



**SEDONA VERDE
VALLEY
ASSOCIATION OF
REALTORS®, INC.**

MULTIPLE LISTING SERVICE RULES AND REGULATIONS

**EFFECTIVE FEBRUARY 23, 2016
APPROVED BY THE BOARD OF DIRECTORS FEB. 23, 2016**

APPROVED BY N.A.R. APRIL 6, 2016

**MLS RULES & REGULATIONS MUST CONFORM TO THE
NATIONAL ASSOCIATION OF REALTORS® MODEL BYLAWS
FOR MULTIPLE LISTING SERVICES**

**THESE MLS RULES & REGULATIONS CONTAIN THE
MANDATORY CHANGES REQUIRED BY N.A.R. IN JAN. 2016**

**SEDONA VERDE VALLEY ASSOCIATION OF REALTORS®
MULTIPLE LISTING SERVICE**

RULES AND REGULATIONS

NOTE: For purposes of these Rules and Regulations, the term(s) MLS, MLS System, Service or the System refers to the Sedona Verde Valley Association of REALTORS® (SVVAR) Multiple Listing Service Computer System.

DEFINITIONS: The following terms shall have the respective meanings indicated as used in these Rules:

“Access Credentials” means the information issued by SVVAR (such as a user identification number), created by the Subscriber (such as a password), or provided by other means that collectively and severally are required for the Subscriber to be identified by the SVVAR system as a Subscriber in good standing and to gain access to use the MLS.

“Administrative Personnel” means administrative, personal assistants, or secretarial personnel, whether or not they hold a real estate license, that are allowed access to the system to the extent necessary for them to perform their duties with and for the Participant and the Participant’s Subscribers. Any person with an administrative credential may not under any circumstances be designated as a listing or selling agent on a property. Any change in the assignment of the administrative credentials, or any change in the license status of an administrative person, MUST be reported within Five (5) Days to SVVAR MLS by the Participant.

“Appraiser” means a person holding a valid license or certificate issued by an appropriate Arizona regulatory agency permitting such person to engage in the appraisal of real property.

“Day” means one calendar day regardless of whether such day falls on a weekend or holiday. A Day shall begin at 12:00:00 AM (Midnight) on the day immediately following the event or situation that invoked the defined term and shall end at 11:59:59 PM that same day.

“Exclusive Agency Listing” means a contractual agreement under which the Listing Participant acts as the agent of seller(s), and the seller(s) agrees to pay a commission to the Listing Participant if the property is sold through the efforts of any real estate broker. If the property is sold solely through the efforts of the seller(s), the seller(s) is not obligated to pay a commission to the Listing Participant.

“Exclusive Right to Sell Listing” means a contractual agreement under which the Listing Participant acts as the agent of the seller(s), and the seller(s) agrees to pay a commission to the Listing Participant regardless of whether the property is sold through the efforts of the Listing Participant, the seller(s), or anyone else, except that the seller(s) may name one or more individuals or entities as exemptions in the Listing agreement and if the property is sold to any exempted individual or entity, the seller(s) is not obligated to pay a commission to the Listing Participant.

“IDX” means Internet Data Exchange, which is a program through which Participants grant each other permission to display their Listings on certain public Internet websites operated by the Participants.

“Keybox” means either an SVVAR approved keybox and associated electronic keys provided by the electronic keybox service provider covered by the Keyholder Agreement, or any other keybox used by a Subscriber to allow access to a Listed Property by providing a key from a secured container using a code or combination provided by the Subscriber.

“Listing” means the electronic data record of a property for sale. For a Listing to be accepted by SVVAR for filing on the MLS, the Listing requires two parts: (i) the Exclusive Right to Sell Listing or Exclusive Agency Listing that creates the contractual relationship between seller and broker, and (ii) the appropriate Listing Input Sheet that defines the property. SVVAR may request a copy of any documents.

“Listing Input Sheet” means one of the SVVAR approved data collection forms used to profile a property to be inserted into the SVVAR Compilation.

“Media” are any non-textual information that is part of or an addendum to a Listing, including but not limited to photographs, floor plans, electronic files of any format, rendering, and virtual tours.

“MLS” means the Multiple Listing Service that is provided by SVVAR.

“Net Listing” means a Listing in which the commission paid is the excess of the sale price over an agreed-upon (net) price to the seller.

“Nonmember” means a person who holds a valid Arizona real estate broker’s or salesperson’s license or is licensed or certified by an appropriate Arizona regulatory agency to engage in the appraisal of real property, but who is not a member of any Association.

“Office Exclusive Listing” means a Listing of any type where the owner chooses to defer filing a Listing with SVVAR MLS, either for a specified delay period or for the term of the entire Listing. In order for an Office Exclusive Listing to be recognized, an Exclusion for Multiple Listing Service form or another certification form signed by the seller must be filed with SVVAR.

“Open Listing” means a contractual agreement under which the Listing Participant acts as the agent of the seller(s), and the seller(s) agrees to pay a commission to the Listing Participant only if the property is sold through the efforts of the Listing Participant.

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

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

The key is that the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates

a Virtual Office Website (“VOW”) (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant “actively endeavors during the operation of its real estate business” to “offer or accept cooperation and compensation” only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants.

“Short Sale” 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.

“Subscriber” Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

LISTING PROCEDURES

SECTION 1. LISTING PROCEDURES: Listing of real or personal property of the following types which are listed subject to a real estate broker’s license, and are located within the territorial jurisdiction of the Multiple Listing Service and are taken by Participants shall be entered into the Multiple Listing System within seventy-two (72) hours after all necessary signatures of seller(s) have been obtained.

A. TYPES OF PROPERTIES

- #1 Residential / Manufactured Homes Mobile Homes * / Condominiums/Townhouses / Rentals
- #2 Business Opportunity / Business With Real Estate
- #3 Commercial / Multi Family / Industrial
- #4 Vacant Land – Residential / Ranch / Manufactured Home Mobile Home/ Commercial / Industrial / Multi-Residential
- #5 Timeshare/Fractional Ownership

* Manufactured Homes or Mobile Homes may be entered with an affidavit of affixture and where the land is for sale or has a lease of 20+ years.

B. The Multiple Listing Service shall not require a Participant to file listings forms with the MLS. Participants may use any listing form that they choose provided the listing is of a type accepted by the Service. A "Listing Input Form" as approved and provided through ZipForm or at a cost to Participants by the Multiple Listing Service shall be completed on every listing entered into the system. The Listing Input Form shall be maintained by the Participant for at least three years and be available to the MLS Committee upon request.

The Multiple Listing Service through its legal counsel:

1. May reserve the right to refuse to accept a listing which fails to adequately protect the interest of the public and Participants.
2. May assure, by examination of the document, that a listing form used by a Participant does not directly or indirectly, create a contractual relationship between the Multiple Listing service and the client (Buyer or Seller).

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

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

The different types of listing agreements include:

- a) Exclusive Right to Sell
- b) Exclusive Agency
- c) Open (Not Acceptable)
- d) Net (Not Acceptable)

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

The exclusive right to sell listing is the conventional form of listing submitted to the Multiple Listing Service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers. The exclusive agency listing also authorizes the listing broker as exclusive agent, to offer cooperation and compensation on 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 disclosure in the agent remarks and/or by an attached document listing those exempted prospects and 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 and symbols are used to denote exclusive agency and exclusive right to sell listings with prospect reservations.

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

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

- | | |
|----------------------------------|---------------------------------------|
| 1. Residential | 6. Manufactured / Mobile Homes |
| 2. Residential Income or Rentals | 7. Manufactured / Mobile Home Parks |
| 3. Vacant Land | 8. Commercial Income |
| 4. Business Opportunity | 9. Industrial |
| 5. Motel-Hotel | 10. Timeshares / Fractional Ownership |

SECTION 1.1 LISTINGS SUBJECT TO RULES & REGULATIONS OF THE SERVICE: Any listing entered into the Multiple Listing System is subject to the Rules & Regulations of the Service upon signature of the seller(s).

SECTION 1.2 DETAIL ON LISTINGS FILED WITH THE SERVICE: A listing when entered into the MLS System shall be complete in every detail which is ascertainable as specified on the Listing Input Form. Accuracy and completeness of the information is the ultimate responsibility of the Designated Broker / MLS Participant.

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 sellers (s);
- (b) accept and present to the sellers(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the sellers(s);
- (c) advise the seller(s) as to the merits of offers to purchase;
- (d) Assist the sellers(s) in developing, communicating, or presenting counter-offers; or
- (e) Participate on the sellers(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 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.

SECTION 1.2.2 MLS ENTRY-ONLY LISTINGS: Listing agreements under which the listing broker will not provide any 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 sellers(s);
- (b) accept and present to the sellers(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 sellers(s) as to the merits of offers to purchase;
- (d) assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property will be identified with an appropriate code or symbol (e.g. "EO") 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.

SECTION 1.3 EXEMPTED LISTINGS: If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing ("office exclusive") and such listing shall be filed with the Service, but not disseminated to the Participant. Filing of the listing shall be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the Service.

SECTION 1.4 CHANGE OF STATUS OF LISTINGS: Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller. Changes shall be entered into the MLS System within twenty-four (24) hours (excepting weekends, holidays and postal holidays) after the authorized change is received by the listing broker. Such changes shall include pending sales, sales subject to contingencies, cancellations, back on markets, in escrow, temporarily withdrawn, etc.

SECTION 1.5 WITHDRAWAL OF LISTING PRIOR TO EXPIRATION: Listings of property may be withdrawn from the Multiple Listing Service by the listing broker before the expiration date of the listing agreement provided such withdrawal or cancellation is entered into the MLS System with 24 hours.

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.

SECTION 1.6 CONTINGENCIES APPLICABLE TO LISTINGS: Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants by entering such contingency or condition into the MLS System within 24 hours.

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

SECTION 1.8 LISTING MULTIPLE UNIT PROPERTIES: All properties which are to be sold or which may be sold separately must be indicated individually in the MLS and on the Listing Input Form. When part of a listed property has been sold, proper notification shall be given to the Multiple Listing Participants by entering such sale into the MLS System within 24 hours.

SECTION 1.9 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY

PARTICIPANTS: The Multiple Listing Service shall not fix, control, recommend, suggest or maintain commission rates or fees for the 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.

SECTION 1.10 EXPIRATION OF LISTINGS: Any listing entered into the MLS will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed. If notice of renewal or extension is received after the listing has been removed from the compilation of current listings, the extension or renewal will be published in the same manner as a new listing. Extensions and renewal of listings must be signed by the seller(s).

SECTION 1.11 TERMINATION DATE ON LISTING: Listings entered into the System shall bear a definite and final termination date as negotiated between the listing broker and the seller.

SECTION 1.12 JURISDICTION: Only listings of the designated types of property located within the jurisdiction of the MLS are required to be submitted to the Service. Listings of property located outside the MLS's jurisdiction will be accepted if submitted voluntarily by a Participant, but cannot be required by the Service.

SECTION 1.13 LISTINGS OF SUSPENDED PARTICIPANTS: When a Participant of the Service is suspended from the Multiple Listing Service for failure to abide by a membership duty (i.e., violation of the Code of Ethics, Association By-Laws, MLS By-Laws, MLS Rules & Regulations, or other membership obligations except failure to pay appropriate dues, fees and charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the Association (except where MLS Participation without Association Membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an Association MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of the current listing information. Prior to any removal of the suspended Participant listings from the MLS, the suspended Participant should be advised in writing of the intended removal so that the suspended Participant may advise clients.

SECTION 1.14 LISTINGS OF EXPELLED PARTICIPANTS: When a Participant of the Service is expelled from the Multiple Listing Service for failure to abide by a membership duty (i.e., violation of the Code of Ethics, Association By-Laws, MLS By-Laws, MLS Rules & Regulations, or other membership obligations except failure to pay appropriate dues, fees and charges), all listings currently filed with the MLS by the expelled 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 expulsion became effective. If a Participant has been expelled from the Association (except where MLS Participation without Association Membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an Association MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of the current listing information. Prior to any removal of the expelled Participant listings from the MLS, the expelled Participant should be advised in writing of the intended removal so that the expelled Participant may advise clients.

SECTION 1.15 LISTINGS OF RESIGNED PARTICIPANTS: When a Participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of the resigned Participant's listings from the MLS, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise his clients.

SELLING PROCEDURES

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

- (a) the listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or,
- (b) after reasonable effort (24 hours) the cooperating broker cannot contact the listing broker or his representative. However, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers.

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

SECTION 2.2 SUBMISSION OF WRITTEN OFFERS: The listing broker shall submit to the seller all written offers until the 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(s) obtain the advice of legal counsel prior to acceptance of the subsequent offer.

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

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

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

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

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

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

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

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

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

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

SECTION 2.6 REPORTING RESOLUTIONS OF CONTINGENCIES: The listing broker shall report to the Multiple Listing Service within twenty-four (24) hours that a contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the agreement cancelled.

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

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

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

SECTION 2.10 AVAILABILITY OF LISTED PROPERTY: Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

REFUSAL TO SELL

SECTION 3. REFUSAL TO SELL: If the seller of any listed property entered into 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.

PROHIBITIONS

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

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

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

SECTION 4.3 SOLICITATION OF LISTING FILED WITH THE SERVICE: Participants shall not solicit a listing on property entered into the MLS System unless such solicitation is consistent with Article 16 of the REALTORS® Code of Ethics, its Standards of Practices and its Case Interpretations.

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

Without such protection, a seller could receive hundreds of calls, communications and visits from brokers and salespersons who have been made aware through the Multiple Listing Service 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 attempt 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 the listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of the Code of Ethics.

DIVISION OF COMMISSIONS

SECTION 5. COMPENSATION SPECIFIED ON EACH LISTING: The listing broker shall specify, on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is

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

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

** The compensation specified in the listing entered into the Multiple Listing System shall appear in one of two forms. The essential and appropriate requirements by an Association Multiple Listing Service is that the information to be published shall clearly inform the Participant as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker, in writing, in advance of submitting an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

1. By showing a percentage of the gross selling price.
2. By showing a definite dollar amount.

The listing broker retains the right to determine the amount of compensation offered to other participants (acting as subagents, buyer agents, or in other agency or nonagency capacities 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 superceding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

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

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

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

NOTE 4: Multiple listing services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval; and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is

subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction.

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.

SECTION 5.0.1 DISCLOSING POTENTIAL SHORT SALES: Participants may, but are not required to, disclose potential short sales to other participants and subscribers. When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing contract, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants.

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

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

SECTION 5.3 DUAL OR VARIABLE RATE COMMISSION AGREEMENTS: The existence of a dual or variable rate commission agreement (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 the 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 from the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code or symbol as required by the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

SERVICE CHARGES

SECTION 6. SERVICE FEES AND CHARGES: 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. Fees and charges are published in the Sedona Verde Valley Association of REALTORS® Policy Statements.

(a) Initial Participation Fee: An applicant for participation in the Service shall pay an application fee as published in the SVVAR Policy Statements with such fee to accompany the application.

(b) Recurring Participation Fee: The quarterly participation fee of each Participant shall be an amount published in the SVVAR Policy Statements times each salesperson and licensed or certified appraiser who has access to and use of the Service, whether licensed as a broker, sales licensee, or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such Participant. Payment of such fees shall be made on or before the fifteenth day of each quarter. Fees shall not be prorated.

COMPLIANCE WITH RULES

SECTION 7. COMPLIANCE WITH RULES: The following actions may be taken for noncompliance with the rules:

(a) For failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days' notice has been given, the Service shall be suspended until service charges and fees are paid in full.

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

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 fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance. (Amended 05/14) (Approved by BOD 05/15)

SECTION 7.1 APPLICABILITY OF RULES TO USERS AND/OR SUBSCRIBERS: Non-principal brokers, sales licensees, appraisers and others authorized to have access to information published by the MLS are subject to these Rules and Regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of the MLS information is contingent on compliance with the Rules and Regulations. Further, failure of any user or subscriber to abide by the Rules and/or any sanction imposed for violations thereof can subject the Participant to the same or other discipline. This provision does not

eliminate the Participant's ultimate responsibility and accountability for all users or subscribers affiliated with the Participant.

MEETINGS

SECTION 8. MEETINGS OF MLS COMMITTEE: The Multiple Listing Service Committee shall meet for the transaction of its business at a time and place to be determined by the Committee or at a call of the Chairperson.

SECTION 8.1 MEETINGS OF MLS PARTICIPANTS: The Committee may call meetings of the Participants in the Service to be known as meetings of the Multiple Listing Service.

SECTION 8.2 CONDUCT OF THE MEETINGS: The Chairperson or the Vice Chairperson shall preside at all meetings or, in their absence, a temporary Chairperson from the membership of the Committee shall be named by the Chairperson or, upon his failure to do so, by the Committee.

ENFORCEMENT OF RULES OR DISPUTES

SECTION 9. CONSIDERATION OF ALLEGED VIOLATIONS: The Committee shall give consideration to all written complaints having to do with violations of the Rules & Regulations.

SECTION 9.1 VIOLATIONS OF RULES & REGULATIONS: If the alleged offense is a violation of the rules & regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the Multiple Listing Service Committee, and if a violation is determined, the Committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the bylaws and rules and regulations of the Association of REALTORS® within twenty (20) days following receipt of the Committee's decision.

If, rather than conducting an administrative review, the Multiple Listing Service Committee has a procedure established to conduct hearings, the decision of the Multiple Listing Service Committee may be appealed to the Board of Directors of the Association of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the Association's Grievance Committee for processing in accordance with the professional standards procedures of the Association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Association of REALTORS®.

SECTION 9.2 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by the Committee to the Executive Vice President of the Association of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Association's Bylaws.

CONFIDENTIALITY OF MLS INFORMATION

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

SECTION 10.1 MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as entered into the MLS System by the Participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

OWNERSHIP OF MLS COMPILATION AND COPYRIGHTS

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

SECTION 11.1 All right, title and interest in each copy of every Multiple Listing compilation created and copyrighted by the Sedona Verde Valley Association of REALTORS®, and in the copyrights therein, shall at all time remain vested in the Sedona Verde Valley Association of REALTORS®.

SECTION 11.2 Each Participant shall be entitled to lease from the Sedona Verde Valley Association of REALTORS® a number of copies of each MLS compilation sufficient to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such compilation. The Participant shall pay for each such copy the rental fee set forth by the Sedona Verde Valley Association of REALTORS®. Participants shall acquire by such lease only the right to use the MLS compilations in accordance with these rules.

This section shall 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.

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

USE OF COPYRIGHTED MLS COMPILATIONS

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

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

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

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

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

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any MLS content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information deemed confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations. (Amended 05/14) (Approved by BOD 05/15) (Updated 04/16)

* It is intended that the Participant be permitted to provide prospective purchasers with 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 reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to, the total number of listings in the MLS Compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

USE OF MLS INFORMATION

SECTION 13. LIMITATION ON 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 representations may not be prohibited.

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

"Based on information from the Sedona Verde Valley Association of REALTORS®
Multiple Listing Service (MLS) for the period (date) through (date)."

CHANGES IN RULES AND REGULATIONS

SECTION 14. CHANGES IN RULES AND REGULATIONS: Amendments to the Rules and Regulations of the Service shall be by 2/3 vote of the members of the Multiple Listing Service Committee, subject to the approval by the Board of Directors of the Sedona Verde Valley Association of REALTORS®.

ORIENTATION

SECTION 15. ORIENTATION: Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within sixty (60) days after access has been provided.

KEYBOX SYSTEM (Changes Approved by BOD 02/16)

SECTION 16. KEYBOX SYSTEM: A common electronic keybox system is available for voluntary use by participants. Use of the common system shall be governed by the following:

SECTION 16.1 OPERATIONS OF THE KEYBOX SYSTEM: The keybox system shall be an activity of the Sedona Verde Valley Association of REALTORS® (SVVAR). All REALTORS®, non-principal brokers, sales licensees and licensed and certified appraisers affiliated with a REALTOR® shall be eligible to hold a key subject to their execution of a lease agreement with the Association and according to Section 1400 of the Sedona Verde Valley Association of REALTORS® Policy Statements.

SECTION 16.1.1 LEASE OF KEYBOXES. The keybox system includes leasing keyboxes for an annual fee. Only REALTORS®, non-principal brokers, and sales licensees affiliated with a REALTOR® shall be eligible to lease a keybox subject to payment of the annual keybox lease fee. SVVAR does not offer the service of programming or de-programming keyboxes owned by SVVAR members as SVVAR is a "lease-only" agreement.

SECTION 16.2 NON-PRINCIPAL BROKERS, SALES LICENSEES, LICENSED AND CERTIFIED APPRAISERS: In the case of non-principal brokers, sales licensees and licensed or certified appraisers, the lease agreement shall be cosigned by the Designated REALTOR® or the office's broker of record.

SECTION 16.3 LEASE AGREEMENT: The ActiveKEY Sub-Lease Agreement and the eKEY Keyholder Lease Agreement shall spell out the responsibilities of the parties, which by signing said lease, the lessee acknowledges having read.

SECTION 16.4 USE OF KEYBOX SYSTEM BY AFFILIATE MEMBERS: The Association may, at its discretion, lease keys to Affiliate members actively engaged in recognized fields of real estate practice or in related fields such as pest control, appraisers and home inspectors licensed by the state. In such instances the lease agreement shall be signed by the key holder and by a principal of the partnership, corporation or firm employing such affiliate. Affiliate members will be charged the monthly key lease fee incurred by the Association.

SECTION 16.5 RECORD MAINTENANCE: The Sedona Verde Valley Association of REALTORS® (SVVAR) shall be responsible for maintaining records of all keys and keyboxes issued and in inventory. An annual audit of all keys and keyboxes issued and in inventory shall be conducted by actual physical inventory or by a signed statement of the key holder and the designated broker or broker of record and in the case of an affiliate member by the principal, partner or corporate officer of the key holder's firm. Such signed statements shall attest to the fact that the key is currently in the possession of the key holder. Leased keyboxes not returned to SVVAR will be invoiced at full cost to the Broker or Agent who leased the keybox.

SECTION 16.6 FEES: Fees shall be charged in accordance with the Keyholder and Keybox Lease Agreements and that from time to time may be amended.

SECTION 16.7 OWNER AUTHORIZATION: Use of the common keybox system shall require the written authorization of the owner. Keyboxes shall be removed immediately upon the expiration of the listing agreement or recordation of the transaction.

SECTION 16.8 NOTIFICATION OF LOST AND/OR STOLEN KEYS AND KEYBOXES: Key holders and their cosignatories are jointly obligated and responsible for immediately notifying the Association of lost, stolen or otherwise unaccountable keys or keyboxes.

SECTION 16.9 SIGN-IN SHEET: With the implementation of the SUPRA electronic keybox system, participants who use the common keybox system on a property filed with the service are no longer required to provide a Sign-In Sheet.

SECTION 16.10 LOCK BOX SECURITY REQUIREMENTS: For the purpose of being eligible for coverage under NAR's blanket Errors and Omission Insurance Program, in addition to the above Sections, the MLS and the Association do hereby adopt the Lock Box Security Requirements in "Part Two: Policies – Item H – Lockbox/Key Repositories – Section 2" of the current NAR Handbook On Multiple Listing Policy and all amendments that from time to time may be made a part of the Section.

SECTION 17. INTERNET DATA EXCHANGE ("IDX")

Section 17 IDX Defined

IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants. (Amended 5/12)

Section 17.1 Authorization

Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display. (Amended 5/12)

Section 17.2 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. (Amended 11/09)

Section 17.2.1

Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. (Amended 5/12)

Section 17.2.2

MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. (Amended 5/12)

Section 17.2.3

Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing brokers to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs). (Amended 5/12)

Section 17.2.4

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. (Amended 11/06)

Section 17.2.5

Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every 12 hours. (Amended 11/14) (Approved by BOD 05/15)

Section 17.2.6

Except as provided in the IDX policy and these rules, an IDX site or a participant or user operating an IDX site or displaying IDX information as otherwise permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity. (Amended 5/12)

Section 17.2.7

Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, "control" means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules. (Amended 5/12)

Section 17.2.8

Any IDX display controlled by a participant or subscriber that

- a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing,

either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants². Except for the foregoing and subject to Section 17.2.9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. (Amended 5/12)

Section 17.2.9

Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS

and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. (Amended 5/12)

Section 17.2.10

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) (Approved by BOD 05/15)

Section 17.2.11

Participants shall not modify or manipulate information relating to other participants’ listings. MLS participants may augment their IDX displays of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated from the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields. (Eff. 01/2016) (App. by Board 02/23/2016).

Section 17.3 Display

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

Note: All of the following rules are optional but, if adopted, cannot be modified. Select those rules which apply to your IDX program and number the sections accordingly.

Section 17.3.1

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

Section 17.3.1.1

The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed. (Amended 5/12)

Section 17.3.2

(Deleted per NAR 01/2016)

Section 17.3.3

All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data. Displays of minimal information (e.g. “thumbnails”, text messages, “tweets”, etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 5/12)

Section 17.3.4

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

Section 17.3.5

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

Section 17.3.6

Deleted November 2006.

Section 17.3.7

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

Section 17.3.8

Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 5/12)

Section 17.3.9

The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance shall be limited to fewer than one hundred (100) listings or five percent (5%) of the listings available for IDX display, whichever is fewer. (Amended 11/09)

Section 17.3.10

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

Section 17.3.11

Listings obtained through IDX feeds from REALTOR® Association MLSs where the MLS Participant holds participatory rights must be displayed separately from listings obtained from other sources. Listings obtained from other sources (e.g., from other MLSs, from non-participating brokers, etc.) must display the source from which each such listing was obtained. Displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 11/14)

Note: An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, “co-mingling” means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display. (Adopted 11/14) (Approved by BOD 05/15)

Section 17.3.12

Display of expired, withdrawn, and sold listings* is prohibited. (Amended 11/15) (Approved by Board 02/16)

* Note: If “sold” information is publicly accessible, display of “sold” listings may not be prohibited. (Adopted 11/14) (Approved by BOD 05/15)

Section 17.3.13

Display of seller’s(s’) and/or occupant’s(s’) name(s), phone number(s), and e-mail address(es) is prohibited.

Section 17.3.14

An alleged violation of the IDX rules will be processed consistent with the procedures in Section 9 and 9.1. Providing an MLS password to an unauthorized recipient is a serious violation, punishable by a fine of \$1,000.00 for such violation.

Section 17.3.15

Deceptive or misleading advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. For purposes of these rules, co-branding will be presumed not to be deceptive or misleading if the participant’s logo and contact information is larger than that of any third party. (Adopted 11/09)

Section 17.4 Service Fees and Charges

Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. (Amended 5/05)

SECTION 18. VIRTUAL OFFICE WEBSITE (“VOW”)

Section 18.1 (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 18 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 18 of these Rules, the term “MLS Listing Information” refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 18.2 (a): The right of a Participant’s VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.

(b) Subject to the provisions of the VOW Policy and these Rules, a Participant’s VOW, including any VOW operated on behalf of a Participant by an 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 18.3 (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 18.4: A Participant’s VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

Section 18.5: A Participant’s VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, “scraping”, and other unauthorized use of MLS Listing Information. A Participant’s VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

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

Section 18.6 (a): A Participant’s VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller’s listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

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

Seller Opt-Out Form

1. Please check either Option a or Option b

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

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

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

initials of seller

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

Section 18.7: (a) Subject to subsection (b), a Participant's VOW may allow third-parties (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing

(b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 18.8, 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 18.8: A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

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

Section 18.10: Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

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

Section 18.12: A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 18.13: A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies.

Section 18.14: A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

MLS RULES & REGULATIONS – (With NAR Revisions Effective 01/2016)
Approved by the SVVAR Board of Directors 02/23/2016