

**TULARE COUNTY
MULTIPLE LISTING SERVICE
(TCMLS)**

**California Model
Multiple Listing Services Rules**

April 2024

Introduction

The *California Multiple Listing Service Rules* (“Model MLS Rules”) are designed and intended for use by Member Associations of the California Association of REALTORS® (“C.A.R.”) who operate a multiple listing service as a committee of the Member Association. The Model MLS Rules are drafted to be in compliance with the applicable policies of the National Association of REALTORS® and California law. If a Member Association desires to adopt a different set of rules for administration of its multiple listing service or changes the model provisions contained herein, it is recommended that the Member Association have such rules and procedures reviewed by legal counsel and approved by N.A.R. prior to actual use. Moreover, annual submission of the Member Association’s MLS Rules to NAR for approval is also required.

CAR Amended Sept 2023

ADDITIONAL RULES and/or CHANGES TO THE MODEL RULES, added/changed locally by TCMLS, are denoted in YELLOW highlighting.

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Exhibit A -- Citation Policy

CALIFORNIA MODEL MULTIPLE LISTING SERVICE RULES

1. AUTHORITY. The Association of REALTORS® (“A.O.R.”) may maintain for the use of licensed real estate brokers and salespersons, and licensed or certified Appraisers, a Multiple Listing Service (hereinafter referred to as "MLS" or "service"), which shall be subject to the bylaws of the A.O.R. and such rules and regulations as may be hereinafter adopted by the Board of Directors of the A.O.R. (hereinafter “Board of Directors”).

2. PURPOSE. A Multiple Listing Service is a means by which authorized MLS Broker Participants establish legal relationships with other Participants by making a blanket unilateral contractual offer of compensation and cooperation to other Broker Participants; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses and other valuations of real property for bonafide 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 among the Participants so that they may better serve their clients, customers and the public. Entitlement to compensation is determined by the buyer broker’s performance as a procuring cause of the sale or lease.

3. MULTIPLE LISTING SERVICE COMMITTEE.

The MLS shall be governed by the Multiple Listing Service Committee (hereinafter “MLS Committee”) in accordance with the bylaws of the A.O.R. and such rules and regulations as adopted by the Board of Directors. All actions of the MLS Committee shall be subject to the approval of the Board of Directors.

4. PARTICIPATION AND AUTHORIZED ACCESS.

4.1 Participant. A Participant is any individual who applies and is accepted by the MLS, meets and continues to meet all of the following requirements of either a Broker Participant or an Appraiser Participant as defined below in sections 4.1.1 and 4.1.2.

4.1.1 Broker Participant. A Broker Participant is a Participant who meets all of the following requirements:

- a. The individual or corporation, for which the individual acts as a broker/officer, holds a valid California real estate broker's license;
- b. The individual is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal;
- c. The individual or corporation for which the individual acts as a broker/officer offers and/or accepts compensation in the capacity of a real estate broker;*
- d. The individual has signed a written agreement to abide by the rules and regulations of the service in force at that time and as from time to time amended;
- e. The individual pays all applicable MLS fees; and

f. The individual has completed any required orientation program of no more than eight (8) classroom hours within thirty (30) days after access has been provided, said individual to be given the opportunity to complete any mandated orientation program remotely.

*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 and/or accepts 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”) [See Rule No. 12.19] (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 and/or accept 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.

4.1.2 Appraiser Participant. An Appraiser Participant is a Participant who meets all of the following requirements:

- a. The individual holds a valid California Appraisers certification or license issued by the Bureau of Real Estate Appraisers (“BREA”) (also referred to as “Office” of Real Estate Appraisers or OREA);
- b. The individual is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal;
- c. The individual has signed a written agreement to abide by the rules and regulations of the service in force at that time and as from time to time amended;
- d. The individual pays all applicable MLS fees; and
- e. The individual has completed any required orientation program of no more than eight (8) classroom hours within **sixty (60)** days after access has been provided, said individual

to be given the opportunity to complete any mandated orientation program remotely. If the individual does not complete the required orientation program within sixty (60) days after access has been provided, the MLS shall suspend the individual's access to MLS services. The individual may temporarily regain access to MLS services by paying any applicable reactivation or application fees during the suspension period and may permanently regain access to MLS services by completing the required orientation program. If the individual does not complete the required orientation program within ninety (90) days after access has been provided, the individual's access to MLS services shall automatically be terminated. An individual whose access to MLS services have been terminated for failure to complete the required orientation program may reapply for access to MLS services but must pay all fees applicable to new applicants.

4.1.3 Redundant Participant Qualifications. Participant type (Broker or Appraiser) must be selected during application for participation. A Participant with both a California Real Estate Broker's license and a California Appraiser's certification or license must join as a "Broker Participant" to be a listing broker under Section 4.6 or a buyer broker under Section 4.7.

4.2 Subscriber. A Subscriber is an individual who applies and is accepted by the MLS, meets and continues to meet all of the following requirements of either a R.E. Subscriber or Appraiser Subscriber as defined below in sections 4.2.1 and 4.2.2:

4.2.1 R.E. Subscriber. A R.E. Subscriber is a Subscriber who meets all of the following requirements:

- a. The individual holds a valid California real estate salesperson's or broker's license;
- b. The individual is employed by or affiliated as an independent contractor with a Broker Participant;
- c. The individual has signed a written agreement to abide by the rules and regulations of the service in force at that time and as from time to time amended;
- d. The individual pays all applicable MLS fees; and
- e. The individual has completed any required orientation program of no more than eight (8) classroom hours within sixty (60) days after access has been provided, said individual to be given the opportunity to complete any mandated orientation program remotely. If the individual does not complete the required orientation program within sixty (60) days after access has been provided, the MLS shall suspend the individual's access to MLS services. The individual may temporarily regain access to MLS services by paying any applicable reactivation or application fees during the suspension period and may permanently regain access to MLS services by completing the required orientation program. If the individual does not complete the required orientation program within ninety (90) days after access has been provided, the individual's access to MLS services shall automatically be terminated. An individual whose access to MLS services have been terminated for failure to complete the required orientation program may reapply for access to MLS services but must pay all fees applicable to new applicants.

4.2.2 Appraiser Subscriber. An Appraiser Subscriber is a Subscriber who meets all of the following requirements:

- a. The individual holds a valid California real estate Appraisers certification or license issued by the BREAA;
- b. The individual is employed by or affiliated as an independent contractor with an Appraiser Participant;
- c. The individual has signed a written agreement to abide by the rules and regulations of the service in force at that time and as from time to time amended;
- d. The individual pays all applicable MLS fees; and
- e. The individual has completed any required orientation program of no more than eight (8) classroom hours within **sixty (60) days** after access has been provided, said individual to be given the opportunity to complete any mandated orientation program remotely. **If the individual does not complete the required orientation program within sixty (60) days after access has been provided, the MLS shall suspend the individual's access to MLS services. The individual may temporarily regain access to MLS services by paying any applicable reactivation or application fees during the suspension period and may permanently regain access to MLS services by completing the required orientation program. If the individual does not complete the required orientation program within ninety (90) days after access has been provided, the individual's access to MLS services shall automatically be terminated. An individual whose access to MLS services have been terminated for failure to complete the required orientation program may reapply for access to MLS services but must pay all fees applicable to new applicants.**

4.2.3 Redundant Subscriber Qualifications. Subscriber type, real estate or appraiser, must correlate to the Participant type. A Subscriber who is both a California Real Estate Licensee and a California certified or licensed appraiser must join as a R.E. Subscriber, unless their employing or affiliated Participant is an Appraiser Participant.

4.3 Clerical Users. Clerical Users are individuals (whether licensed or unlicensed) under the direct supervision of an MLS Participant or Subscriber that perform only administrative and clerical tasks that do not require a real estate license or an Appraiser's certificate or license. Clerical Users may join the MLS through their employing Participant or Subscriber. The Participant shall be responsible for the conduct of the Clerical User. Clerical Users shall be linked in the system to at least one Participant. They may also be linked to a particular Subscriber. Each Participant and Subscriber shall provide the MLS with a list of all Clerical Users employed by or affiliated as independent contractors with the Participant or Subscriber and shall immediately notify the MLS of any changes, additions or deletions from the list. Clerical Users shall also be subject to the following requirements:

- (a) Clerical Users are given a unique passcode;
- (b) Clerical Users must have any fees paid in full;
- (c) Participant or Subscriber linked to the Clerical User may be fined, disciplined or terminated for Clerical User's misconduct;
- (d) Clerical Users shall sign a written agreement to abide by the rules and regulations of the MLS; and

(e) Clerical Users shall complete any required orientation program of no more than eight (8) classroom hours within sixty (60) days after access has been provided, said individual to be given the opportunity to complete any mandated orientation program remotely. If the Clerical User does not complete the required orientation program within sixty (60) days after access has been provided, the MLS shall suspend the Clerical User's access to MLS services. The Clerical User may temporarily regain access to MLS services by paying any applicable reactivation or application fees during the suspension period and may permanently regain access to MLS services by completing the required orientation program. If the Clerical User does not complete the required orientation program within ninety (90) days after access has been provided, the Clerical User's access to MLS services shall automatically be terminated. A Clerical User whose access to MLS services have been terminated for failure to complete the required orientation program may reapply for access to MLS services but must pay all fees applicable to new applicants.

4.4 Notification of Licensees. Each Participant shall provide the MLS with a list of all real estate licensees or certified or licensed Appraisers employed by or affiliated as independent contractors with such Participant or with such Participant's firm and shall immediately notify the MLS of any changes, additions or deletions from the list. This list shall include any licensees under any broker associate affiliated with the Participant.

4.5 Participation Not Transferable. Participation in the MLS is on an individual basis and may not be transferred or sold to any corporation, firm or other individual. Any reimbursement of MLS fees is a matter of negotiation between those transferring the business or determined by internal contract arrangement within the firm. However, providing the first Participant consents, the AO.R. shall allow a firm to designate a different person as a Participant within the firm without additional initial participation fees. The A.O.R. may charge an administrative fee for this service of reassigning Participants within a firm.

4.6 Listing Broker Defined. For purposes of these MLS rules, a listing broker is a Broker Participant who is also a listing agent in accordance with Civil Code § 1086 et. seq. who has obtained a written listing agreement by which the broker has been authorized to act as an agent to sell or lease the property or to find or obtain a buyer or lessee. Whenever these rules refer to the listing broker, the term shall include the R.E. Subscriber or a licensee retained by the listing broker but shall not relieve the listing broker of responsibility for the act or rule specified.

4.7 Buyer Broker Defined. For purposes of these MLS rules, a buyer broker is a Broker Participant who is also a buyer's agent in accordance with Civil Code Section 1086 et. seq. who acts in cooperation with a listing broker to accept the offer of compensation and/or subagency to find or obtain a buyer or lessee. The buyer broker may be the agent of the buyer or, if subagency is offered and accepted, may be the agent of the seller. Whenever these rules refer to the buyer broker, the term shall include the R.E. Subscriber or licensee retained by the buyer broker but shall not relieve that Broker Participant of responsibility for the act or rule specified.

4.8 Appraiser Defined. For purposes of these MLS rules, an appraiser is an Appraiser Participant, Appraiser Subscriber, or a licensed or certified appraiser acting for the Appraiser Participant or Appraiser Subscriber. Whenever these rules refer to the appraiser, the term shall also include the Appraiser Subscriber or a licensed or certified appraiser employed by or affiliated as an independent contractor with the firm that employs the appraiser but shall not relieve that Appraiser Participant of responsibility for the act or rule specified.

4.9 Denied Application. In the event an application for participation in the MLS is rejected by the MLS, the applicant, and his or her broker, if applicable, will be promptly notified in writing of the reason for the rejection. The broker shall have the right to respond in writing, and to request a hearing in accordance with the *California Code of Ethic and Arbitration Manual*.

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

4.11 Subject to MLS Rules. By becoming and remaining a Participant, Subscriber or Clerical User, each Participant, Subscriber and Clerical User agrees to be subject to these MLS rules and regulations, the enforcement of which are at the sole discretion of the applicable Committee/Board of Directors.

5. MLS FEES AND CHARGES.

5.1 Service Fees and Charges. The MLS Committee, subject to approval of the Board of Directors, shall establish a schedule of MLS fees applicable to the MLS, which may include the following service fees and charges:

5.1.1 Initial Participation and/or Application Fee: Applicants for MLS services may be assessed initial participation and/or application fee.

5.1.2 Recurring Participation Fee: The recurring participation fee of each Broker Participant shall be an amount times the total number of (1) the Broker Participant plus (2) the number of salespersons who have access to and use of the MLS, whether licensed as brokers or salespersons, who are employed by or affiliated as independent contractors with such Participant or the Participant's firm. If more than one principal broker in the same firm elects to be a Participant, the number of salespersons in the firm will only be used once in calculating the recurring participation fees. A Broker Participant is not obligated to pay recurring participation fees or other MLS fees and charges for real estate licensees affiliated with the Participant or the Participant's firm if such licensees work out of a branch

office of the Participant or the Participant's firm that does not participate in or otherwise use the MLS.

The recurring participation fee of each Appraiser Participant shall be an amount times the total number of (1) the Appraiser Participant plus (2) the number of Appraisers who have access to and use of the MLS, who are employed by or affiliated as independent contractors with such Participant or the Participant's firm. If more than one principal Appraiser in the same firm elects to be a Participant, the number of Appraisers in the firm will only be used once in calculating the recurring participation fees. An Appraiser Participant is not obligated to pay recurring participation fees or other MLS fees and charges for licensed or certified Appraisers affiliated with the Participant or the Participant's firm if such Appraisers work out of a branch office of the Participant or the Participant's firm that does not participate in or otherwise use the MLS.

5.1.3 Listing Fee: A Broker Participant shall pay a listing fee for each listing submitted to the MLS staff for input .

5.1.4 Book Fees: The Participant shall be responsible for book fees for each MLS book the Participant wishes to lease. The Participant may not obtain more MLS books than the total number of Subscribers affiliated with the Participant.

5.1.5 Computer Access Fees: The recurring computer access fee for each Participant shall be an amount times the total number of Subscribers and salespersons licensed or certified as Appraisers, brokers or salespersons, who are employed by or affiliated as independent contractors with such Participant.

5.1.6 Certification of Nonuse. Participants may be relieved from payment under section 5.1.2 and 5.1.5 hereunder by certifying in writing to the MLS that a licensed or certified person in the office is engaged solely in activities that do not require a real estate license or certification (clerical, etc.), or that the real estate licensee or licensed or certified appraiser will not use the MLS or MLS compilation in any way. In the event a real estate licensee or appraiser is found in violation of the nonuse certification, the Participant shall be subject to all MLS fees dating back to the date of the certification. The Participant and Subscriber may also be subject to any other sanction imposed for violation of MLS rules including, but not limited to, a citation and suspension or termination of participation rights and access to the service.

5.1.7 Clerical Users. Clerical Users may be assessed application fees, computer access fees and other fees. The Participant for the clerical user shall be responsible for all such fees.

5.1.8 Other Fees. Other fees that are reasonably related to the operation of the MLS may be adopted.

5.2 Responsibility for Fees. In the event the MLS allows for direct billing or payment by a Subscriber for MLS fees, such fees shall be the exclusive obligation of that Subscriber regardless of whether such Subscriber becomes affiliated with a different Participant. If the MLS does not allow for direct billing or payment by a Subscriber for MLS fees, such fees shall be the responsibility of the Participant with whom the Subscriber was affiliated with at the time the MLS fees were incurred. This section does not preclude in any way the ability of Participants to pursue reimbursement of MLS fees from current or past Subscribers or to establish agreements with Subscribers regarding payment or reimbursement of MLS fees.

6. REGIONAL AND RECIPROCAL AGREEMENTS.

The MLS Committee may recommend, subject to the Board of Directors' approval, that the MLS enter into reciprocal or regional agreements with other Associations of REALTORS® or MLS Corporations owned solely by Associations of REALTORS® to allow the other MLS Participants and Subscribers access to the service in exchange for comparable benefits to the Participants and Subscribers of this service. In the event of such agreements, the Participants and Subscribers agree to abide by the respective rules of the other MLSs receiving and publishing a listing pursuant to such agreements and to abide by such rules when accessing the other MLSs' databases.

7. LISTING PROCEDURES.

7.1 Listings Subject to Rules and Regulations of the Service. Any listing filed with the service is subject to the rules and regulations of the service.

7.2 Types of Listings; Responsibility for Classification. The service shall accept exclusive right to sell, seller reserved, open, and probate listings in accordance with California Civil Code Section 1086 et. seq. that satisfy the requirements of these MLS rules. Exclusive right to sell listings that contain any exceptions whereby the owner need not pay a commission if the property is sold to particular individuals shall be classified for purposes of these rules as an exclusive right to sell listing but the listing broker shall notify all Participants of the exceptions. It shall be the responsibility of the Broker Participant and R.E. Subscriber to properly classify the type of listing, and if necessary, obtain a legal opinion to determine the correct classification. By classifying the type of the listing, the listing broker certifies that the listing falls under the legal classification designated. The MLS shall have no affirmative responsibility to verify the listing type of any listing filed with the service. However, the MLS shall have the right to have legal counsel make a determination as to the classification of the listing type and if the listing broker does not reclassify it accordingly, the A.O.R. shall have the right to reject or remove any such listing that it determines falsely represents the classification of listing type.

7.2.1 Scope of Service; Limited Service Listings. Limited Service listings are listings whereby the listing broker, pursuant to the listing agreement, will not provide one, or more, of the following services:

- (a) provide buyer brokers with any additional information regarding the property not already displayed in the MLS but instead gives buyer brokers authority to contact the seller(s) directly for further information;
- (b) accept and present to the seller(s) offers to purchase procured by buyer brokers but instead gives buyer brokers authority to present offers to purchase directly to the seller(s);
- (c) advise the seller(s) as to the merits of offers to purchase;
- (d) assist the seller(s) in developing communicating, or presenting counter-offers; or
- (e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property.

Said Limited Service listings will be identified with an appropriate code or symbol (e.g. "LS") in MLS compilations so potential buyer brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for buyer brokers being asked to provide some or all of these services to listing broker's clients, prior to initiating efforts to show or sell the property.

7.2.2 Scope of Service; MLS Entry-Only Listings. MLS Entry-Only listings are listings whereby the listing broker, pursuant to the listing agreement, will not provide any of the following services:

- (a) provide buyer brokers with any additional information regarding the property not already displayed in the MLS but instead gives buyer brokers authority to contact the seller(s) directly for further information;
- (b) accept and present to the seller(s) offers to purchase procured by buyer brokers but instead gives buyer brokers authority to present offers to purchase directly to the seller(s);
- (c) advise the seller(s) as to the merits of offers to purchase;
- (d) assist the seller(s) in developing communicating, or presenting counter-offers; or
- (e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property.

Said MLS Entry-Only listings will be identified with an appropriate code or symbol (e.g. "EO") in MLS compilations so potential buyer brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for buyer brokers being asked to provide some or all of these services to listing broker's clients, prior to initiating efforts to show or sell the property.

7.2.3 Scope of Service; Legal Obligations. The scope of service classifications set forth in these rules do not alter any obligations otherwise imposed on real estate licensees under California law, including Department of Real Estate regulations, statutory law and common law. The MLS's acceptance or publication of listings eligible for MLS submission in no way constitutes a validation that said obligations have been met.

7.3 Types of Properties; Responsibility for Classification. The MLS shall accept listings that satisfy the requirements of these rules on the following types of property:

- 7.3.1 Residential
- 7.3.2 Residential Income
- 7.3.3 Subdivided Vacant Lot
- 7.3.4 Land and Ranch
- 7.3.5 Business Opportunity
- 7.3.6 Motel-Hotel
- 7.3.7 Mobilehomes (only those that may be sold by real estate licensees)
- 7.3.8 Mobilehome Parks
- 7.3.9 Commercial Income
- 7.3.10 Industrial

It shall be the responsibility of the Broker Participant and R.E. Subscriber to properly classify the type of property listed, and if necessary, obtain a legal opinion to determine the correct classification. By classifying the type of property listed, the listing broker certifies that the listing falls under the classification designated. The MLS shall have no affirmative responsibility to verify the property type of any listing filed with the service. However, the MLS shall have the right to have legal counsel make a determination as to the classification of the property type and if the listing broker does not reclassify it accordingly, the A.O.R. shall have the right to reject or remove any such listing that it determines falsely represents the classification of property type of the listing. Submission of duplicate listings by the same Participant within the same property class is prohibited.

7.4.1 Time Frame Definitions. Unless otherwise expressly indicated, where compliance time frames set forth "days," "days" mean calendar days; "days after" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 p.m. on the final day; and "days prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur. Where "business days" are expressly referenced, "days" exclude Saturdays, Sundays and all recognized federal and state holidays.

7.5 Mandatory Submission. Within 1 business day of marketing or advertising a property to the public or after all necessary signatures of the seller(s) have been obtained on the listing or at the beginning date of the listing as specified in the contract, whichever is later, on any exclusive right to sell or seller reserved listing agreement for the sale of one to four unit residential property and vacant lots located within the service area of the MLS, Broker

Participants must input the listing to the service for cooperation with other Participants. Public marketing or advertising includes, but is not limited to, conveying or displaying any information about the property or its availability for sale through or on any: windows, signs, public facing websites, social media, brokerage or franchise operated websites (including IDX and VOW), digital communications marketing (ex: email, text or phone blasts, social media messaging), multi-brokerage or franchise listing sharing networks, flyers or written material or on any applications available to the public or through conducting an open house. The public would include anyone outside the broker(s) and agent(s) licensed within a single listing brokerage and their clients, as further described in Section 7.6) Only those listings that are within the service area of the MLS must be input. Open listings, rental listings or listings of property located outside the MLS's service area (see Section 7.7) are not required by the service, but may be input at the Broker Participant's option.

7.6 Exempted Listings. If the seller refuses to permit the listing to be disseminated by the service on any exclusive right to sell or seller reserved listing agreement for the sale of one to four unit residential property and vacant lots located within the service area of the MLS, the listing broker shall submit to the service within 1 business day after all necessary signatures of the seller(s) have been obtained on the listing agreement or at the beginning date of the listing as specified in the contract, whichever is later, a certification signed by the seller stating that the seller instructs listing broker to do no public marketing or advertising (as public marketing or advertising is defined in Section 7.5), that the only scope of permissible promotion of the property will occur internally within the brokerage and consist of direct one-on-one communication between the listing broker and licensees affiliated with the listing brokerage and their respective clients (i.e. "office exclusive") and that seller refuses to authorize the listing to be disseminated by the service. C.A.R. Standard Form SELM and/or RLA may be used for this certification, but in any event, said certification shall include the aforementioned required statements as well as an advisory to seller that, in keeping the listing off the MLS, (1) real estate agents and brokers from other real estate offices, and their buyer clients, who have access to the MLS may not be aware seller's property is for sale, (2) seller's property will not be included in the MLS's download to various real estate Internet sites that are used by the public to search for property listings, (3) real estate agents, brokers and members of the public may be unaware of the terms and conditions under which seller is marketing the property, and (4) any reduction in the exposure of the property may lower the number of offers made and negatively impact the sales price. In the event listing broker commences any public marketing or advertising on an exempted listing, submission to the MLS for dissemination is required within (1) one business day thereafter in accordance with Section 7.5. In the event Exempted Listing is cancelled, modified and/or the listing is newly authorized by seller to be disseminated to the Service following previous exemption, listing broker must submit the written authorization to the Service within (1) one business day of receipt.

7.7 Service Area. The MLS's service area shall be determined by the MLS Committee, subject to approval by the Board of Directors. If the AO.R. has entered into regional MLS agreements or a regional MLS corporation with other MLSs and has enlarged the service area as part of the agreement or corporation, submission of the type of listings specified in

section 7.5 is mandatory for the area covered by the combined service areas of the Associations signatory to the regional MLS agreement or part of the regional MLS corporation.

7.8 Change of Listing Information. Listing brokers shall input any change in listing information, including the listed price or other change in the original listing agreement, to the MLS within **1 business day** after the authorized change is received by the listing broker. By inputting such changes to the MLS, the listing broker represents that the listing agreement has been modified in writing to reflect such change or that the listing broker has obtained other legally sufficient written authorization to make such change. MLS tracking of price change information, if any, shall be classified as “non-confidential” for the purpose of allowing Participants and Subscribers to make such information available to clients or customers pursuant to Sections 12.15.1 (Client Copies) and 12.19 (VOWs). [Whether display of this field is permitted for advertising purposes, including IDX display set forth in Section 12.16, is at the discretion of the MLS].

7.9 Withdrawal of Listing Prior to Expiration. Listings of property must be withdrawn from the MLS by the listing broker before the expiration date of the listing agreement if the listing broker has received written instructions from the seller to withdraw the listing from the MLS. Listing broker may withdraw any listing from the MLS **1 business day** after providing seller with written notice of the broker’s intention to withdraw the listing based on a dispute with the seller regarding the terms of the listing agreement. The MLS may require the listing broker to provide a copy of any notice of dispute or any written instructions from the seller. Sellers do not have the unilateral right to require the MLS to cancel any listing. However, the MLS reserves the right to remove a listing from the MLS data base if the seller can document that his or her listing agreement with the listing broker has been terminated or is invalid. Withdrawal from the MLS with the seller’s consent does not relieve the obligation of the listing broker to report the sale and sales price if it closes escrow while the seller is represented by the listing broker.

7.10 Contingencies. Any contingency or condition of any term in a listing shall be specified and noticed to the Participants.

7.11 Detail on Listings Filed With the Service. All listings input into the MLS shall be complete in every detail including full gross listing price, listing expiration date, compensation offered to other Broker Participants and any other information required to be included as determined by the MLS Committee and approved by the Board of Directors. For residential listings, the property address must be input into the MLS where one exists at the time the listing is filed, or the parcel identification number must be input instead if the property address is unavailable. If no address or parcel identification number is available at the time the residential listing is filed, the listing must, at a minimum, contain a legal description of the property sufficient to describe the location of the property. Listings that are incomplete shall be ineligible for publication in the MLS and subject to immediate removal.

7.12 Unilateral Contractual Offer; Subagency Optional. In filing a property with the MLS, the Broker Participant makes a blanket unilateral contractual offer of compensation to the other MLS Broker Participants for their services in selling the property. Except as set forth in Rule 7.15 below, a Broker Participant must specify some compensation to be paid to either a buyer's agent or a subagent and the offer of compensation must be stated in one, or a combination of, the following forms (1) a percentage of the gross selling price; or (2) a definite dollar amount. The amount of compensation offered through the MLS may not contain any provision that varies the amount of compensation offered based on conditions precedent or subsequent or on any performance, activity or event. In the event there are any service fees or administrative costs, etc to be imposed on buyer's agent's compensation, any such reductions should be factored in as a reduced amount the listing broker initially offers to a buyer broker and may not be made a condition of the offer. Furthermore, the MLS reserves the right to remove a listing from the MLS database that does not conform to the requirements of this section. At the Broker Participant's option, a Broker Participant may limit his or her offer of compensation to buyer's agents only, to subagents only, or make the offer of compensation to both. Any such limitations must be specified on the property data form and in the MLS. The amount of compensation offered to buyers' agents or subagents may be the same or different but must be clearly specified on the property data profile sheet. Broker Participants wishing to offer subagency to the other MLS Broker Participants must so specify on the property data profile sheet and on the MLS, otherwise, the offer of compensation does not constitute an offer of subagency.

7.13 Acceptance of Contractual Offer. The Listing Broker Participant's contractual offer (with or without subagency) is accepted by the Buyer Broker Participant by procuring a buyer which ultimately results in the creation of a sales or lease contract. Payment of compensation by the Listing Broker Participant to the Buyer Broker Participant under this section is contingent upon **either** (1) the final closing **or** (2) the Listing Broker Participant's receipt of monies resulting from the seller's or buyer's default of the underlying sales or lease contract. Notwithstanding this section, the listing broker and/or buyer broker shall still retain any remedies they may have against either the buyer or seller due to a default under the terms of the purchase agreement, listing agreement or other specific contract. Any dispute between Participants arising out of this section shall be arbitrated under Section 16 of these rules and shall not be considered a MLS rules violation.

7.14 Consent to Act as Dual Agent. By offering compensation and/or subagency to Broker Participants, the listing broker is not automatically representing that the seller has consented to the buyer broker acting as a dual agent representing both the buyer and the seller. No buyer broker shall act as both an agent of the buyer and the seller without first contacting the listing broker and ascertaining that the seller has consented to such dual agency.

7.15 Estate Sale, Probate and Bankruptcy Listings. Compensation offered through the MLS to buyer brokers on estate sale, probate or bankruptcy listings is for the amount published therein as long as the buyer broker produces the contract which is ultimately successful and confirmed by the court, if court confirmation is required. In the event the

contract produced by the buyer broker is overbid in court and the overbid contract is confirmed, the original buyer broker shall receive the amount of compensation specified as "unconfirmed buyer broker's compensation" or "u.b.b." in the property data profile sheet and on the MLS. For estate sale or probate listings, the compensation offered through the service under these rules and this section shall be considered an agreement as referred to in California Probate Code Section 10168 and will therefore supersede any commission splits provided by statute when there is no agreement. This section contemplates that estate sale, probate and bankruptcy judges have broad discretion and therefore are not intended as a guarantee of a specific result as to commissions in every probate or bankruptcy sale.

7.16 Changes to Offer of Compensation By Listing Broker to All Broker Participants.

The listing broker may, from time to time, adjust the published compensation offered to all MLS Broker Participants with respect to any listing by changing the compensation offered on the MLS or providing written notice to the MLS of the change. Any change in compensation will be effective after the change is published in the MLS, either through electronic transmission or printed form, whichever occurs first. The listing broker may revoke or modify the offer of compensation in advance as to any individual Broker Participant in accordance with general contract principles but in no event shall the listing broker revoke or modify the offer of compensation without the buyer broker's consent later than the time the buyer broker (a) physically delivers or transmits by fax or e-mail to the listing broker a signed offer from a prospective buyer to purchase the property for which the compensation has been offered through the MLS, or (b) notifies the listing broker in person or by telephone, fax or e-mail that the buyer broker is in possession of a signed offer from a prospective buyer to purchase the property for which the compensation has been offered through the MLS and is awaiting instructions from the listing broker as to the manner of presentation or delivery of that offer. Any independent advance revocations, modifications of the offer or agreements between real estate brokers are solely the responsibility of such brokers and shall not be submitted to, published by, or governed in any way by the service.

7.17 Broker Participant or R.E. Subscriber as Principal. If a listing broker has any interest in property, the listing of which is to be disseminated through the service, that person shall disclose that interest on the MLS.

7.18 Multiple Unit Properties. All properties which are to be sold or which may be sold separately must be indicated individually in the MLS and will be published separately. When part of a listed property has been sold, the listing broker shall input the appropriate changes on the MLS.

7.19 Expiration, Extension, and Renewal of Listings. Listings shall be changed to the appropriate off-market status on the expiration date specified on the listing unless the listing is extended or renewed by the listing broker. The listing broker shall obtain written authorization from the seller(s) before filing any extension or renewal of a listing. Any renewals or extensions received after the expiration date of the original listing shall be

treated as a new listing and will be subject to any fees applicable to new listings. At any time and for any reason, the MLS has the right to request a copy of the seller's written authorization to extend or renew a listing. If a listing broker is requested to provide a copy of such authorization and does not do so within 1 **business** day after the request, the listing shall be subject to immediate removal from the MLS.

7.19.1 Extension for Protected Buyer. In the event a listing broker's listing has been cancelled or expired but a commission extension right for a protected buyer has been timely activated in the listing agreement and listing broker represents seller in said transaction, listing broker may be considered the "listing broker" for MLS reporting of sale as long as satisfactory documentation is presented to MLS.

7.20 Listings of Participants or Subscribers Suspended, Expelled or Resigned.

7.20.1 Failure to Pay MLS Fees; Resignation. When a Participant or Subscriber is suspended or expelled from the service for failure to pay MLS fees or charges, or if the Participant or Subscriber resigns from the service, the MLS shall cease to provide services to such Participant or Subscriber, including continued inclusion of listings in the MLS compilation of current listing information. In the event listings are removed from the MLS pursuant to this section, it shall be the sole responsibility of the Participant to notify the seller(s) that the property is no longer listed in the MLS.

7.20.2 Violation of MLS Rules. When a Participant or Subscriber is suspended or expelled from the service for a violation of the MLS rules and regulations, the MLS shall cease to provide services to such Participant or Subscriber except that the listings in the MLS at the time of suspension or expulsion shall, at the suspended or expelled Participant's option, be retained in the MLS compilation of current listing information 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. In the event listings are removed from the MLS pursuant to this section, it shall be the responsibility of the Participant to notify the seller(s) that the property is no longer listed in the MLS. If a suspended or expelled Participant opts to keep listings in the MLS until sold, withdrawn or expired under this Section 7.20.2, the Participant must comply with all applicable MLS rules and regulations during such time or the MLS may immediately remove the listings from further display.

7.21 No Control of Commission Rates or Fees Charged by Participants. The MLS shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the MLS shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-Participants.

7.22 Dual or Variable Rate Commission Arrangements. The existence of a dual or variable commission arrangement shall be disclosed by the listing broker by a key, code or symbol as required by the MLS. A dual or variable rate commission arrangement is one

in which the seller or owner agrees to pay a specified commission if the property is sold by the listing broker without assistance and a different commission if the sale results through the efforts of a buyer broker, or one in which the seller or owner agrees to pay a specified commission if the property is sold by the listing broker either with or without the assistance of a buyer broker and a different commission if the sale results through the efforts of a seller or owner. The listing broker shall, in response to inquiries from potential buyer brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale that results through the efforts of the seller or owner. If the buyer broker is representing a buyer or tenant, the buyer broker must then disclose such information to his or her client before the client makes an offer to purchase or lease.

7.23 Right of Listing Broker and Presentation of Counter Offers. The listing broker has the right to participate in the presentation of any counter-offer made by the seller or lessor. The listing broker 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 buyer broker is a subagent). However, if the purchaser or lessee gives written instructions to the buyer 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.

7.24 Auction Listings. Only auction listings which comply with these MLS Rules and Regulations, including, but not limited to Sections 7.12 and 7.13, may be submitted to the Service. Auction listings entered into the MLS system shall have listing contracts as required under these rules, be clearly labeled as auction listings, and provide all the terms and conditions of the auction. Reserve auctions are not permitted on the MLS. Auction listings shall further specify the following:

- (a) The list price, which shall be seller's minimum acceptable bid price;
- (b) The date, time and place of the auction;
- (c) All required procedures for Participants/Subscribers to register their representation of a potential bidder;
- (d) The amount of the buyer's premium, if any;
- (e) The time or manner in which potential bidders may inspect the listed property;
- (f) Whether or not the seller will accept a purchase offer prior to the scheduled auction; and
- (g) Any other material rules or procedures for the auction.

Subsections (b) through (g) above shall not appear in a listing's public remarks.

7.25 Co-Listings. Only the listings of Participants and Subscribers will be accepted by the MLS. Inclusion of co-listings where the co-listing broker/agent is not a Participant or Subscriber in the MLS is prohibited.

7.26 Days on Market/Cumulative Days on Market Calculation. The calculation of Days on Market (DOM) is based on the listing number assigned to the property by the MLS and is tied to the brokerage firm holding the listing. Days on Market (DOM) is calculated from the effective date of the listing to the Off-Market status date. The calculation of Cumulative Days on Market (CDOM) is based on the Assessor's Parcel Number ("APN")

until the earlier of a change of ownership or the property is not available for sale and no listing agreement is in effect for a period of 90 days or more. MLS tracking of this field, if any, shall be classified as “non-confidential” for the purpose of allowing Participants and Subscribers to make such information available to clients or customers pursuant to Sections 12.15.1 (Client Copies) and 12.19 (VOWs). [Whether display of this field is permitted for advertising purposes, including IDX display set forth in Section 12.16, is at the discretion of the MLS].

7.27 REO Disclosure. Participants and Subscribers submitting foreclosure, bank-owned or real estate owned (“REO”) listings to the service shall disclose said status upon submission of the listing to the service.

7.28 Short Sale (Lender Approval) Listings. Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing broker. This section does not allow Participants with short sale listings to place any reduction conditions on compensation offered through the MLS for items such as lender reductions of the gross commission, short sale negotiator fees or other administrative costs of the transaction. Any reductions from the commission for such items, if any, should be factored in as a reduced amount the listing broker initially offers to a buyer broker and may not be made a condition of the offer.

8. DOCUMENTATION; PERMISSION; ACCURACY OF INFORMATION.

8.1 Listing Agreement and Seller's Permission. Prior to inputting a listing to the service, the listing broker shall obtain the written agreement of the seller expressly granting the listing broker authority to: (1) file the listing with the service for publication and dissemination to those authorized by the MLS; (2) act as an agent for the seller; (3) abide by the rules of the service; (4) provide timely notice of status changes of the listing to the service; (5) provide sales information including selling price to the service upon sale of the property for publication and dissemination to those authorized by the MLS and (6) publish sales information after the final closing of a sales transaction in accordance with these MLS rules (See Section 10.1).

8.2 Written Documentation. Listing brokers filing listings with the service shall have a written listing agreement with all necessary signatures in their possession. All necessary signatures are those needed to create an enforceable listing, which generally means all named signatories to the listing agreement. In the event there are known additional property owners not made a signatory to the listing, listing broker shall disclose said fact on the service and state whether the listed seller will make the sale contingent on the consent of the additional property owners. Only listings that create an agency relationship between the seller and the Broker Participant are eligible for submission to the service. By inputting a listing to the service, Broker Participants and R.E. Subscribers represent that they have in their possession such written agreements establishing agency and the

represented type of listing agreement. The service shall have the right to demand a copy of such written listing agreements and verify the listing's existence and adequacy at any time. The service shall also have the right to demand a copy of seller's written authorization required under these rules. If the Broker Participant or R.E. Subscriber fails to provide documentation requested by the service within 1 **business** day after the service's request, the service shall have the right to immediately withdraw any listings from the data base in addition to disciplining the Participant and Subscriber for a violation of MLS rules.

8.3 Accuracy of Information; Responsibility for Accuracy. By inputting information into the MLS computer database, the listing broker represents that the information input is accurate to the best of the listing broker's knowledge. The listing broker shall use good faith efforts to determine the accuracy of the information and shall not submit or input information which the listing broker knows to be inaccurate. Upon receipt of the first publication or electronic transfer by the MLS of such information the listing broker shall make all necessary corrections. The MLS merely publishes the MLS information and has no affirmative responsibility to verify the accuracy of the MLS information. The MLS, however, reserves the right to require Participants and Subscribers to change their MLS information if the MLS is made aware of alleged inaccuracies in the MLS information and the MLS determines that such inaccuracies do in fact exist. The MLS also reserves the right to remove a listing that contains said inaccurate information from the MLS compilation of current listings should Participant or Subscriber refuse or fail to timely correct. A Participant or Subscriber is required to correct inaccurate information within **1 business day** after being notified of the inaccuracies by the MLS. If a Participant or Subscriber fails to make necessary or required corrections to their MLS information, the Participant and Subscriber shall indemnify and hold harmless the service for any claims, costs, damage or losses, including reasonable attorney fees and court costs, incurred by the MLS as a result of such failure. In no event will the MLS be liable to any MLS Participant, Subscriber or any other party for any indirect, special or consequential damages arising out of any information published in the MLS and all other damages shall be limited to an amount not to exceed the MLS fees paid by the listing broker.

8.4 Input Defined. All references or uses of the word "input" shall also include information which is submitted to the MLS for input in the MLS data base by the MLS staff, whether such information was provided to the MLS staff on a "property data form" or otherwise.

8.5 Buyer, Seller, Purchase and Sale Defined. Except as provided in Sections 7.5 and 7.6, all references to the buyer shall also include lessee. All references to the seller shall also include lessor. All references to a purchase shall also include a lease. All references to a sale shall also include a lease.

9. SELLING PROCEDURES.

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

- (a) the listing broker gives the buyer broker specific authority to show and/or negotiate directly with the seller, or
- (b) after reasonable effort and no less than 1 day after the buyer broker cannot contact the listing broker or his representative. However, the listing broker, at his option, may preclude such direct negotiations by the buyer broker by giving notice to all Participants through the MLS.

In the event all showings and negotiations will be conducted solely by the seller, the listing broker shall clearly set forth such fact in the listing information published by the service.

9.2 Disclosing the Existence of Offers. Listing brokers, in response to inquiries from buyers or buyer brokers, shall, with the sellers' 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 buyer broker.

9.3 Availability to Show or Inspect. Listing brokers shall not misrepresent the availability of access to show or inspect a listed property. It will be a violation of this section in the event showings or tours occur on a property for which listing broker has selected a Section 10 status indicating that there will be no showings.

9.4 Presentation of Offers. The listing broker must make arrangements to present the offer as soon as possible, or give the buyer broker a satisfactory reason for not doing so. If a seller(s)/landlord(s) has directed that offers are not to be presented for any length of time, seller's direction authorizing such arrangement shall be in writing, and listing broker shall provide clear and accurate notice of the date/time of presentation of offers as set forth in the written instruction to Participants and Subscribers in the MLS. In the event a listing broker will not be participating in the presentation of offers, the listing broker shall clearly indicate this fact in the listing information published by the service.

9.5 Submission of Offers and Counter-Offers. The listing broker shall submit to the seller/landlord all offers until closing unless precluded by law, governmental rule or expressly instructed in writing by the seller/landlord otherwise. If requested by buyer broker in writing, listing broker shall provide buyer broker with listing broker's written verification that buyer broker's offer was presented (or a written notification that the seller has waived the obligation to have the offer presented), said verification to be provided to buyer broker within 3 days of buyer broker's request. The buyer broker acting for buyer/tenant, shall submit to buyer/tenant all offers and counter-offers until acceptance.

9.6 Right of Buyer Broker in Presentation of Offer. The buyer broker has the right to participate in the presentation of any offer to purchase he secures. The buyer broker does not have the right to be present at any discussion or evaluation of that offer by the seller and the listing broker. However, if the seller gives written instructions to the listing broker requesting that the buyer broker not be present when an offer the buyer broker secured is

presented, the buyer broker shall convey the offer to the listing broker for presentation. In such event, the buyer broker shall have the right to receive a copy of the seller's written instructions from the listing broker. Nothing in this section diminishes or restricts the listing broker's right to control the establishment of appointments for offer presentations.

9.7 Change of Compensation Offer by Buyer Broker. The buyer broker shall not use the terms of an offer to purchase to attempt to modify the listing broker's offer of compensation nor make the submission of an executed offer to purchase contingent on the listing broker's agreement to modify the offer of compensation. However, failure of a buyer broker to comply with this rule shall not relieve a listing broker of the obligation to submit all offers to the seller as required by Section 9.4.

9.8 Buyer Broker as a Purchaser. If a buyer broker wishes to acquire an interest in property listed with a listing broker, such contemplated interest shall be disclosed to the listing broker prior to the time an offer to purchase is submitted to the listing broker.

9.9 Physical Presence of Participant or Subscriber. A Participant or Subscriber must be physically present on the property at all times when providing access to a listed property unless the Seller has consented otherwise.

(NOTE: Nothing in these rules shall preclude the listing broker and buyer broker from entering into a mutual agreement to change cooperative compensation.)

10. REPORTING SALES AND OTHER INFORMATION TO THE SERVICE.

10.1 Statuses. The definitions of the stages of property status are set forth as follows:

On-Market Statuses (Marketing/Advertising Is Occurring)

a) **Active:** A valid listing contract exists and no offer (with or without contingencies) has been accepted. This is an On-Market status.

b) **Active Under Contract:** Offer accepted and either 1) Seller requests that property remain in an On-Market status and is willing to show the property and accept back-up offers, or 2) the sale is subject to court or other third party approval. This is an On-Market status.

c) **Active With No Showings:** A valid listing contract is in effect, but Seller has instructed Listing Broker not to show the property to any potential buyers for a period of time. This is an On-Market status.

Off-Market Statuses (Marketing/Advertising Is Not Occurring)

- d) Hold: A valid listing contract is in effect, however, because of various reasons such as repairs, illness, guests, etc., the Seller has requested that temporarily there be no showings and no marketing. This is an Off-Market status.
- e) Withdrawn: A valid listing contract is in effect, however the property is no longer being marketed. This is an Off-Market status.
- f) Pending: The Seller has accepted an offer and is not soliciting further offers through the MLS. This is an Off-Market status (however any incidental remaining marketing is not a violation of said status).
- g) Canceled: The listing agreement has been canceled in writing. This is an Off-Market status.
- h) Expired: The listing agreement has expired. The time frame of the existing listing contract has run out. This is an Off-Market status.
- i) Sold: Escrow has closed. This is an Off-Market status.
- j) Leased: The property has been leased. This is an Off-Market status.

10.2 Reporting of Sales. Listings with accepted offers shall be reported to the MLS or input into the MLS database by the listing broker as “pending” or “active under contract” within **1 business day** after the acceptance unless the negotiations were carried on under Section 9.1 (a) or (b), in which case, the buyer broker shall notify the listing broker of the “pending” or “active under contract” status within **1 business day** after acceptance, whereby the listing broker shall then report or input the status change to the MLS within **1 business day** of receiving notice from the buyer broker. The listing shall be published on the MLS as “pending” or “active under contract” with no price or terms prior to the final closing. Upon final closing, the listing broker shall report or input the listing in the MLS as “sold” and report the selling price within **1 business day** after the final closing date unless the negotiations were carried on under Section 9.1 (a) or (b), in which case, the buyer broker shall notify the listing broker of the “sold” status and selling price within **1 business day** after the final closing date, whereby the listing broker shall then report or input the status change and selling price to the MLS within **1 business day** of receiving notice from the buyer broker. Listings which were not input into the MLS as a result of the seller’s instructions may be input into the MLS “sold” data at the listing broker’s option. Additionally, an MLS may accept the reporting of sales information solely for comp purposes about other properties which were not otherwise eligible for input into the MLS but are located in the MLS’s primary geographic service area and “sold” by a MLS participant and/or subscriber who represented the underlying property owner (i.e. broker who represented the seller or broker who represented the buyer), as long as such reporting is authorized by the underlying property owner to the broker who represented it, (documentation of which must be presented to MLS, if requested by the MLS), and the circumstances of the representation are disclosed on the Service by the reporting participant or subscriber. Any

discretionary submission of sales information must occur within 30 days after close of escrow.

10.3 Removal of Listings for Refusal/Failure to Timely Report Status Changes. The MLS is authorized to remove any listing from the MLS compilation of current listings where the Participant or Subscriber has refused or failed to timely report status changes. Prior to the removal of any listing from the MLS, the Participant and/or Subscriber shall be advised of the intended removal so the Participant and/or Subscriber can advise his or her client(s).

10.4 Reporting Cancellation of Pending Sale. The listing broker shall report the cancellation of any pending sale to the service within **1 business day** after cancellation occurs, and the listing shall be reinstated immediately as long as there is still a valid listing.

10.5 Refusal to Sell. If the seller of any listed property filed with the 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.

11. OWNERSHIP OF MULTIPLE LISTING SERVICE COMPILATIONS AND COPYRIGHTS; DATA RIGHTS AND RESPONSIBILITIES OF THE SERVICE

11.1 MLS Compilation Defined. The term "MLS compilation" includes, but is not limited to, the MLS computer data base and all data and content therein, including but not limited to photographs, images (including maps), graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, statistics and other details or information related to listed property, all printouts of data and content from the MLS computer database, and all MLS publications. The MLS Compilation is protected by all applicable intellectual property laws.

11.2 Active Listing MLS Compilation Defined. "Active listing MLS compilation" shall mean that portion of the MLS compilation which includes listings currently for sale and all other indexes and other information relating to the current listing information.

11.3 Comparable Data MLS Compilation Defined. "Comparable data MLS compilation" shall mean that portion of the MLS compilation that includes the off market data, sold and appraisal information regarding properties that are not currently for sale and all indexes and information relating to the sold information compilation.

11.4 Authority to Put Listings in MLS Compilation. By submitting any property listing content (e.g., photographs, images, graphics, audio and video recordings, virtual tours, drawings, renderings or any other representation, descriptions, remarks, narratives, pricing information, and other details or information related to listed property) to the MLS or inputting listing information into the MLS compilation, Participants and Subscribers represent and warrant that they have been authorized to grant license and also thereby do grant authority for and license the A.O.R./MLS to include the property listing content in its copyrighted MLS compilation. By submitting any property listing content to the MLS,

Participants and Subscribers represent and warrant that they have been authorized to report information about the sales, price and terms of a listing, have authority to grant and also thereby do grant authority for the A.O.R./MLS to include the sold information in its copyrighted MLS compilation.

11.5 Photographs/Images on the MLS. By submitting photographs/images, including but not limited to photographs, images, graphics, audio and video recordings, virtual tours, drawings, renderings or any other representations (collectively referenced in these Rules as photographs and or images) to the MLS, the Participant and/or Subscriber represents and warrants that he or she either owns the right to reproduce and display such photographs or has procured such rights from the appropriate party, and has the authority to grant and hereby grants the MLS and the other Participants and Subscribers the right to reproduce and display the photographs in accordance with these rules and regulations. Use of photographs by a subsequent listing agent requires prior written authorization from the originating listing agent or other appropriate party with the legal right to reproduce and display such photographs. Except by the MLS for purposes of protecting its rights under Section 11.6, branding of photographs and or images, including but not limited to photographs displaying “for sale” signs posted on the property, is prohibited. At least one (1) **front exterior** photograph or image accurately displaying the listed property (except where sellers expressly direct that photographs of their property not appear in MLS compilations) is required to be posted on the MLS within **1 business day** of submission of the listing in all categories other than business opportunity. The MLS reserves the right to remove any non-compliant photographs and or images from MLS display should Participant or Subscriber refuse or fail to bring said photographs and or images into compliance with the requirements of this rule after being notified and instructed to correct by the MLS. **Photo exclusion must be submitted to the MLS within 1 business day of submission of the listing. If photograph of the property is not permitted by the seller, upon submission of written photo exclusion request, listing agent is required to upload TCMLS approved image to the listed property.**

11.6 Copyright Ownership. All right, title, and interest in each copy of every MLS compilation created and copyrighted by the A.O.R., and in the copyrights therein, shall at all times remain vested in the A.O.R. The A.O.R. shall have the right to license such compilations or portions thereof to any entity pursuant to terms agreed upon by the Board of Directors.

11.7 Licensing of MLS Compilations. Each Participant shall be entitled to license from the A.O.R. the number of copies of each MLS compilation of active listing and comparable data information sufficient to provide the Participant and Subscriber with one copy of such MLS compilation. Participants and Subscribers shall acquire by such license only the right to use the MLS compilations in accordance with these rules. Clerical Users may have access to the information solely under the direction and supervision of the Participant or Subscriber. Clerical Users may not provide any MLS compilation or information to persons other than the Participant or the Subscriber under whom the clerical user is registered.

11.8 Database Preservation. No data may be removed from the MLS compilation other than by the service. Although a listing may be removed from display in the MLS compilation of current listing information, all data submitted to the MLS will remain in the database for historical and other purposes approved by the service (unless the service itself removes said data in accordance with other provisions of these rules).

11.9. Removal of and Responsibility for Content. The MLS has the right, but not the obligation, to reject, pull down, restrict publication of, access to or availability of content the MLS in good faith considers to be obscene, lewd, lascivious, filthy, excessively violent, harassing, unlawful or otherwise objectionable. Participants and Subscribers remain solely responsible and liable for the content they provide. In no case will any monitoring or removal of Participants' or Subscribers' content by the MLS make it responsible or liable for such content.

11.10. Data Privacy. By participation in the service, Participants and Subscribers represent and warrant that they have given all lawfully required privacy notices and opt-out rights to their respective seller and buyer clients whose personal information, as defined in the California Consumer Privacy Act ("CCPA"), may be submitted or included in the MLS compilation. C.A.R. Standard Form CCPA may be used to satisfy the notice requirements set forth in this rule, but if an alternate document is used, it must show that required privacy notices and opt-out rights have been given. All Participants and Subscribers are required to comply with this rule's notice requirements regardless of whether they are considered a "business" or "third party" or otherwise under the CCPA. The service shall have the right to demand a copy of written verification that such lawfully required privacy notices and opt-out rights have been given at any time. If the Participant or Subscriber fails to provide documentation requested by the service within 1 business day after the service's request, the service shall have the right to immediately withdraw any listings from the data base in addition to disciplining the Participant and Subscriber for a violation of MLS rules.

In the event the MLS receives a consumer opt-out or deletion request, the MLS reserves the right to remove or delete personal information as may be, in its discretion, necessary to satisfy or otherwise accommodate the CCPA. The MLS's obligation to do so will vary given the circumstances and the extent to which the MLS is covered by the CCPA, thus the MLS also reserves the right to reject what it determines are unfounded or non-mandated opt-out or deletion requests, if any.

11.11 Indemnification; Limitation of Liability. Participant and Subscriber shall defend, indemnify and hold harmless the service and every other Participant and Subscriber from and against any liability, claims, costs, damage or losses, including reasonable attorney fees and court costs, resulting from or arising out of any content Participant and/or Subscriber submit to or in any way wrongfully reproduce from the Service. In no event will the MLS be liable to any MLS Participant, Subscriber or any other party for any indirect, special or consequential damages arising out of any information published in the MLS and all other damages shall be limited to an amount not to exceed the MLS fees paid by the listing broker.

11.12 Pursuing Complaints of Unauthorized Use of Listing Content. MLS Participants and Subscribers may not take legal action against another Participant or Subscriber for alleged rules violation(s) unless the complaining Participant or Subscriber has first exhausted the remedies provided in these rules.

(a) Notice. Any Participant or Subscriber who believes another Participant or Subscriber has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to the MLS. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. No Participant or Subscriber may pursue action over the alleged unauthorized use and display of listing content in a court of law without first completing the notice and response procedures outlined in this section of the MLS rules.

(b) Response. Upon receiving a notice, the applicable Committee/Board of Directors will send the notice to the Participant or Subscriber who is accused of unauthorized use. Within ten (10) days from receipt, the Participant or Subscriber must either: 1) remove the allegedly unauthorized content, or 2) provide proof to the Committee/Board of Directors that the use is authorized. Any proof submitted will be considered by the Committee/Board of Directors, and a decision of whether it establishes authority to use the listing content will be made within thirty (30) days.

(c) Determination. If the Committee/Board of Directors determines that the use of the content was unauthorized, the Committee/Board of Directors may issue sanctions pursuant to the MLS rules, including a request to remove and/or stop the use of the unauthorized content within ten (10) days after transmittal of the decision. If the unauthorized use stems from a violation of the MLS rules, that too will be considered at the time of establishing an appropriate sanction.

(d) Court Action If Uncured. If after ten (10) days following transmittal of the Committee's/Board of Director's determination the alleged violation remains uncured (i.e. the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law.

11.13 Participant Access and Entitlement to Their Own Listing Information; Data Portability. The service must, upon request, promptly provide a Participant (or the Participant's designee) a data feed containing, at minimum, all active MLS listing content input into the MLS by or on behalf of the Participant and all of the Participant's off-market listing content available in the MLS system. The delivery charges for the Participant's listing content shall be reasonably related to the actual costs incurred by the MLS. The data feed must be in compliance with the prevailing RESO (Real Estate Standards Organization) standards required by NAR MLS Policy. The service will not limit the use of the Participant's listing content by the Participant or the Participant's designee.

11.14 Data Feed Available to Participants. The service must offer a Participant a single data feed in accordance with a Participant's licensed authorized uses. At the request of a Participant, the service must provide the single data feed for that Participant's licensed uses to that Participant's designee. The designee may use the single data feed only to facilitate that Participant's licensed uses on behalf of that Participant.

11.15 Brokerage Back Office Data Feeds. The service must provide to Participants the Brokerage Back Office Data for use subject to the terms below:

"Brokerage Back Office Data" means all real property listing and roster information in the MLS database, including all listings of all Participants, but excludes (i) MLS only fields (those fields only visible to MLS staff and the listing Participant), and (ii) fields and content to which MLS does not have a sufficient license for use in the Brokerage Back Office Feed.

Participant and Subscribers affiliated with the Participant can use the Brokerage Back Office Feed data for the following purposes:

- Brokerage management systems that only expose Brokerage Back Office Data to the Participant and Subscribers affiliated with the Participant.
- Customer relationship management (CRM) and transaction management tools that only expose the Brokerage Back Office Data to the Participant, Subscribers affiliated with the Participant, and their bona fide clients as established under state law.
- Agent and brokerage productivity and ranking tools and reports that only expose Brokerage Back Office Data to the Participant and Subscribers affiliated with the Participant.
- Marketplace statistical analysis and reports in conformance with NAR MLS Policy Statement 7.80, which allows for certain public distribution.

Brokerage Back Office Data use may only be made by the Participant and any Subscriber affiliated with the Participant, except that at the request of a Participant, the MLS must provide Brokerage Back Office Data to that Participant's designee. The designee may use the Brokerage Back Office Data only to facilitate the Brokerage Back Office Data use on behalf of that Participant and its affiliated Subscribers.

There is no option for Participants to opt out their listings from the Brokerage Back Office Data feed use as defined.

The service may impose reasonable licensing provisions and fees related to a Participant's license to use the Brokerage Back Office Data. The service may require the Participant's designee to sign the same or a separate and different license agreement from what is signed by the Participant.

11.16 Listing Broker's Offer of Compensation. The service is required to include the listing broker's offer of compensation for each active listing displayed on its consumer-facing website(s) and in MLS data feeds provided to Participants and Subscribers.

Additionally, the service shall permit MLS Participants or Subscribers to share the listing broker's offer of compensation for each active listing through IDX and VOW displays and through any other form or format provided to clients and consumers. The information about the offer of compensation will be accompanied by a disclaimer stating that the offer is made only to Participants of the MLS where the listing is filed.

12. PROHIBITIONS AND REQUIREMENTS.

12.1 Notification of California Department of Real Estate (DRE) or California Bureau of Real Estate Appraisers (BRE) Action. Participants and Subscribers are required to notify the MLS within 1 day after any final action taken by the DRE or the OREA against the Participant, Subscriber or any licensee affiliated with the Participant or Subscriber including, but not limited to any final decisions restricting, suspending or revoking a real estate license or Appraiser's certification or license of a Participant, the Participant's firm or corporation under which the Participant or Subscriber acts, or any licensee affiliated with the Participant or the Participant's firm or licensee or Appraiser who was affiliated with the Participant or Participant's firm at the time of the underlying act.

12.2 Violations of the Law. If a Participant, Subscriber, Appraiser or a licensee affiliated with a Participant or Subscriber commits a felony or a crime involving moral turpitude or violates the Real Estate Law or the laws relating to Appraisers, the Participant and Subscriber shall be in violation of this section. However, a Participant or Subscriber shall not be found to have violated this section unless the Participant, Subscriber, Appraiser or salesperson licensed to the Participant has been convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of (1) a felony, or (2) a crime involving moral turpitude, or (3) on a determination by any court of competent jurisdiction, or official of the State of California authorized to make the determination, that the Participant or Subscriber violated a provision of the California Real Estate Law or a Regulation of the Real Estate Commissioner or law relating to Appraisers.

12.3 Supervision of Licensees and Appraisers. In addition to the notification requirements of paragraph 12.1, a Participant may not allow any licensee, under the Participant's license, whose license has been revoked, suspended or restricted by the DRE to use the MLS in any manner while the DRE discipline is in effect except that the licensee may use the MLS under a restricted license providing such use is consistent with and does not violate such license restrictions.

12.4 Solicitation of Listing Filed With the MLS. Participants and Subscribers shall not solicit a listing filed with the service unless such solicitation is consistent with Article 16 of the N.A.R. Code of Ethics, its Standards of Practice and its Case Interpretations. The purpose of this section is to encourage sellers to permit their properties to be filed with the service by protecting them from being solicited through unwanted phone calls, visits and communications, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration. This section is also intended to encourage brokers to participate in the service by assuring them that other Participants and Subscribers will not attempt to

persuade the seller to breach the listing agreement or to interfere with the listing broker's attempts to market the property. This section does not preclude solicitation of listings under circumstances otherwise permitted under Article 16 of the N.A.R. Code of Ethics, its Standards of Practice and its Case Interpretations.

12.5 Misuse of Remarks. Information in the public remarks shall only relate to the marketing, description and condition of the property. No contact information is permitted, including names, phone or fax numbers, email addresses or website addresses (including virtual tours and transaction tracking URLs). No showing instructions are permitted, including references to lockbox, alarm, gate or other security codes, or the occupancy of the property (a statement that the property shall be delivered vacant is not a violation of this section). No information directed toward real estate agents or brokers, including compensation or bonuses offered to buyer brokers may be shown in public remarks. No information other than the marketing, description and condition of the property is permitted. Participants and Subscribers may not use the remarks in a property data profile sheet or listing submitted to the MLS or inputted directly into the MLS database for purposes of disparaging other real estate agents or conveying information about other offices or for conveying any other information that does not directly relate to the marketing of the listing. By submitting remarks to the MLS, Participant and/or Subscriber represents and warrants he or she has the authority to grant, and hereby grants the MLS and the other Participants and Subscribers the right to reproduce and display the remarks in accordance with these rules. Copying of remarks by a subsequent listing agent for use in his or her own listing requires prior written authorization from the originating listing agent or other appropriate party with the legal right to reproduce and display such remarks.

12.5.1 Remarks - Listing Content and Fair Housing Laws. All listing information, including all remarks, submitted to the MLS must be in compliance with fair housing laws. The MLS monitors listing content and employs a process for identifying potential violations of fair housing laws. Should potential fair housing law violations be identified, Participants and Subscribers will be advised to immediately remove or correct such potential violations. Failure to remove or correct may subject Participants and Subscribers to discipline and/or subject the listing to immediate removal from display.

12.6 "For Sale" Signs. Only the "For Sale" signs of the listing broker may be placed on the property.

12.7 "Sold" Signs, Use of the Term "Sold" and Advertising Sold Listings. Only Broker Participants or R.E. Subscribers who participated in the transaction as the listing broker or buyer broker may claim to have "sold" the property. Prior to closing, a buyer broker may post a "sold" sign on a property only with the consent of the listing broker. This section does not, however, prohibit any broker from advertising a permissible subset of allowable listing content regarding the properties that have sold in a neighborhood after the information regarding the properties has been published as long as the advertisement does not imply the agent was involved in the transaction unless such is the case and as long as the advertisement otherwise presents a "true picture" as is meant under Article 12 of the

N.A.R. Code of Ethics, its Standards of Practice and its Case Interpretations. Allowable listing content may include only those portions of the MLS compilation consisting of the following: property address (and whether attached or detached), status, price, number of bedrooms, number of bathrooms, number of garages (and whether attached or detached), square footage, lot size, year built, tract or development name, and if there is a pool. Display of other fields, as well as confidential information and photographs, is prohibited.

12.8 Advertising of Listing Filed With the MLS. A listing shall not be advertised by any Participant or Subscriber, other than the listing broker, without the prior consent of the listing broker except as provided in Section 12.8.1 relating to the Printed Neighborhood Market Report and Sections 12.16 and 12.19 relating to display of listings on the internet.

12.8.1 Advertising of Listing in Printed Neighborhood Market Report. Subject to the conditions set forth in (a) through (c) below, as well as throughout these Rules, Participants and Subscribers may include the listings of others in their printed “Neighborhood Market Reports.” The “Neighborhood Market Report” is defined as an advertising and/or information sheet (typically appearing in the form of a postcard, flier or newsletter) compiled by and/or for use by a licensee which sets forth a list of home activity in a particular neighborhood area. Advertising appearing in newspapers, magazines or other classified forms is not included in the definition of “Neighborhood Market Report” and is not authorized by this Rule 12.8.1.

(a) Consent. The listing brokers’ consent for such advertising is presumed, in satisfaction of Rule 12.8, unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit others to advertise his listing in the “Neighborhood Market Report” (i.e. “opts-out”) either on a blanket or listing by listing basis. Listing brokers that refuse to permit other Broker Participants or R.E. Subscribers to advertise their listings on a blanket basis may not display the listings of the other brokers’ listings in their own “Neighborhood Market Reports”. Even where listing brokers have given blanket authority for other Broker Participants and R.E. Subscribers to advertise their listings in the “Neighborhood Market Report”, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited it. Participants and Subscribers are not permitted to include listings in their Neighborhood Market Report from which listing broker has opted out and will be responsible for verifying that they have permission to advertise all listings contained in their Neighborhood Market Reports.

(b) Listing Attribution. All listings in the “Neighborhood Market Report” must identify the name of the listing firm(s) and the name of the listing agent(s) in a manner designed to easily identify such listing firm(s) or agent(s). Such identification shall be 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.

(c) Allowable Listing Content. Broker Participants and R.E. Subscribers may include only those portions of the MLS compilation consisting of the following: property address (and whether attached or detached), status, price, number of bedrooms, number of bathrooms,

number of garages (and whether attached or detached), square footage, lot size, year built, tract or development name, and if there's a pool. Display of other fields, as well as confidential information and photographs, is prohibited.

12.9 Limitations on Use of Association or MLS Information in Advertising. Except as provided in Sections 12.7, 12.8, 12.11 and 12.15, truthful use of information from the MLS compilation of current listing information, from the A.O.R.'s "statistical report," or from any "sold" or "comparable" report of the A.O.R. or MLS for public mass media advertising by an MLS Participant or Subscriber or in other public representations for purposes of demonstrating market share is not prohibited. However, any print or non-print forms of advertising or other forms of public representations must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice in a manner readily visible to consumers but not less than 7pt type:

Based on information from the **Tulare County** Association of REALTORS® (alternatively, from the **Tulare County** MLS) as of _____ (date the AOR/MLS data was obtained). All data, including all measurements and calculations of area, is obtained from various sources and has not been, and will not be, verified by broker or MLS. All information should be independently reviewed and verified for accuracy. Properties may or may not be listed by the office/agent presenting the information.

12.10 False or Misleading Advertising and Representations; True Picture Standard of Conduct. Participants and Subscribers may not engage in false or misleading advertising, including, but not limited to, advertisements or representations regarding the Participant's or Subscriber's relationship to the service, about the service itself, or about any property listed with the service. Participants and Subscribers may not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the Participant or Subscriber will receive no financial compensation from any source for those services.

MLS Participants and Subscribers shall present a true picture in their advertising and representations to the public, including Internet content, images and the URLs and domain names they use, and Participants and Subscribers may not:

- (a) engage in deceptive or unauthorized framing of real estate brokerage websites;
- (b) manipulate (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result;
- (c) deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic;
- (d) present content developed by others without either attribution or without permission; or
- (e) otherwise mislead consumers, including use of misleading images.

12.11 Use of MLS Information. In recognition that the purpose of the MLS is to market properties and offer compensation to other Broker Participants and R.E. Subscribers for

the sole purpose of selling the property, and that sellers of properties filed with the service have not given permission to disseminate the information for any other purpose, Participants and Subscribers are expressly prohibited from using MLS information for any purpose other than to market property to bonafide prospective purchasers or to support market evaluations or appraisals as specifically allowed by Sections 12.14, 12.15, 12.16 and 12.19. Any uses of MLS information inconsistent with these Sections is expressly prohibited. Nothing in this Section, however, shall limit the A.O.R. from entering into licensing agreements with MLS Participants and Subscribers or other third parties for use of the MLS information.

12.12 Confidentiality of MLS Information. Any information provided by the service to the Participants and Subscribers shall be considered and treated as confidential by Participants and Subscribers and shall be for the exclusive use of the Participants and Subscribers for purposes described in Sections 2, 12.7, 12.11, 12.14, 12.15, 12.16, 12.19 and this section. Participants and Subscribers shall at all times maintain control over and responsibility for each copy of any MLS compilation leased to them by the A.O.R. and shall not distribute any such copies to persons other than Participants and Subscribers. Participants and Subscribers are responsible for the security of their passcodes and shall not give or allow use of or make available their pass codes to any person. Participants and Subscribers may reproduce or display the information as provided in these rules.

12.12.1 Clerical Users. Clerical Users may have access to MLS information solely under the direction and supervision of the Participant or Subscriber. Clerical Users may not provide any MLS information to persons other than the Participant or Subscriber under whom they are registered. Access by Clerical Users to the data base is solely for clerical and administrative functions for the Participant or Subscriber under whom the clerical user is registered.

12.13 Access to Comparable and Statistical Information. A.O.R. members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the service, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS including “comparable” information, “sold” information, and statistical reports. This information is provided for the exclusive use of A.O.R. members and individuals affiliated with A.O.R. 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 these rules and regulations.

12.14 Display. Subject to Sections 12.15, 12.16 and 12.19, Broker Participants and R.E. Subscribers shall be permitted to display the MLS compilation in either electronic or printed format to specifically identified and bonafide 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. Broker Participants and R.E. Subscribers shall be permitted to display the MLS compilation in either electronic or printed

format to specifically identified and bonafide sellers or prospective sellers only in conjunction with their ordinary business activities in listing properties. Broker Participants and R.E. Subscribers may not filter out or restrict MLS listings that are searchable by and displayed to consumers based on the level of compensation offered to the cooperating broker or the name of a brokerage or agent. Appraiser Participants and Appraiser Subscribers shall be permitted to display the MLS compilation to the person requesting the appraisal only in conjunction with their ordinary business activities of producing a written appraisal. Such displays under this section shall be only in the immediate presence of the MLS Participant or Subscriber.

12.14.1 Clerical Users. Clerical Users are expressly prohibited from displaying or distributing MLS information to anyone other than the Participant or Subscribers under whom the clerical user is registered.

12.15 Reproduction. "Reproduction" shall include, but not be limited to, making photocopies, computer printouts, electronic transfers (including email), or downloading of MLS data or compilations. Participants and Subscribers or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof except as provided in Section 12.16, 12.19 and in the following limited circumstances:

12.15.1 Copies to Prospective Purchasers. Broker Participants and R.E. Subscribers may reproduce from the MLS compilation, and distribute to prospective real estate purchasers, copies of those portions of the MLS compilation consisting only of non-confidential fields. Such "client copies" shall also comply with the following:

- a. Permissible MLS data may be augmented with additional data not otherwise prohibited from display, provided the source of any additional data is clearly identified.
- b. All listings provided shall identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.
- c. No more than 500 current listings and 500 sold listing (insert numbers that will be the same as the numbers in 12.19.19) may be provided in response to any inquiry.
- d. A disclaimer statement shall be made in a manner readily visible to consumers but not less than 7pt type, that contains the following, or substantially similar, notice:

Based on information from the **Tulare County** Association of REALTORS® (alternatively, from the **Tulare County** MLS) as of _____ (date the AOR/MLS data was obtained). All data, including all measurements and calculations of area, is obtained from various sources and has not been, and will not be, verified by broker or MLS. All information should be independently reviewed and verified for accuracy. Properties may or may not be listed by the office/agent presenting the information.

12.15.2 Information Prohibited from Reproduction/Confidential Fields. Unless the Participant or Subscriber obtains prior written consent from the listing broker, the information reproduced pursuant to this section shall not include the following:

- a. Property owner's name, phone number, and address (if different than the listed property);
- b. Instructions or remarks intended for buyer brokers, including but not limited to showing instructions or security references (ex: lock box, burglar alarm or security system, vacancies) regarding the listed property;
- c. Type of listing;
- d. Expired or withdrawn listings;
- e. Other confidential fields.

12.15.3 Copies for Appraisals. Participants and Subscribers may reproduce from the MLS compilation, and attach to an appraisal as supporting documentation copies of those portions of the MLS compilation consisting only of such information on properties necessary to support a written appraisal or estimate of value on a particular property.

12.15.4 Downloading into Computers. Participants and Subscribers may download MLS information into a computer or computer system as long as:

- a. Access to the computer or computer system receiving the information is strictly limited to authorized Participants, Subscribers and Clerical Users as defined in these rules; and
- b. The information is only retransmitted to the Participants, Subscribers and Clerical Users authorized to access the computer or computer system by these rules; and
- c. The information is not reformatted or used to create another product except as may be used by the Participant or Subscriber who downloaded the data and such use strictly complies with sections 12.7, 12.11, 12.15, and 12.19.

12.15.5 Sold Information. Individuals legitimately in possession of current listing information, "sold" information, "comparables" or statistical information may utilize 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.

12.16 Use of Listing Information on Internet [Also known as Internet Data Exchange (“IDX”)]. “Internet Data Exchange” (“IDX”) is a means by which listing brokers permit limited electronic display and delivery of their active, pending and sold listing data, in accordance with the IDX rules set forth herein, by other participating Broker Participants and R.E. Subscribers via the following authorized mediums under said Broker Participants and R.E. Subscribers control: websites, mobile apps and audio devices. As used throughout this policy, “display” includes “delivery” of such listings.

(a) Authorization. Subject to paragraphs (b) through (s) below, and notwithstanding anything in these rules and regulations to the contrary, Broker Participants and R.E. Subscribers may electronically display aggregated MLS active, pending and sold listing information through either downloading or by framing such information on the MLS or association public access website (if such a site is available). The MLS’s download will include publicly accessible sold listing data starting from January 1, 2012. “Publicly accessible” sold information as used in the IDX policy and rules, means data that is available electronically or in hard copy to the public from city, county, state and other government records.

(b) Consent. The listing brokers’ consent for such internet display is presumed, in satisfaction of Rule 12.8, unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit display on either on a blanket or on a listing-by listing basis. Listing brokers that refuse to permit other Broker Participants or R.E. Subscribers to display their listing information on a blanket basis may not display MLS active listing information of other brokers’ listings. Even where listing brokers have given blanket authority for other Broker Participants and R.E. Subscribers to partake in IDX display of their listings, such consent may be withdrawn on a listing-by-listing basis where the seller has affirmatively directed that their listing or their property address not appear on the Internet or other electronic forms of display or distribution.

(c) Control. Broker Participants and R.E. Subscribers may only partake in IDX display on websites applications for mobile devices and audio devices which they control. Under IDX policy, “control” means that Broker Participants and R.E. Subscribers must have the ability to add, delete, modify and update information as required by the IDX policy. All displays of IDX listings must also be under the actual and apparent control of the Broker Participant and/or R.E. Subscriber, and must be presented to the public as being that Broker Participant’s and/or R.E. Subscriber’s display. Actual control requires that Broker Participants and R.E. Subscribers have developed the display, or caused the display to be developed for themselves pursuant to an agreement giving the Broker Participant and/or R.E. Subscriber authority to determine what listings will be displayed, and how those listings will be displayed. Apparent control requires that a reasonable consumer receiving the Broker Participant’s and/or R.E. Subscriber’s display will understand the display is the Broker Participant’s and/or R.E. Subscriber’s, and that the display is controlled by the Broker Participant and/or R.E. Subscriber.

(d) Display Content. Broker Participants and R.E. Subscribers shall not display confidential information fields, as determined by the MLS in the MLSs' sole discretion, such as that information intended for buyer brokers rather than consumers.

(e) Listing Attribution. All IDX listing displays shall identify the name of the listing firm, and the email or phone number provided by the listing Participant, and the name of the listing agent in a manner designed to easily identify such listing firm or agent. Such identification shall be in a reasonably prominent location and provide clear, conspicuous written or verbal identification of the name of the listing firm and listing agent, and the email or phone number provided by the listing Participant. Displays of minimum information (e.g. a one-line or thumbnail search result, 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. Audio delivery of listing content is exempt from this disclosure requirement only when all required disclosures are subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application.

(f) Modifications and Augmentations. Broker Participants and R.E. Subscribers shall not modify or manipulate information relating to other participants listings. Broker Participants and R.E. Subscribers 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.

(g) Source and Update. Information displayed shall indicate the MLS as the source of the information being displayed and the most recent date updated. Displays of minimum information (e.g. a one-line or thumbnail search result, 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. Audio delivery of listing content is exempt from this disclosure requirement only when all required disclosures are subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application. Broker Participants and R.E. Subscribers shall update all downloads and refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every 12 hours.

(h) Usage Limitations. Broker Participants and R.E. Subscribers shall indicate on their displays that the information being provided is for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing. Displays of minimum information (e.g. a one-line or thumbnail search result, 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. Audio delivery of listing content is exempt from this disclosure requirement only when all required disclosures are subsequently

delivered electronically to the registered consumer performing the property search or linked to through the device's application.

(i) Display Purpose. Broker Participants and R.E. Subscribers may not use IDX-provided listings for any purpose other than display as provided in these rules. This does not require Broker Participants and R.E. Subscribers to prevent indexing of IDX listings by recognized search engines.

(j) Restricted Display. Listings, including property addresses, can be included in IDX display except where sellers have directed their listing brokers to withhold their listings or the listings' property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs).

(k) Selective Listing Display. Not all listings from the MLS must be displayed as long as any exclusions from display on Broker Participants' and R.E. Subscribers' IDX sites are based on objective criteria, e.g. type of property, listed price, listing status or geographical location. Selection of listings displayed on any IDX site must be independently made by each Participant.

(l) Restricted Access and Distribution. Sharing of the MLS compilation with any third party not authorized by the MLS is prohibited. 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.

(m) Brokerage Identification. Any IDX display controlled by a Broker Participant or R.E. Subscriber must provide clear conspicuous written or verbal identification of the name of the brokerage firm under which they operate.

(n) Co-Mingling. A Broker Participant or R.E. Subscriber may co-mingle listings through IDX from this MLS with listings from other MLS sources on its IDX display, provided all such displays are consistent with these IDX rules, and the MLS Participant (or MLS subscriber) holds participatory rights in those MLSs. Co-mingling is the ability for a visitor to the website to execute a single property search of multiple IDX 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. Listings obtained from other MLSs must display the source from which each such listing was obtained. Displays of minimum information (e.g. a one-line or thumbnail search result, 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. Audio delivery of listing content is exempt from this disclosure requirement only when all required disclosures are subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application.

(o) Third Party Comments and Automated Value Estimates. Any IDX display controlled by a Broker Participant or R.E. 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, shall disable or discontinue either or both of those features as to the seller's listing 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 Broker Participants' and R.E. Subscribers. Except for the foregoing and subject to section (o) below, a Broker Participant's or R.E. Subscriber's IDX display may communicate the Broker Participant's or R.E. Subscriber's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its viewers that a particular feature has been disabled at the request of the seller.

(p) Making Corrections. Broker Participants and R.E. Subscribers 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 Broker Participants and R.E. Subscribers beyond that supplied by the MLS and that relates to a specific property. Broker Participants and R.E. Subscribers 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 that property explaining why the data or information is false. However, the Broker Participants and R.E. Subscribers shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment.

(q) Search Result Limitation. Broker Participants and R.E. Subscribers shall limit the number of listings that a viewer may view, retrieve, or download to 500 in response to any inquiry.

(Note: Provision (q) is optional. If any MLS adopts this provision, the number of listings that a viewer may view, retrieve, or download should be specified by the MLS in the context of this rule but may not be fewer than 500 listings or 50% of the listings in the MLS, whichever is less.)

(r) Advertising. 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 Broker Participant's and/or R.E. Subscriber's logo and contact information is larger than that of any third party.

(s) Disclaimer. Broker Participants and R.E. Subscribers shall indicate on their displays, in a manner readily visible to consumers but not less than 7pt type, the following, or substantially similar, notice:

Based on information from the **Tulare County** Association of REALTORS® (alternatively, from the **Tulare County** MLS) as of _____ (date the AOR/MLS data was obtained). All data, including all measurements and calculations of area, is obtained from various sources and

has not been, and will not be, verified by broker or MLS. All information should be independently reviewed and verified for accuracy. Properties may or may not be listed by the office/agent presenting the information.

Displays of minimum information (e.g. a one-line or thumbnail search result, 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 the required disclosure. Audio delivery of listing content is exempt from this disclosure requirement only when all required disclosures are subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application.

12.16.1 Notification by Authorized Participants and Subscribers. Broker Participants and R.E. Subscribers partaking in the display of IDX information of other brokers' listings pursuant to Section 12.16 must notify the MLS before displaying said IDX information and must give the MLS direct access as well as allow access for other MLS Participants for purposes of monitoring/ensuring compliance with applicable rules and policies.

12.16.2 Right to Charge for Download. The MLS has the right to charge the costs of adding or enhancing its downloading capacity to Broker Participants and R.E. Subscribers who request downloading of listing information pursuant to Section 12.16.

12.16.3 Listing Broker's Right to Opt Out of Internet Advertising of MLS Information. If the A.O.R. advertises MLS information on the Internet or licenses MLS information for advertising on the Internet, the listing broker shall have the right to opt out of such advertising in accordance with the MLS's procedures for opting out. The listing broker also shall have the right to refuse to have listings displayed on a blanket basis or on a listing by listing basis in accordance with Section 12.16 by affirmatively notifying the MLS in accordance with the MLS procedures for opting out. Notwithstanding any thing in these rules and regulations to the contrary, the A.O.R. reserves the right to determine whether to provide Internet advertising services and whether such services are to be made available to non-A.O.R. members.

12.17 Website Name and Status Disclosure. MLS Participants' firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner. Websites of Subscribers affiliated with a Participant's firm shall disclose the firm's name and the Subscriber's state(s) of licensure in a reasonable and readily apparent manner.

12.18 Use of the Terms MLS and Multiple Listing Service. No MLS Participant or Subscriber shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants and Subscribers shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to Participants and Subscribers. This does not prohibit Participants and Subscribers from

representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise.

12.19 Virtual Office Websites [“VOW”].

[Coinciding NATIONAL ASSOCIATION OF REALTORS® VOW Policy (“VOW Policy”), available [here](#), is adopted and incorporated herein]

Section 12.19.1 (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 (i.e. Subscriber) may, with his or her Participant’s consent, operate a VOW. Any VOW of a Subscriber is subject to the Participant’s oversight, supervision, and accountability.

(b) As used in Section 12.19 of these Rules, the term “Participant” includes a Participant’s affiliated non-principal brokers and sales licensees (i.e. Subscribers) – 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 Subscriber, 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 12.19 of these Rules, the term “MLS Listing Information” refers to active listing information and non-confidential pending and sold data provided by participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 12.19.2 (a): The right of a Participant’s VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.

(b) Subject to the provisions of the VOW Policy and these Rules, a participant’s VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange (“IDX”) as set forth in Rule 12.16.

(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 12.19.3 (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 12.19.4: 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 (i.e. subscriber), 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 12.19.5: A Participant’s VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, “scraping”, and other unauthorized use of MLS Listing Information. A Participant’s VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS

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

Section 12.19.6 (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 one year from the date they are signed, or one year from the date the listing goes off the market, whichever is greater.

Section 12.19.7:

(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 12.19.8, 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 12.19.8: 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 12.19.9: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 12.19.10: Except as provided in these rules, the 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 12.19.11: 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 12.19.12: 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, and type of property.

Section 12.19.13: 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 12.19.14: 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 12.19.15: A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:

- a. Expired or withdrawn listings.
- b. The type of listing agreement, i.e., exclusive right to sell or seller reserve.
- c. The seller's and occupant's name(s), phone number(s), or e-mail address(es).
- d. Instructions or remarks intended for buyer brokers only, such as those regarding showings or security of listed property.

Section 12.19.16: 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 12.19.17: A Participant shall cause to be placed on his or her VOW in a manner readily visible to consumers but not less than 7pt type, the following, or substantially similar notice:

Based on information from the **Tulare County** Association of REALTORS® (alternatively, from the **Tulare County** MLS) as of _____ (date the AOR/MLS data was obtained). All data, including all measurements and calculations of area, is obtained from various sources and has not been, and will not be, verified by broker or MLS. All information should be independently reviewed and verified for accuracy. Properties may or may not be listed by the office/agent presenting the information.

A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

Section 12.19.18: A Participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent, and the email or phone number provided by listing Participant, in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

Section 12.19.19: A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 500 current listings and not more than 500 sold listings in response to any inquiry.

(Note: The number of listings that may be viewed, retrieved, or downloaded should be specified by the MLS in the context of this rule but may not be fewer than **500** listings or **50%** of the listings in the MLS, whichever is less.)

Section 12.19.20: A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

(Note: The number of days passwords remain valid before being changed or reconfirmed must be specified by the MLS in the context of this rule and cannot be shorter than 90 days.)

Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.)

Section 12.19.21: A Participant may display advertising and the identification of other entities (“co-branding”) on any VOW the Participant operates or that is operated on his or her behalf. However, a Participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this Section, co-branding will be presumed not to be deceptive or misleading if the Participant’s logo and contact information (or that of at least one Participant, in the case of a VOW established and operated on behalf of more than one Participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all Participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

Section 12.19.22: 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 12.19.23: 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 12.19.24: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 12.19.25: 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.

12.20 Applicability of Rules to MLS or Association. Nothing in these rules shall limit the right of the A.O.R. or MLS to enter into licensing agreements with third parties for use

of the MLS compilations or any portion thereof in accordance with terms approved by the Board of Directors.

12.21 Participant and Subscriber Standards of Conduct. The services that Participants and Subscribers provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

Participants and Subscribers shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.

13. LOCKBOXES.

13.1 Eligibility for Lockboxes. MLS Participants and Subscribers are eligible for lockbox privileges if they otherwise qualify under this section. Clerical Users are not eligible for lockbox privileges. MLS Participants and Subscribers shall be eligible to hold a lockbox key (defined as a physical or electronic key, programmer or other device by which a lockbox can be opened) provided:

- a) The key holder signs a lease agreement with the MLS.
- b) The Participant to which the key holder is licensed cosigns the lease agreement with the MLS.
- c) The key holder continues to comply with all MLS rules relating to lockbox keys.
- d) The key holder and Participant to whom the key holder is licensed remain eligible for MLS services.

13.2 Key Use and Service. Keys may not be used under any circumstances by anyone other than the key holder, including, but not limited to, lending, borrowing or sharing keys with others. The MLS is not obligated to provide service on keys or lock boxes to individuals who are not the registered lessee or owner of the component. Keys may only be used for the purpose of facilitating the sale or lease of a listed property.

13.2.1 Use of Lockbox Contents. Participants and Subscribers shall at all times follow the showing instructions published in the MLS. Participants and Subscribers shall not remove contents of the lockbox for purposes other than showing the home and shall

promptly return the contents to the lockbox upon exiting the property. Participants and Subscribers shall keep lockbox contents in their possession at all times after removal from the lockbox. The lockbox and/or contents shall not be removed from the property site without prior consent from the listing agent.

13.2.2 Lockbox Requirements. If any lockbox or other device giving access to On Market listed property for real estate professionals and/or service providers is authorized by the seller and/or occupant and is placed on or present on property listed through the Service, such lockbox or device must be one that is approved by the MLS where the listing has been submitted. The authorized lockboxes sold by, leased by or otherwise offered through the local Association or MLS where the listing is submitted have been approved by the MLS. Unless expressly indicated otherwise by the MLS, for any other lockbox or device to be considered “approved,” use of it must provide reasonable, timely access to listed property such that (1) it allows all participants and subscribers timely access to listed property by reliance solely on data submitted to and residing on the MLS; (2) complete, accurate and stand-alone instructions are provided for accessing the listed property in the appropriate agent section on the Service; and (3) it ensures that the lockbox or device will provide reasonable access to listed property with any information, code or key needed to access the contents of the lockbox or device to be made available or access to the property otherwise scheduled within four [4] hours of initial contact in the event the lockbox or device requires the participating member to obtain additional information to enable access (ex: “call listing agent for entry code”) with said 4 hour response obligation in effect every day from 8am to 6pm. The MLS reserves the right to require that the device be submitted in advance for approval. The MLS also may revoke the approval and/or subject the participant to discipline if the device is used in a manner that fails to continue to satisfy this requirement. Failure to provide reasonable and timely access as required by this section will subject the listing agent to discipline and potential fines. More than one lockbox or access device may be used on a property as long as one of them is approved where the listing is submitted.

13.2.3 Issuing Temporary Codes. Listing broker or agent can issue temporary codes/access to the lockbox and property on terms and conditions agreed to in advance by the seller. Temporary codes/access must expire within **twenty-four (24)** hours after being issued or must be under the control of the listing broker or agent. Temporary codes must be a minimum field size of five (5) characters. (XX,XXX) .

13.3 Responsible Keyholder and Temporary Keys. If the MLS uses electronic lockbox programmers or keypads, a Participant may purchase or lease additional programmers or keypads (the “Responsible Keyholder”) to be issued on a temporary basis to other keyholders in the Participant’s firm in the event their programmer or keypad becomes non-functional outside normal business hours or under circumstances where a replacement programmer or keypad is not reasonably available from the MLS. Whenever the Responsible Keyholder issues a temporary key, the Responsible Keyholder shall advise the MLS in writing within **1 business day** after said issuance that the programmer or keypad has been issued, to whom, and the date and time of issuance. The Responsible Keyholder

shall also advise the MLS in writing within **1** business days after possession of the previously issued programmer or keypad has been reassumed.

13.4 Accountability. Key holders must account for keys at the time of any inventory conducted by the MLS or at any time requested by the A.O.R. Key holders who cease to participate or subscribe to the MLS shall return all key(s) in their possession to the MLS. Failure to return a key(s) will subject the key holder and/or the key holder's Participant to fines and penalties and to being responsible for all costs incurred by the MLS to secure the lock box key system as a result of the failure to return the key(s). Further, key lease agreements may contain a liquidated damages provision to offset some or all of the costs in reestablishing the security of the system if it is determined that the security has been compromised through the negligence or fault of the keyholder.

13.5 Deemed Unaccountable. Keys shall be deemed unaccounted for if a key holder refuses or is unable to demonstrate that the key is within the key holder's physical control.

13.6 Written Authority. Participants and Subscribers shall not place a lockbox on a property without written authority from the seller and occupant if other than the seller. Inclusions in MLS compilations cannot be required as a condition of placing lockboxes on listed property.

13.7 Listing Broker's Permission. No Participant or Subscriber may enter a property with or without a lockbox without the listing broker's permission. Such permission may be granted by the listing broker by specifying permission to use the lockbox through the MLS. Appraiser Participants are expressly prohibited from using lockbox keys to enter a property without either the owner's or listing broker's permission.

13.8 Reporting Missing or Unaccountable Keys. Key holders and Participants cosigning with a key holder shall report lost, stolen or otherwise unaccountable keys to the A.O.R. immediately upon discovery.

13.9 Rules Violations. Failure to abide by rules relating to lockboxes as set forth in this section or failure to abide by the key lease agreement may result in discipline as provided in sections 14 and 15 of these rules, in addition to loss of or restriction on all lockbox and key privileges.

13.10 Right to Limit Access. The MLS reserves the right to refuse to issue, activate or reactivate a key or terminate an existing key lease agreement or otherwise limit access to lockboxes if, in its sole discretion, it determines the security of the system would be compromised by issuing such keys or granting access to lockboxes.

13.11 Removal. The lockbox must be removed within one (1) **business** day after the close of escrow or expiration/cancellation of the listing.

14. VIOLATIONS OF RULES AND REGULATIONS.

14.1 Grounds for Disciplinary Action and Sanctions. After a hearing by a hearing panel as provided in the *California Code of Ethics and Arbitration Manual*, the Board of Directors may take disciplinary action and impose sanctions against any Participant and Subscriber:

(a) For violation of any MLS rule;

(b) On the Participant's or Subscriber's being convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of (1) a felony, or (2) a crime involving moral turpitude, or (3) on a determination by any court of competent jurisdiction, or official of the State of California authorized to make the determination, that the Participant or Subscriber violated a provision of the California Real Estate Law or a Regulation of the Real Estate Commissioner or the laws relating to Appraisers or a regulation of the OREA.

(c) For any violation of subsection (a) by any person, including but not limited to a clerical user or a salesperson, who is not a Participant or Subscriber but is employed by or affiliated with such Participant or Subscriber and was providing real estate related services within the scope of the Participant's or Subscriber's license. Lack of knowledge by the Participant or Subscriber of such salesperson's conduct shall only go to mitigation of discipline imposed.

(d) For any violation of the N.A.R. Code of Ethics while a member of any Association of REALTORS®.

14.2 Sanctions. Sanctions or disciplinary action for violation of an MLS Rule may consist of one or more of those specified in the *California Code of Ethics and Arbitration Manual*.

14.3 Citations The MLS Committee, subject to approval of the Board of Directors, may implement a schedule of fines for certain MLS rules violations and direct staff to issue citations for the specified MLS rules violations and implement a procedure whereby the Participant and Subscriber receiving the citation may (1) pay the amount specified on the citation, (2) request citation reconsideration (paper review) in accordance with the procedures set forth in the *California Code of Ethics and Arbitration Manual* (if such reconsideration procedure has been adopted by the MLS) or (3) request a full hearing in accordance with the procedures set forth in the *California Code of Ethics and Arbitration Manual*.

15. PROCEDURES FOR MLS RULES HEARINGS.

All MLS rules hearings shall be processed in accordance with the *California Code of Ethics and Arbitration Manual* as from time to time amended which is hereby incorporated by reference. Failure to abide by the procedures of the *California Code of Ethics and Arbitration Manual* shall be a violation of these MLS rules.

16. ARBITRATION

16.1 Mandatory Arbitration. By becoming and remaining a Participant or Subscriber in the MLS, each Participant and Subscriber agrees to submit disputes arising out of the real estate business which also arises out of, or is in conjunction with, any listing filed with the MLS or any appraisal, to binding arbitration with any other Participant or Subscriber of this MLS, or Participants or Subscribers of any other MLS who are authorized to have access to this MLS under Section 6 of these rules. Such arbitrations shall be governed by the *California Code of Ethics and Arbitration Manual* as from time to time amended which is hereby incorporated by reference. This shall be deemed an arbitration agreement within the meaning of Part 3, Title 9 of the California Code of Civil Procedure. Failure to submit to arbitration and abide by the arbitration award, including but not limited to timely payment of the arbitration award as provided herein shall be a violation of these MLS rules and subjects Participants and Subscribers to possible suspension from the MLS and/or other penalties.

16.2 Other Arbitration Agreements. Notwithstanding any other provision of these rules, if any Participant or Subscriber enters into an agreement (either before or after a dispute arises) with another Participant or Subscriber to arbitrate a dispute utilizing non-Association facilities, such persons are not bound to arbitrate the dispute covered by such agreement under these rules utilizing A.O.R. facilities.

16.3 Arbitration Between Association Members. Notwithstanding any other provision of these rules,

(a) If all disputants are members of the same Association of REALTORS®, they shall arbitrate at that Association of REALTORS® in accordance with its rules.

(b) If the disputants are members of different Associations of REALTORS®, they shall arbitrate in accordance with any applicable regional or shared professional standards agreement. In the absence of such an agreement, the disputants remain obligated to arbitrate at the California Association of REALTORS® (“C.A.R.”) in accordance with the C.A.R. Interboard Arbitration Rules.

16.4. Arbitration Involving Non-Association Members. Notwithstanding any other provision of these rules:

(a) If all disputants are non-association members and they receive MLS services through the same A.O.R., they shall arbitrate at the A.O.R. unless the A.O.R. participates in a regional MLS, in which case, they shall arbitrate in accordance with any applicable regional agreements between the A.O.R. and the regional MLS.

(b) If one or more of the disputants are non-association members and all disputants receive MLS services through the same A.O.R., they shall arbitrate at the A.O.R. unless the A.O.R.

participates in a regional MLS, in which case, they shall arbitrate in accordance with any applicable regional agreements between the A.O.R. and the regional MLS.

(c) If one or more of the disputants are non-association members and the disputants receive MLS services through different A.O.R.s and the A.O.R.s participate in a regional MLS, they shall arbitrate in accordance with any applicable regional agreements between the A.O.R.s and the regional MLS.

(d) In the absence of a regional agreement regarding the location of the arbitration, any dispute under subsection (a)-(c) may be conducted at any A.O.R. where the respondent(s) holds association membership or receives MLS services.

16.5 Same Firm. Arbitration between persons from the same firm shall not be available and is not mandated by these rules unless covered by arbitration rules relating to the obligations of A.O.R. members to arbitrate.

16.6 Timing. For purposes of this Section 16, the duty to arbitrate shall be determined when facts giving rise to the dispute occurred. Therefore, a Participant or Subscriber shall have a duty to arbitrate if the person was an MLS Participant or Subscriber when facts giving rise to the dispute occurred. Termination of MLS participation or subscription shall not relieve the arbitration duty under this section for disputes that arose when the person was an MLS Participant or Subscriber. Requests for arbitration must be filed within one hundred and eighty (180) days after the closing of the transaction, if any, or after the facts constituting the matter could have been known in the exercise of reasonable diligence, whichever is later.

17. NONPAYMENT OF MLS FEES

17.1 Nonpayment of MLS Fees. If MLS fees, fines, charges or other amounts owed the MLS are not paid within one month after the due date, the nonpaying Participant and/or Subscriber's MLS services shall be subject to suspension until such outstanding amounts are paid in full. The MLS may suspend MLS services under this section provided the MLS gives the Participant and/or Subscriber at least twenty (20) calendar days prior notice of the proposed suspension date. Such notice may be included with the original billing statement for MLS fees, fines or charges or any time thereafter. In the event the amounts owed remain unpaid for three months after the due date, the nonpaying Participant and/or Subscriber's MLS services shall automatically terminate regardless if notice of such termination is given.

17.2 Disputed Amounts. If a Participant and/or Subscriber disputes the accuracy of amount owed, the Participant and/or Subscriber may request a hearing before the Board of Directors. In order to request such a hearing, the Participant and/or Subscriber must first pay the disputed amount in whole which may be refunded in whole or part in accordance with the Board of Directors' determination. Hearings under this section shall be conducted in accordance with the *California Code of Ethics and Arbitration Manual*. In

the event the Board of Directors confirms the accuracy of the amount owed, the Participant and/or Subscriber shall also be subject to paying interest at the rate of ten (10%) per annum on such past due amounts.

17.3 Reinstatement. Any Participant and/or Subscriber whose MLS services have been terminated for nonpayment of MLS fees may reapply for participation in the MLS. However, prior to being granted access, such Participant and/or Subscriber must pay all fees applicable to new applicants and all past due amounts owed, including paying interest at the rate of ten (10%) per annum on such past due amounts.

The following provision has not been formally adopted by the C.A.R. Board of Directors, but if Article XVII, Section 1 of the C.A.R. Model Bylaws is not adopted, include the following Section:

18. CHANGES IN RULES AND REGULATIONS.

The rules and regulations of the MLS may be amended by a two-thirds vote of all members of the MLS Committee, subject to approval by the Board of Directors. Any changes to these rules and regulations which are mandated by the National Association of REALTORS® shall automatically be incorporated into these rules and regulations and do not require MLS Committee or Board of Directors approval.

19. ADDITIONAL RULES and/or CHANGES TO THE MODEL RULES FOR THE MLS, added/changed locally by TCMLS, are denoted in YELLOW highlighting.

20. “Affiliate Key” Participant/subscribers. Affiliates are not eligible for keyholder privileges.

21. IRREGULAR LOT SIZE

In order to use the “Irregular” option in the “Lot Dimensions” field in the MLS (which is a “Required/Mandatory” field), the lot must have more than 2 different dimensions to be truly irregular (3 sided lot, curved cul-de-sac, etc.), in other words (a two dimension - length and width lot if labeled as “Irregular” would be possibly be a rules violation and subject to citation for violation of MLS Rules). 10/16/2002

22. TCAOR & TCMLS TOUR / CARAVAN MEETING POLICY

STATEMENT OF CARAVAN/TOUR PURPOSE

Caravans, Tours and/or Pitch Sessions are an activity of the Association of REALTORS® and MLS for the express purpose of providing an opportunity for our members to preview new listings on the market so they may better serve the needs and interests of their buyers and sellers; and to network with one another.

The following apply to all marketing MLS sessions, caravans, tour meetings, etc.

22.1 The caravans, tours, meetings and/or pitch sessions are subject to the Association and MLS Rules, Bylaws, Regulations, Policies; as well as the REALTOR® Code of Ethics, and all applicable laws.

22.2 OFFICIAL PROMOTIONAL EFFORTS. Any flyers or promotional materials and/or any representations “about or on behalf of the Association or MLS” must be reviewed and approved by the MLS Chair, President or Staff at least 1 day prior to any form of distribution.

22.2 Sponsorship of the venue, refreshments, door prizes or any other event-related service may be supplied only by members (REALTOR, Affiliate or MLS) or their firm. No one may substitute or serve as proxy for a sponsor unless that individual is also a member.

22.3 ATTENDANCE & PARTICIPATION

22.3.1 Members (including affiliates) are allowed to attend marketing sessions, caravans and tours.

22.3.2 Only members (including affiliates) may tour the properties.

22.3.3 Only members (including affiliates) are allowed to speak at MLS Tour/Caravan meetings, unless prior approval is granted by the MLS Chair or President. Affiliates are asked to make announcements at the appropriate times only during the meetings, as requested and directed by the tour meeting MC.

22.3.4 Short announcements by members (usually about 1 minute or less) are allowed at the appropriate time as per the agenda.

22.3.5 Other than TCAOR Committees, longer announcements (over 1 minute), drawings, skits, presentations, etc. must be scheduled and approved in advance by the MLS Committee Chairperson or Association President and placed on the official MLS calendar of scheduled events maintained by the MLS Coordinator.

22.3.6 Drawings (unless otherwise approved by the MLS Chair or President) are to be held prior to the MLS Tour meeting or after the meeting, not during the meeting.

22.4 PROPERTIES PITCHED OR VIEWED

22.4.1 All property types are eligible for tour.

22.4.2 Property must be in the MLS System before property can be submitted for tour.

22.4.3 Only properties on tour sheet can be toured. Properties not on tour sheet may not be promoted as open for viewing during tour time.

22.4.4 No property will be toured if agent or representative is not at MLS tour meeting to represent it, and there may be a citation issued per each listing if an agent or representative is not at MLS tour meeting to announce that the property is off tour. Off tour property can be rescheduled for tour.

22.4.5 Comments pertaining to properties on tour are to be written in the comments section of the tour sheet. A verbal "on tour" and/or any brief remarks shall be less than 30 seconds.

22.4.6 There must be a change in listing broker or a 3-month period for a property to be re-toured.

22.4.7 An agent from the listing company or authorized representative must be present at the property during the time the property is held open for Caravan/Tour. The seller is not an authorized representative. An authorized, registered member with the MLS or a Personal Assistant is considered an authorized representative. A Subscriber or participant's failure to provide a representative at the property (as provided above) may lead to a fine and/or other sanctions.

22.4.8 There is no limit to the number of properties on tour per week, or number of properties per office or agent.

22.4.9 All agents with a property on tour are encouraged to attend the complete tour if possible as a courtesy to other participating agents.

22.5 Tulare Tour

22.5.1 Tours are held every Tuesday of each month, at T.D.E.S. Hall at 9AM.

22.5.2 Properties on tour must be in the MLS system by Friday, 3PM.

22.5.3 Tulare addresses only.

22.6 Visalia Tour

22.6.1 Tours are held every Thursday of each month at the Visalia Elks Lodge at 8:30AM. Doors open at 8AM. Tour to begin at 9AM following meeting.

22.6.2 Properties on tour must be in the MLS system by Tuesday, 3PM.

22.6.3 All properties are to stay open until 10:30AM.

22.6.4 The dividing line for the Visalia Tour is Court Street as defined by the MLS Area map.

22.7 Porterville Tour

22.7.1 Tours are held every Tuesday of each month at the Porterville Branch Office at 9AM.

22.7.2 Properties on tour must be in the MLS system by Friday, 3PM.

22.7.3 All in attendance will introduce themselves and the office in which they work every first Tuesday of the month at Tour.

23. DIRECTIONS. The “Directions to property” field in our MLS must contain and be actual directions to the property. It is not allowable to just say “call (name) for directions” or “go to http://www._____.com for directions, etc.” No advertising or promotional remarks are allowed in this field; only directions to the property are allowed.

“Directions” must contain directions that can be used to locate and guide someone to the property. Failure to provide appropriate directions that can be used to reasonably locate the property may result in citation, fine or other sanctions.

It is required that the listing agent “includes a starting point in the directions.” If possible, property directions in the MLS should always start from a main road (preferably including a main cross street) and use directions such as North, South, East and West instead of left and right. If directions are to a model home or sales office, the listing agent must specify this information in the directions field .The Directions field is for “directions only” and contact information (such as names, phone numbers, email addresses, web site addresses), or service provider information, etc., is not allowed in the directions field.

TCMLS Rules
Exhibit A

Citation Policy (TCMLS Rule 14.3)

TCMLS has a “self-policing” policy. MLS users are responsible for policing the integrity of the MLS Data and reporting inaccurate data or rules violations. Complaints must be submitted using the designated reporting method. Verbal complaints will NOT be accepted. Staff shall be authorized to contact reporting members to clarify the complaints, collect documentary evidences, make determinations (rulings) for reported tier1, 1st offense rule violations and issue citations. All other complaints will be reviewed by the MLS Committee. Complaints must be filed within one hundred and eighty (180) calendar days after the closing of the transaction, if any, or after the facts constituting the matter could have been known in the exercise of reasonable diligence, whichever is later.

The purpose of this citation policy is to ensure the integrity of the MLS including the currency and accuracy of its information. Fines will be issued and processed in accordance with this Citation Policy. The citable offenses and fines are subject to change upon approval of the AOR/MLS Board of Directors. The Citation Policy is in addition to and does not replace the provisions of Section 14 of the C.A.R. Model MLS Rules.

A. For the purpose of the Fine Schedule, the number of violations will be tracked on a year basis. On the first day of each year the violation count for each MLS member will be reset to zero (0).

B. A listing that contains one or more violations of the Citation Policy is considered a violation event for purposes of the Fine Schedule regardless of the category or nature of the violation.

C. A listing that contains more than one violation on the same day will be treated as a single violation **event** for purposes of the Fine Schedule. Multiple violations that occur on the same day but are reported separately are treated as a single violation **event**.

D. Notices of any violation will be sent to both Subscribers and their responsible Participant. A violation must be corrected within **1 business day** of notice of violation. Receipt of notice is presumed to be the sooner of three (3) **business** days after mailing or one (1) **business** day after email or facsimile transmission. Failure to correct a noted violation within the **1 business** day time period allotted will result in a new violation for the uncorrected violation with the associated fine for that level of violation. Failure to correct a violation within the **1 business** day correction period may also subject a non-conforming listing to removal by the MLS from active display. New violations may be issued for any remaining uncorrected violations until the violations are corrected or the maximum fine is reached as set forth below.

E. The fine amount is determined by the total number of violations accumulated by each MLS member during a year.

F. Fines are due within **seven (7)** calendar days of receipt of a violation notice. Receipt of notice is presumed to be three (3) business days after mailing or one (1) **business** day after email or facsimile transmission.

G. If a recipient of a citation believes that a violation notice and fine was issued in error, the recipient may request a hearing in accordance to the procedures set out by their MLS/AOR. Prior to requesting a hearing, the violation must be corrected.

H. Failure to pay assessed fines may result in suspension of MLS privileges as detailed in Paragraph 17.1 of the MLS Rules and Regulations.

I. The MLS Committee and/or the Board of Directors reserves the right, at its discretion, to charge a Participant or Subscriber with rules violations by virtue of the hearing process, including the possibility of additional fees or fines, suspension or expulsion, rather than utilizing the citation process. Thus, the below fines may not be all inclusive. Any Participant or Subscriber who accumulates in excess of 3 (three) violations in one calendar year, unless otherwise specified, shall be required to attend a hearing for their actions and potential violations of MLS rules. Additionally the responsible Participant is required to attend any such hearing of a Subscriber.

J. Reporting of violations will remain confidential **unless indicated otherwise by the complainant**. When requested by a complainant, the MLS shall provide a process for processing reports of violations without revealing the complainant's identity. If the matter is forwarded to hearing, then the MLS Committee, Grievance Committee, MLS staff or other representative must serve as the complainant when the original complainant does not consent to participating in the process or the disclosure of his or her name.

K. The violation fine schedule is as follows:

Tier One:

First Violation: Warning Letter

Second Violation: **\$200**

Third and Subsequent Violations: **\$600**

As set forth in Section D above, violations must be corrected within **1 business day** of notice. Violations which remain uncorrected subject the violation recipient to the imposition of new penalties and removal of the listing from active display.

The maximum accumulated fine for a single violation may not exceed the top amount of \$15,000 allowed by NAR for assessment of financial penalty. If the maximum accumulated fine amount has been assessed and the violation has not been corrected, the violation recipient's MLS privileges may be suspended until all accumulated fines have been paid and the noted violation has been corrected.

Tier One Offenses are as follows:

1. Non-Completion of Required MLS Orientation Program Within Set Time Allowed [Rule 4.0 (*Orientation*)]
2. Failure of Participant or Subscriber to Notify the MLS of Termination, Transfer, or Addition of Any Clerical Users Affiliated with Participant or Subscriber [Rule 4.3 (*Notice re Clerical Users*)]
3. Failure of Participant to Notify the MLS of Termination, Transfer, or Addition of any Licensees Under Participant's License [Rule 4.4 (*Notice re Licensees*)]
4. Failure to Properly Designate/Correlate License Type [Rules 4.1.3, 4.2.3 (*Redundant Participant/Subscriber Qualifications*)]
5. Failure to Properly Specify Listing Type or Class [Rules 7.2-7.3 (*Listing Type or Class*)]
6. Failure to Update/Change Listing Information [Rule 7.8 (*Change of Listing Information*)]
7. Unauthorized Cancellation/Withdrawal of Listing; Failure of Ongoing Obligation to Report Solds [Rule 7.9 (*Cancellation/Withdrawal of Listing Prior to Expiration*)]
8. Failure to Provide Complete Listing Information [Rule 7.11 (*Detail on Listings*)]
9. Failure to Offer Unconditional Compensation [Rule 7.12 (*Unilateral Contractual Offer*)]
10. Failure to Comply with Auction Listing Requirements [Rule 7.24 (*Auction Listings*)]
11. Failure to Disclose REO Status [Rule 7.27 (*REO Disclosure*)]
12. Failure to Disclose Short Sale Status [Rule 7.28 (*Short Sale Listings*)]
13. Failure to Input Accurate Information; **Failure to Input Accurate Buying Broker Information** [Rule 8.3 (*Accuracy of Information; Responsibility for Accuracy*)]
14. Failure to Provide Seller's Written Direction to Alter Time of Submission of Offers; Failure to Provide Clear and Accurate Notice of Altered Offer Presentation Date/Time [Rule 9.4 (*Presentation of Offers*)]
15. Failure to Timely/Accurately Report Listing Status, Status Changes and Sales [Rule 10.1 (*Statuses*), Rule 10.2 (*Reporting of Sales*)]
16. Failure to Timely Report Cancellation of Pending Sale [Rule 10.4 (*Reporting Cancellation of Pending Sale*)]
17. Failure of Requisite Authority to Submit Listing Content [Rule 11.4 (*Authority to Put Listings in MLS Compilation*)]
18. Wrongful Use of Photographs/Use of Photographs on a Listing Without Proper Authorization [Rule 11.5 (*Photographs/Images on the MLS*)]
19. Failure to Provide Lawfully Required Privacy Notices and Opt-Out Rights [Rule 11.10 (*Data Privacy*)]
20. Misuse of Public Remarks; Failure to Limit Public Remarks to Marketing, Description and Condition of the Property; Wrongful Use of Remarks on a Listing Without Proper Authorization [Rule 12.5 (*Use and Misuse of Remarks*)]
21. Unauthorized Use of Term "Sold"; Impermissible Use of Listing Content/Display of Non-Allowable Listing Content [Rule 12.7 (*"Sold" Signs, Use of the Term "Sold" and Advertising Sold Listings*)]

22. Unauthorized Advertisement of Listing of Another Broker; **Failure to Provide Listing Attribution** [Rule 12.8 (*Advertising of Listing Filed with the MLS*), Rule 12.8.1, **Rule 12.8.1 (b)** (*Advertising of Listing in Printed Neighborhood Market Report*)]
23. Unauthorized Use of Statistical Reports, Sold Data or Comparable Reports in Advertising [Rule 12.9 (*Limitations on Use of Information in Advertising*)]
24. Failure to Provide Adequate Informational Notice and/or Disclaimers on Print or Non-Print Forms of Advertising or Other Forms of Public Representations; **Failure to Provide Listing Attribution** [Rule 12.9 (*MLS Information in Advertising*), Rule 12.15.1 (*Copies to Prospective Purchasers*), IDX Rule 12.16 (s) (*Disclaimer*), IDX Rule 12.16 (e) (*Listing Attribution*), VOW Rule Section 12.19.17, **VOW Rule Section 12.19.18**].
25. **Failure to Include Proper Directions** [Rule 23.0 (*Directions*)]

Tier Two:

First Violation: **\$400**

Second Violation: **\$800**

Third and Subsequent Violations: **\$1,600**

As set forth in Section D above, violations must be corrected within **1 business day** of notice. Violations which remain uncorrected subject the violation recipient to the imposition of new penalties and removal of the listing from active display.

The maximum accumulated fine for a single violation may not exceed the top amount of \$15,000 allowed by NAR for assessment of financial penalty. If the maximum accumulated fine amount has been assessed and the violation has not been corrected, the violation recipient's MLS privileges may be suspended until all accumulated fines have been paid and the noted violation has been corrected.

Tier Two Offenses are as follows:

1. Failure to Comply with "Certification of Nonuse" (back fees owing under Certification to be cumulatively added to citation amount) [Rule 5.1.6 (*Certification of Nonuse*)]
2. Failure to Input a Required Listing; Failure to Timely Submit a Required Listing [Rule 7.5 (*Mandatory Submission*)]
3. Failure to Provide Signed Seller Exemption; Failure to Timely Submit Signed Seller Exemption; Exceeding Permissible Scope of Office Exclusive; Failure to Submit Compliant Signed Seller Exemption [Rule 7.6 (*Exempted Listings*)]
4. Entry of a Listing as New after Withdrawn without a New or Amended Listing Contract [Rule 7.8 (*Change of Listing Information*)]
5. Failure to Disclose Interest by a Broker Participant or R.E. Subscriber in the Subject Listing [Rule 7.17 (*Broker/Agent as Principal*)]
6. Failure to Remove Expired Listing; Failure to Obtain Seller's Written Authorization before Extension/Renewal [Rule 7.19 (*Expiration, Extension and Renewal of Listings*)]

7. Failure to Disclose Dual Variable Commission [Rule 7.22 (*Dual /Variable Rate Commissions*)]
8. Prohibited Co-Listing [Rule 7.25 (*Co-Listing*)]
9. Violation of DOM/CDOM Calculation [Rule 7.26 (*Days on Market/Cumulative Days on Market Calculation*)]
10. Failure to Provide Appropriate Written Documentation of Listing; Failure to Disclose Known Additional Property Owner Information [Rule 8.2 (*Written Documentation*)]
11. Failure to Correct Incomplete or Inaccurate Information after MLS Notification [Rule 8.3 (*Accuracy & Correction*)]
12. Misrepresentation of the Availability of Access to Show or Inspect a Listed Property; Failure to Abide by Showing Availability Representation [Rule 9.3 (*Availability to Show or Inspect*)]
13. Failure to Timely Provide Written Verification that Offer Was Presented (or that Seller Waived the Obligation to Have Offer Presented [Rule 9.5 (*Submission of Offers and Counter-Offers*)]
14. False Representations; Failure to Abide by True Picture Standard of Conduct [Rule 12.10 (*False or Misleading Advertising and Representations*)]
15. Violation of Competency Standard [Rule 12.21 (*Participant and Subscriber Standards of Conduct*)]
16. Failure to Provide MLS-Approved Lockbox; Failure to Follow Lockbox Requirements [Rule 13.2.2 (*Lockbox Requirements*)]
17. Violation of Temporary Code Procedure [Rule 13.2.3 (*Issuing Temporary Codes*)]
18. Failure to Timely Remove Lockbox after COE or Expiration/Cancellation of Listing [Rule 13.11 (*Lockbox Removal*)]

Tier Three:

First Violation: \$2000

Second Violation: \$4000

Third and Subsequent Violations: \$6,000

As set forth in Section D above, violations must be corrected within 1 business day of notice. Violations which remain uncorrected subject the violator to the imposition of new penalties and removal of the listing from active display.

The maximum accumulated fine for a single violation may not exceed the top amount of \$15,000 allowed by NAR for assessment of financial penalty. If the maximum accumulated fine amount has been assessed and the violation has not been corrected, the violation recipient's MLS privileges may be suspended until all accumulated fines have been paid and the noted violation has been corrected.

Tier Three Offenses are as follows:

1. Failure to obtain sellers authority to list in MLS [Rule 8.1 (*Listing Agreement and Seller's Permission*)]

2. Failure to Conduct Appointments for Showing & Negotiations through the Listing Broker [Rule 9.1 (*Showings & Negotiations*)]
3. Violation of Change of Compensation Offer by Buying Broker [Rule 9.7 (*Change of Compensation Offer by Buyer Broker*)]
4. Failure to be Physically Present when Providing Access to a Listed Property to Buyers and Potential Buyers [Rule 9.9 (*Physical Presence of Participant or Subscriber*)]
5. Failure to follow or exhaust required internal pre-procedure for participant vs participant complaints of unauthorized use of listing content prior to proceeding to Court [Rule 11.12 (*Pursuing Complaints of Unauthorized Use of Listing Content*)]
6. Failure to timely notify of DRE or BREAA adverse action [Rule 12.1 (*Notification of California Department of Real Estate (DRE) or California Bureau of Real Estate Appraisers (BREAA) Action*)]
7. Unauthorized Use of MLS Information [Rule 12.11 (*Use of MLS Information*)]
8. Unauthorized Sharing of MLS Information and Pass Codes; Use of MLS by Unauthorized Party [Rule 12.12 (*Confidentiality of MLS Information*)]
9. Unauthorized Clerical User Access and Use of MLS Information [Rules 12.12.1, 12.14.1 (*Clerical Users*)]
10. Misuse of Reproduction of MLS Information [Rule 12.15 (*Reproduction*)]
11. Sharing the MLS compilation or portion thereof with any third party vendor not authorized by the MLS [Rules 12.11 (*Use of MLS Information*), 12.12 (*Confidentiality of MLS Information*) and 12.15 (*Reproduction*)]
12. Unauthorized Reproduction of Confidential Fields and Information [Rule 12.15.2 (*Confidential Fields*)]
13. Unauthorized Compilation Downloading or Transmission of Data; Failure to Restrict Access to Authorized Party [Rule 12.15.4 (*Downloading onto Computers*)]
14. Misuse of MLS Data on Public Website; Violation of IDX Rules [Rule 12.16 (*IDX*)]
15. Misuse of MLS Data on Public Website; Violation of VOW Rules [Rule 12.19 (*VOW*)]
16. Unauthorized Sharing of Lockbox Key [Rule 13.2 (*Key Use and Service*)]
17. Wrongful Use or Removal of Lockbox Contents; Failure to Follow Showing Instructions [Rule 13.2.1 (*Use of Lockbox Contents*)]
18. Failure to Account for Lockbox Key [Rule 13.4 (*Accountability*)]
19. Failure to Obtain Seller's Permission to Place a Lockbox [Rule 13.6 (*Written Authority*)]
20. Unauthorized Entrance into a Listed Property; Failure to Follow Showing Instructions [Rule 13.7 (*Listing Broker's Permission*)]
21. Failure to Report Lost or Stolen Lockbox Keys [Rule 13.8 (*Reporting Missing or Unaccountable Keys*)]