

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

Section 19.25:

Where a seller affirmatively directs their listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within 48 hours. (02/09)

Section 20. Designated Realtors® and Addresses

The name of the current designated REALTOR® and current address of each office associated with the Multiple Listing Service must be on file at the MLS office. Any change in the designated REALTOR® or the address of the office must be sent to the MLS office immediately.

Section 21. Lock Boxes

An electronic lock box system shall be an activity of this MLS. If the lock box system is an activity of a Board-owned and operated Multiple Listing Service, then every MLS Participant and every non-principal broker, sales licensee and licensed or certified appraiser who is affiliated with an MLS Participant and who is legally eligible for MLS access shall be eligible to hold a key subject to their execution of a lease agreement with the MLS.

These agreements will list the responsibilities of the parties and shall incorporate by reference any applicable rules or regulations or other governing provisions of the Board or MLS that relate to the operation of the lock box system. The agreement shall also provide that the keys may not be used under any circumstances by anyone other than the key holder.

Lock boxes may not be placed on a property without written authority from the seller. This authority may be established in the listing contract or in a separate document created specifically for the purpose. Inclusion in MLS compilations cannot be required as a condition of placing lock boxes on listed property. (1/2015)

21.1

The Royal Gorge Association of REALTORS® will operate an electronic lock box and key system. This system will have lock boxes and a key, programmer or other device (hereinafter referred to as "Key") by which a lock box can be opened and shall be non-duplicative. By "non-duplicative" it is not meant that the key is necessarily covered by a current patent but that it can not be readily copied in the manner that other types of keys ordinarily are.

21.2

The keys will be obtained from the original manufacturer and a recognized vendor of lock box systems or other legitimate sources.

21.3

The Board shall maintain records as to all keys and lock boxes issued. If a listing is sold, withdrawn, expires or in any other way becomes inactive for that specific REALTOR®, the lock box shall be assigned by the responsible REALTOR® to another active listing or returned to the Board Office within 14 days. If lock box is not returned or reassigned to another listing within 14 days, the REALTOR® is responsible for payment in full for said lock box.

21.4 Lost, Destroyed, Stolen Keys/Lock Boxes

If a key or lock box is lost, stolen or destroyed, the replacement cost plus any handling costs, if applicable, will be charged to the responsible REALTOR®.

21.5

No multiple listing service need use lock boxes and no listing broker need use a lock box on a property, but if the Multiple Listing Service does offer the lock boxes, it must make them available to anyone who participates in the Multiple Listing Service, whether an association Member or not. Nothing shall prevent the owner's right to refuse to have a lock box on his property. Lock boxes may be placed on other than residential listings upon request of the seller and listing agent and the availability of lock boxes at the Board office. At the option of the MLS Committee, the REALTOR® may be required to pay the purchase costs for lock boxes installed on other than residential listings.

21.6

A REALTOR member from a REALTOR association other than the Royal Gorge Association of REALTORS shall be eligible to lease the key obtained from the RGAR office provided they agree to and comply with the following terms: Sign the Association's Supra Sub-Lease Agreement, Provide a "Letter of Good Standing" from their Primary Association. Provide a copy of their current Drivers License, and a copy of their current State issued Real Estate License. Only access property after contacting the properties' listing agent and obtaining permission. Abide by the Code of Ethics of the National Association of REALTORS®, and to adhere to the Bylaws and Rules and Regulations of the Royal Gorge Association of Realtors®. Provide payment and deposit at the current rate and terms as determined by the Association. Granting Key and Keybox access does not extend a unilateral offer of compensation. (3/10/2016)

22. Realtor.com

Royal Gorge Association of REALTORS® shall participate in Realtor.com (MOVE.COM) as part of the MLS services.