
RULES AND REGULATIONS OF
CHARLOTTESVILLE AREA
ASSOCIATION OF REALTORS®
MULTIPLE LISTING SERVICE

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PURPOSE

Through the facility of multiple listing, information concerning individual listings can be made known to all REALTORS® who participate in the activity. In Associations of REALTORS® with few Members, the actual operation can be very simple. Each REALTOR® can duplicate enough copies of the information concerning his listing to distribute to all other Participants. However, when many REALTORS® are involved, the distribution of information becomes more burdensome and may require reasonable rules of procedure and efficient central office management to expedite the Service. Regardless of the method, however, the basis of the multiple listing activity is the creation of a facility whereby REALTORS® may most effectively invite other Brokers to enter into cooperative agreements with them for the sale of their listings and provide information necessary to permit such cooperation; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals and other valuations of real property; and by which Participants engaging in real estate appraisal contribute to common databases.

DEFINITIONS

CAAR—CHARLOTTESVILLE AREA ASSOCIATION OF REALTORS® MULTIPLE LISTING SERVICE (MLS)

A Multiple Listing Service is:

- i. a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and customers and the public.
- ii. a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, Buyer agents, or in other agency or non-agency capacities defined by law).
- iii. a means of enhancing cooperation among Participants.
- iv. a means by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers.
- v. a means by which Participants engaging in real estate appraisal contribute to common databases.

While offers of compensation made by listing Brokers to cooperating Brokers through MLS are unconditional¹, a listing Broker's obligation to compensate a cooperating Broker who was the procuring cause of sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing Broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing Broker to collect a commission pursuant to the Listing Agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing Broker to collect some or all of the commission established in the Listing Agreement; at what point in the transaction did the listing Broker know (or should have known) that some or all of the commission established in the Listing Agreement

¹ Compensation is unconditional except where local MLS rules permit listing brokers to reserve the right to reduce compensation offers to cooperating brokers in the event that the commission established in a listing contract is reduced by court action or by actions of a lender. Refer to Part Two, G., Section 1, Information Specifying the Compensation on Each Listing Filed with a Multiple Listing Service of an Association of REALTORS®, Handbook on Multiple Listing Policy.

might not be paid; and how promptly had the listing Broker communicated to cooperating Brokers that the commission established in the Listing Agreement might not be paid.

MEMBERSHIP

The term "Participant" in an Association Multiple Listing Service is reaffirmed, as follows:

Where the term REALTOR® is used in this explanation of policy in connection with the word "Member" or the word "Participant", it shall be construed to mean the REALTOR® Principal or Principals of this or any other Association of REALTORS®, or a firm comprised of REALTOR® Principals participating in a Multiple Listing Service owned and operated by the Association. It shall not be construed to include individuals other than a Principal or Principals who are REALTOR® Members of this or any other Association or who are legally entitled to participate without Association membership. However, under no circumstances is any individual or firm, regardless of membership status, entitled to MLS "Membership" or "Participant" status unless they hold a current valid real estate Broker's license and offer or accept cooperation and compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited.

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

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

Further, none of the foregoing is intended to convey "Participation", or "Membership" or any right of access to information developed by or published by an Association Multiple Listing Service, where access to such information is prohibited by law. Additionally, the foregoing does not prohibit Association Multiple Listing Services, at their discretion, from categorizing non-Principal Brokers, sales Licensees, licensed and certified appraisers and others affiliated with the MLS Members or Participants as "users" or "Subscribers", and holding such individuals personally subject to the Rules and Regulations and any other governing provisions of the MLS and to discipline for violations thereof. MLS's may, as a matter of local determination, limit participation rights to individual Principal Brokers, or to their firms, and to licensed or certified appraisers, who maintain an office or Internet presence from which they are available to represent real estate Sellers, Buyers, lessors or lessees from which they provide appraisal services.

Where the terms "Subscriber" or "user" are used in connection with a Multiple Listing Service owned or operated by an Association of REALTORS®, they refer to non-Principal Brokers, sales Licensees, and licensed and certified real estate appraisers affiliated with an MLS Participant, and may, as a matter of local option, also include a Participant's affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers, provided that any such individual is under the direct supervision of an MLS Participant or the Participant's licensed designee. If such access is available to unlicensed or uncertified individuals, their access is subject to the Rules and Regulations, the payment of applicable fees and charges (if any), and the limitations and restrictions of state law. None of the foregoing shall diminish the Participant's ultimate responsibility for ensuring compliance with the Rules and Regulations of the MLS by all individuals affiliated with the Participant.

MLS participatory rights shall be available to any REALTOR® (Principal) or any firm comprised of REALTORS® (Principals) irrespective of where they hold primary membership subject only to their agreement to abide by any MLS rules or regulations; agreement to arbitrate contractual disputes with other Participants; and payment of any MLS dues, fees, and charges. None of the foregoing shall be construed as requiring this Association to grant MLS participatory rights, under Board of Choice, where such rights have been previously terminated by action of this Association's Board of Directors.

The MLS is not precluded from assessing REALTORS®, who do not hold primary or secondary membership locally, fees, dues or charges that exceed those or that are less than those charged to Participants who hold such memberships locally, or additional fees to offset actual expenses incurred in providing MLS services, such as courier charges, long distance phone charges, etc., or for charging any Participant specific fees for optional additional services.²

The term "cooperating Broker" refers to any Participant or Member of the Multiple Listing Service or any Licensee with that Participant acting either in a capacity as an agent or subagent of the Seller, an agent representing the Buyer, or acting in another recognized agency or non-agency capacity. Such relationships must be fully disclosed to all parties to the contract and to all Brokers involved.³

VARIOUS TYPES OF LISTING AGREEMENTS

Except where state law provides otherwise, the following terms shall be defined as outlined below when used in rules and regulations of any Multiple Listing Service owned or operated by one or more Associations of REALTORS®.

Exclusive Right to Sell Listing: A contractual agreement under which the listing Broker acts as the agent or as the legally recognized non-agency representative of the Seller(s), and the Seller(s) agrees to pay a commission to the listing Broker, regardless of whether the property is sold through the efforts of the listing Broker, the Seller(s), or anyone else; and a contractual agreement under which the listing Broker acts as the agent or as the legally recognized non-agency representative of the Seller(s), and the Seller(s) agrees to pay a commission to the listing Broker regardless of whether the property is sold through the efforts of the listing Broker, the Seller(s), or anyone else, except that the Seller(s) may name one or more individuals or entities as exemptions in the Listing Agreement, and if the property is sold to any exempted individual or entity, the Seller(s) is not obligated to pay a commission to the listing Broker.

Exclusive Agency Listing: A contractual agreement under which the listing Broker acts as the agent or as the legally recognized non-agency representative of the Seller(s), and the Seller(s) agrees to pay a commission to the

² Section 7.9, DEFINITION OF MLS "PARTICIPANT", from NAR Multiple Listing Policy.

³ Section 7.11, Agency, from NAR Multiple Listing Policy.

listing Broker if the property is sold through the efforts of any real estate Broker. If the property is sold solely through the efforts of the Seller(s), the Seller(s) is not obligated to pay a commission to the listing Broker.

Open Listing: A contractual agreement under which the listing Broker acts as the agent or as the legally recognized non-agency representative of the Seller(s), and the Seller(s) agrees to pay a commission to the listing Broker only if the property is sold through the efforts of the listing Broker.

Note: These definitions are provided to facilitate categorization of listings in MLS compilations. In any area of conflict or inconsistency, state law or regulation takes precedence. If state law permits Brokers to list property, on either an exclusive or open basis, without establishing an agency relationship, listings may not be excluded from MLS compilations on the basis that the listing Broker is not the Seller's agent.

INFORMATION SERVICES (IS) COMMITTEE

The terms "Information Services Committee" and "IS Committee" as used in this document refer to the Multiple Listing Service Group.

COMMITTEE

Where the term "Committee" is used in this document it shall, unless otherwise noted, refer to the Multiple Listing Services (MLS) Group.

LISTING CONTENT

"Listing content" as used in the National Association's multiple listing policies, including the model MLS rules and regulations, includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

FACTUAL REVIEW

Factual Review: The process through which the Multiple Listing Services Committee (or CAAR Staff acting as an agent of the Committee) investigates a suspected policy violation and develops a recommendation for the Board of Directors on action to be taken, if any (see Section 12.1).

Information reviewed as part of a factual review is strictly confidential and is discussed only with other Committee Members and CAAR staff in the context of the factual review.

BROKER/AGENT OPEN HOUSE

Broker/Agent Open House: An open house is a scheduled event, with a Licensee or licensed representative or homeowner in attendance, at the site or at a nearby location, as part of a group/Broker tour.

Agent Open House: A house will be available for viewing and Participants must be allowed to preview the inside of the property. Public access must also be allowed. Properties that do not allow access to the inside of the property shall not be submitted to the MLS as an open house. Open houses designated as "public open house" shall not include in the comments section any remarks related to the transaction, such as available financing, cash back at closing, bonuses, upgrade incentives, upgrade allowances, repair and decorating allowances, contact

information, such as names, phone numbers, email addresses, or website addresses, or promotion for a closing service provider or any other peripheral service.

No open house shall be scheduled where no structure exists, such as a vacant lot.

SECTION 1 - LISTING PROCEDURES

Section 1.0 LISTING PROCEDURES

Listings of properties taken by Participants that are to be included in the Multiple Listing Service shall be entered into the Service as an Active, Partial or Provisional listing within one (1) business day after necessary signatures of the Seller(s) have been obtained unless otherwise instructed in writing by the Seller. Participants shall collect and retain a written Listing Agreement for each property placed into the MLS. Participants shall collect and retain a written authorization from Seller permitting the Participant to place Seller's property into the MLS for a specified time within the listing period. (See Appendix A.)

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

Note: Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Policy. This applies to listings filed under Section 1 and listings exempt from distribution under Section 1.3 of the NAR model MLS rules if it is being publicly marketed, and any other situation where the listing Broker is publicly marketing an exclusive listing that is required to be filed with the Service and is not currently available to other MLS Participants.

Participants shall retain, for each listing submitted to the MLS, written authorization from the Seller giving permission to MLS-registered users acting as a subagent of the listing Broker, acting as an agent of the Buyer, or acting in another legally recognized agency or non-agency capacity to enter and show the property.

Section 1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE

Any listing taken, to be filed with the Multiple Listing Service, is subject to the Rules and Regulations of the Service upon signature of the Seller(s)

Section 1.2 .0 ACCURACY OF LISTING DATA

Participants and subscribers are required to submit accurate listing data and required to correct any known errors.

Section 1.3 PROPERTY ADDRESS

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

SECTION 2 - DETAIL ON LISTINGS FILED WITH THE SERVICE

Listing information submitted to the MLS shall be complete in every detail that is ascertainable. (See Appendix G.)

Section 2.1 MANIPULATION OF DAYS ON MARKET

Withdrawal and re-entry of a Listing as a marketing tool or in an attempt to alter or reset the days on market information is prohibited. Listings that have been off market in the Withdrawn or Expired status for greater than 60 days are exempted.

SECTION 2.1.1 LIMITED SERVICE LISTINGS

Listing agreements under which the listing Broker will not provide one or more of the following services will be identified with an appropriate code or symbol (e.g., LR or LS) in MLS compilations so that potential cooperating Brokers will be aware of the extent of the services the listing Broker will provide to the Seller(s), and any potential for cooperating Brokers being asked to provide some or all of these services to listing Brokers' clients, prior to initiating efforts to show or sell the property.

- i. Arrange appointments for cooperating Brokers to show listed property to potential purchasers but instead give cooperating Brokers authority to make such appointments directly with the Seller(s).
- ii. Accept and present to the Seller(s) offers to purchase procured by cooperating Brokers but instead give cooperating Brokers authority to present offers to purchase directly to the Seller(s).
- iii. Advise the Seller(s) of the merits of offers to purchase.
- iv. Assist the Seller(s) in developing, communicating, or presenting counter-offers.
- v. Participate on the Seller's(s') behalf in negotiations leading to the sale of the listed property.

Note: CAAR has adopted this rule; therefore, it is not optional.

SECTION 2.1.2 EXEMPTED LISTINGS

If the Seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing but not disseminate it to the Participants. Filing of the listing should be accompanied by certification signed by the Seller stating that the Seller has been fully informed of the benefits of listing with the Service, but does not desire the listing to be disseminated by the Service. Exempted listings can be entered after the sale as Comparable Listings ("Comp Purposes Only" listings), as specified in Appendix H.

Section 2.2 AUTHORIZED LISTINGS

The Multiple Listing Service shall accept Exclusive Right to Sell listing contracts and Exclusive Agency listing contracts, and may accept other forms of agreement offering cooperation and compensation, which make it possible for the listing Broker to offer compensation to the other Participants of the Multiple Listing Service acting as subagents, Buyer agents, or to Brokers acting in other agency or non-agency capacities. The Listing Agreement must include the Seller's written authorization to submit the agreement to the Multiple Listing Service. The Multiple Listing Service shall not accept net listings or open listings.

The Exclusive Right to Sell listing is the conventional form of listing submitted to the Multiple Listing Service, in that the Seller authorizes the listing Broker to cooperate with and to compensate other Brokers.

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

SECTION 2.2.1 COMPARABLE ONLY LISTINGS

A Participant who acts as an agent in a non-MLS transaction of real property shall be permitted to include such listing in the document section of the MLS for the purpose of providing comparable information but not for the purpose of offering the unrepresented Seller's property for sale. If a listing of a non-MLS transaction is to be entered, Participant must enter a Comp Purposes Only listing.

SECTION 2.2.2 AUCTION PROPERTIES

All auction listings entered into the MLS must be subject to a valid Listing Agreement signed by the owner of the property and contain a list price; unconditional offer of cooperative compensation from the Listing Participant, as set forth in these Rules and Regulations and provide for agency pursuant to Virginia law during the time the listing is Active in the MLS.

Note: A VA Auctioneer's license is required to auction real property and publicly advertise the terms, conditions, and other details of a real estate auction.

Auction Information in the Public Remarks field is limited to:

- i. a statement identifying the listing as a property subject to auction;
- ii. an explanation of the basis for the list price (tax assessment, appraisal, opening bid); and
- iii. whether or not the Seller will accept an offer to purchase prior to the scheduled auction.

The information referenced in items (i)-(viii) below is prohibited in the Public Remarks field.

The following information may be entered in the Agent Only Remarks field:

- i. required procedures for Participants/Subscribers to register their representation of a potential bidder;
- ii. date, time and place of the auction;
- iii. terms and conditions of the auction;
- iv. whether the auction is being conducted with or without the Seller's reserve;
- v. time or manner in which potential bidders may inspect the listed property;
- vi. amount of Buyer premium, if any;
- vii. other material rules or procedures for the auction;
- viii. auction company URL.

When a property is no longer available for purchase prior to auction ("freeze" or "auction status") the listing must be placed in Temporarily Withdrawn or Released status. In the event the auction is unsuccessful and there is still a valid Listing Agreement in place, the listing may be restored to Active status.

Section 2.3 CHANGE OF STATUS OF LISTING

Any change in listed price, list date, or other change in the original Listing Agreement (i.e., price change, extension, withdrawal) shall be made only when authorized in writing by the Seller, and shall be filed with the Service within forty-eight (48) hours after the authorized change is received by the listing Broker. Failure to file within 48 hours will result in a fine. (See Appendix F.)

Section 2.4 WITHDRAWAL OF LISTINGS PRIOR TO EXPIRATION OR PLACING A LISTING ON HOLD

A listing of a property may be withdrawn from the Multiple Listing Service by the listing Broker before the expiration date of the Listing Agreement. The Participant shall collect (prior to withdrawal) and retain a copy of the agreement between the Seller and the listing Broker that authorized the withdrawal. However, under extenuating circumstances (i.e., death or serious illness of the Seller or foreclosure of property), the Participant may authorize the withdrawal of the listing from the Service.

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing Broker's concurrence. However, when a Seller can document that his exclusive relationship with the listing Broker has been terminated, the Multiple Listing Service may remove the listing at the request of the Seller. The Participant may collect in advance and retain a written agreement between Seller and the Participant which authorizes the Participant to place a listing in the Hold status in an emergency for up to 72 hours without further signature. If a property must be placed on hold for more than 72 hours within any 7-day period, the Participant must collect and retain a copy of the agreement between the Seller and the Participant that authorizes the Participant to place the listing on Hold. The agreement must specify the number of days the listing is to be on Hold. (See Appendix C.)

Section 2.5 CONTINGENCIES APPLICABLE TO LISTINGS

Any contingency or condition of any term in a listing shall be specified to the Participants (i.e., inspections, special commission arrangements, etc.). (See Section 2.4.)

Section 2.6 LISTING PRICE SPECIFIED

The full gross listing price will be stated in the listing contract and reported to the Service.

Section 2.7 LISTING MULTIPLE UNIT PROPERTIES

All properties that are to be sold or that may be sold separately must be indicated individually in the listing and reported individually to the Service. When part of a listed property has been sold, this should be reported to the Multiple Listing Service.

Section 2.8 LISTING A PROPERTY IN MULTIPLE CATEGORIES

Properties that are eligible for more than one listing category may be entered into each category respectively. Each listing created must reference all other listing numbers for Participants. When the property sells, only one listing may be marked Sold. All other listings are to be withdrawn from the MLS. (See Appendix D.)

SECTION 2.8.1 DUPLICATE LISTINGS IN SAME CATEGORY

No more than two (2) listings with the same address, in the same area, and in the same property category are permitted in the MLS for sale or lease. Properties that are duplicated in the same category must be on property that is divisible with a different physical address. (See Appendix D.)

Section 2.9 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS

The Multiple Listing Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Multiple Listing Service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-Participants.

Section 2.10 EXPIRATION OF LISTINGS

Listings filed with the Multiple Listing Service will automatically be removed from the compilation of current listings on the expiration dates specified in the agreement. Prior to that date, the MLS will receive notice that the listing has been extended or renewed.

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

Section 2.11 TERMINATION DATE ON LISTINGS

Listings filed with the Service shall bear a definite and final termination date as negotiated between the listing Broker and the Seller.

Section 2.12 LISTINGS OF SUSPENDED PARTICIPANT

When a Participant of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Association Bylaws if a CAAR Member, MLS Rules and Regulations, or other membership obligation, except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the Service until Sold, Withdrawn, or Expired, and shall not be renewed or extended by the MLS beyond the termination date of the Listing Agreement in effect when the suspension became effective.

If a Participant has been suspended from the Association or MLS (or both) for failure to pay appropriate dues, fees, or charges, the Association MLS is not obligated to continue to provide MLS services, including continued inclusion of the suspended Participant's listing in the MLS compilation of current listing information. Prior to any removal of a suspended Participant's listings from the MLS, the suspended Participant should be advised in writing of the intended removal, so the suspended Participant may advise his/her clients.

Section 2.13 LISTINGS OF EXPELLED PARTICIPANT

When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Association Bylaws, MLS Rules and Regulations, or other membership obligation, except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the expelled Participant shall, at the Participant's option, be retained in the Service until Sold, Withdrawn, or Expired, and shall not be renewed or

extended by the MLS beyond the termination date of the Listing Agreement in effect when the expulsion became effective.

If a Participant has been expelled from the Association or MLS (or both) for failure to pay appropriate dues, fees or charges, the Association MLS is not obligated to continue to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised in writing of the intended removal, so the expelled Participant may advise his/her clients.

Section 2.14 LISTINGS OF RESIGNED PARTICIPANT

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

Section 2.15 SERVICE AREA

Listings of property located outside the Association's service area (CAAR Bylaws Article III) will be accepted if submitted voluntarily by a Participant, but are not required by the Service.

Section 2.16 PUBLIC FIELDS/INTERNET REMARKS

Any and all public fields (including but not limited to property descriptions, driving directions, and all media descriptions) in the MLS may contain only information which describes and/or provides details about the listed property within the confines of the field. This information may not include anything which may potentially interrupt and/or lead away from a Buyer-agent relationship.

Examples of inappropriate information include, but are not limited to: agent, office, or Seller contact information; builder names, logos, or builder contact information; any added branding, logos, or graphics; phone numbers; uniform resource locators (URLs, website links); and instructions to visit a website, company, or directory; with the exception of system-appended information. Any and all public fields (including but not limited to property descriptions, driving directions, and all media descriptions) in the MLS may contain only information which describes and/or provides details about the listed property within the confines of the field. This information may not include anything which may potentially interrupt and/or lead away from a Buyer-agent relationship.

Section 2.17 SUBMISSION OF DIGITAL IMAGES

At least one digital image of each property listed in the MLS shall be added to MLS immediately upon creating the listing, unless written documentation requesting a photo not be submitted is signed by the Seller and submitted to the MLS.

Copying a photograph, drawing, or virtual tour from another listing for use on your own listing, regardless of the listing status, is prohibited unless written permission is obtained from the listing agent or Broker who originally provided that photo for use in the MLS. A copy of the written permission must be filed with the Service within 48 hours upon request by CAARMLS.

Digital images submitted to the MLS shall only contain photos pertinent to the listed property, floor plans of the listed property, or architectural renderings of the listed property. Digital images shall not contain contact

information such as names, phone numbers, email addresses, or website addresses, including but not limited to use of embedded, overlaid, or digitally stamped information, nor can they include “for sale” signs. At least one digital image of a photo pertinent to the property must remain once the listing is in a status other than Active. (See Section 9.1.)

Section 2.18 SUBMISSION OF VIRTUAL TOURS

Virtual tours submitted to the MLS shall comply with the following guidelines:

- i. The primary focus of the tour shall be of the subject property only. Branding and links to galleries or other websites that provide information on more than one listing are prohibited.
- ii. The tour must be housed on an Internet-accessible server from which a MLS Participant can retrieve the tour by selecting that tour’s hyperlink.
- iii. By submitting the tour, Participants are representing to the MLS that the Participant has permission to allow the display of the tour in the MLS and that the MLS in turn has permission to redistribute the tour hyperlink as a part of the MLS compilation. (See Section 9.1.)

Section 2.19 LOCKBOX

In the instance where a listing in the MLS indicates a lockbox is present, there MUST be a CAAR lockbox present at the specified listing property, in addition to any others the listing Broker may opt to use.

A CAAR lockbox must be removed from the property within two (2) days after the date that the listing status is changed to Sold, leased, cancelled, Withdrawn, or Expired. Only the owner of the lockbox or their Broker may remove the lockbox from the property unless the lockbox owner provides authorization for another agent to do so.

The CAAR lockbox must contain a key to open the property. If access to the property is keyless, the CAAR lockbox may contain the code to the property.

SECTION 3 - SELLING PROCEDURES

Section 3.1 SHOWINGS AND NEGOTIATIONS

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

- i. The listing Broker gives the cooperating Broker specific written authority to show and/or negotiate directly, or
- ii. After reasonable effort, the cooperating Broker cannot contact the listing Broker or his/her representative. However, the listing Broker, at his/her option, may preclude such direct negotiations by cooperating Brokers.

Section 3.2 PRESENTATION OF OFFERS

The listing Broker must make arrangements to present the offer as soon as possible or give the cooperating Broker a satisfactory reason for not doing so. If the selling Broker requests proof that an offer was submitted to the Seller, the listing Broker must provide it within __ days.

Section 3.3 SUBMISSION OF WRITTEN OFFERS

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

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

Section 3.4 RIGHT OF COOPERATING BROKER IN PRESENTATION OF OFFER

The cooperating Broker or his/her representative has the right to be present when an offer they secure is presented by the listing Broker to the Seller, only with the consent of the Seller. The cooperating Broker does not have the right to be present at any subsequent discussion or evaluation of that offer by the Seller and the listing Broker. However, if the Seller gives written instructions to the listing Broker that the cooperating Broker not be present when an offer that the cooperating Broker secured is presented, the cooperating Broker has the right to a copy of the Seller's written instructions. None of the foregoing diminishes the listing Broker's right to control the establishment of appointments for such presentations.

Where the cooperating Broker is not present during the presentation of the offer, the cooperating Broker can request in writing, and the listing Broker must provide, written affirmation stating that the offer has been submitted to the Seller, or written notification that the Seller has waived the obligation to have the offer presented.

Section 3.5 REPORTING SALES TO THE SERVICE

Status changes, including final closing of sales and pending, shall be reported to the Multiple Listing Service by the listing Broker within forty-eight (48) hours after they have occurred. MLS listing(s) with a status change of "Sold" must be reported to the Multiple Listing Service within forty-eight (48) hours (excluding weekends and postal holidays). If negotiations were carried on under Section 2(A) or (B) hereof, the cooperating Broker shall report the accepted offers to the listing Broker within forty-eight (48) hours after occurrence and the listing Broker shall report them to the MLS within forty-eight (48) hours after receiving notice from the cooperating Broker. (See Appendix F).

Within forty-eight (48) hours of ratification of a contract of purchase, the following must occur:

The MLS listing(s) must be changed to "Pending". An MLS listing with a kick-out clause may remain as "Active" in the system, but the listing must be clearly marked with status set to Active w/Kickout so that every Subscriber can easily identify the property as subject to a kick-out clause.

MLS listing(s) changed to "Sold" must be reported to the Service within forty-eight (48) hours of settlement date, excluding weekends and postal holidays.

Section 3.6 RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER-OFFER

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

Section 3.7 REPORTING RESOLUTIONS OF CONTINGENCIES

The listing Broker shall report to the Multiple Listing Service within forty-eight (48) hours that a contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the agreement cancelled.

Section 3.8 ADVERTISING OF LISTING FILED WITH THE SERVICE

A property listed with the Service shall not be advertised by a Participant, other than the listing Broker, without the prior written consent of the listing Broker.

Section 3.9 REPORTING CANCELLATION OF PENDING SALE

The listing Broker shall report to the Multiple Listing Service the cancellation of any pending sale, and the listing shall be reinstated within forty-eight (48) hours.

Section 3.10 DISCLOSING THE EXISTENCE OF OFFERS

Listing Brokers, in response to inquiries from Buyers or cooperating Brokers, shall, with the Seller's approval, disclose the existence of offers on the property. Where disclosure is authorized, the listing Broker shall also disclose, if asked, whether offers were obtained by the listing Licensee, by another Licensee in the listing firm, or by a cooperating Broker.

SECTION 4 - REFUSAL TO SELL

Section 4.1 REFUSAL TO SELL

If the Seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted within forty-eight (48) hours to the Service and to all Participants by updating Broker/Agent Notes.

SECTION 5 - PROHIBITIONS

Section 5.1 INFORMATION FOR PARTICIPANTS ONLY

Any listing filed with the Service shall not be made available to any non-Participant, without the prior written consent of the listing Broker.

Section 5.2 "FOR SALE" SIGNS

Only the "For Sale" signs of the listing Broker may be placed on a property.

Section 5.3 "SOLD" SIGNS

Prior to closing, only the "Sold" sign of the listing Broker may be placed on a property, unless the listing Broker authorizes in writing the cooperating (selling) Broker to post such a sign.

Section 5.4 SOLICITATION OF LISTINGS FILED WITH THE SERVICE

Participants shall not solicit a listing on property filed with the Service unless such solicitation is consistent with Article 16 of the REALTORS® Code of Ethics, its Standards of Practice, and its Case Interpretations.

Section 5.5 USE OF THE TERMS MLS AND MULTIPLE LISTING SERVICE

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

SECTION 6 - DIVISION OF COMMISSIONS

Section 6.1 COOPERATIVE COMPENSATION SPECIFIED ON EACH LISTING

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

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

a. **Note1: Divisions of Commissions: Compensation Specified on Each Listing**

Offers of compensation made through CAAR MLS shall be applicable to brokers who are Participants of an MLS receiving listing data from CAAR MLS through a listing exchange agreement, which includes Bright MLS, which has agreed that its subscribers' offers of compensation made through their MLS shall be applicable to brokers who are Participants of CAAR MLS. The listing Participant shall specify, on each listing submitted to CAAR MLS, the compensation offered to other CAAR and Bright MLS Participants for their services in the sale/lease of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating Participant's performance as the procuring cause of the sale (or lease).

The essential and appropriate requirement by an Association Multiple Listing Service is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the listing Broker, in writing, in advance of submitting an offer to purchase. The compensation specified on listings published with the MLS shall be shown in one of two forms:

- i. by showing a non-zero percentage of the gross selling price;
- ii. by showing a definite dollar amount greater than zero (0).

Listings entered into the MLS shall not include general invitations by listing Brokers to other Participants to discuss terms and conditions of possible cooperative relationships.

Note: MLSs may also, as a matter of local discretion, allow Participants to offer cooperative compensation as a percentage of the net sales price, with the net sales price defined as the gross sales price minus Buyer upgrades (new construction) and Seller concessions as defined below.

"Seller Concessions" are defined as closing costs paid on behalf of the Purchaser by the Seller as reported on the Closing Disclosure at settlement. Any offer of cooperative compensation based on a net sales price as defined above shall be clearly noted in the Agent's Remarks section of the MLS listing.

Commission on new construction sales will be paid based on final sales price as shown on the Closing Disclosure, unless otherwise agreed upon by MLS Participants or as noted in the Agent's Remarks section of the MLS listing.

The listing Broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, Buyer agents, or in other agency or nonagency capacities defined by law) which may be the same or different. This shall not preclude the listing Broker from offering any MLS Participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing Broker informs the other Broker, in writing, in advance of submitting an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other Participants in the Service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount; both to be greater than zero (0).

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

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

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

Note 4: Multiple Listing Services, at their discretion, may adopt rules and procedures enabling listing Brokers to communicate to potential cooperating Brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating Brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating Brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating Brokers prior to the time they submit an offer that ultimately results in a successful transaction. (See Section 5.0.1.)

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

Note 6: Multiple Listing Services must give Participants the ability to disclose to other Participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the Seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple Listing Services may, as a matter of local discretion, require Participants to disclose potential short sales when Participants know a transaction is a potential short sale. In any instance where a Participant discloses a potential short sale, they must also be permitted to communicate to other Participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating Participants. All confidential disclosures and confidential information related to short sales must be communicated through dedicated fields or confidential remarks available only to Participants and Subscribers.

SECTION 6.1.1 DISCLOSING POTENTIAL SHORT SALES

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

Section 6.2 PARTICIPANT AS PRINCIPAL

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

Section 6.3 PARTICIPANT AS PURCHASER

If a Participant or any Licensee (or licensed or certified appraiser) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such interest shall be disclosed to the listing Broker as soon as possible prior to the time an offer to purchase is submitted to the listing Broker.

Section 6.4 DUAL OR VARIABLE RATE COMMISSION ARRANGEMENTS

The existence of a dual or variable rate commission arrangement (i.e., one in which the Seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing Broker without assistance, and a different commission if the sale/lease results through the efforts of a cooperating Broker; or one in which the Seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing Broker either with or without the

assistance of a cooperating Broker, and a different commission if the sale/lease results through the efforts of a Seller/landlord) shall be disclosed by the listing Broker by a key, code, or symbol as required by the MLS. The listing Broker shall, in response to inquiries from potential cooperating Brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the Seller/landlord. If the cooperating Broker is a Buyer/tenant representative, the Buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

SECTION 7 - SERVICE FEES

Section 7.1 SERVICE FEES

The following service fees for operation of the Multiple Listing Service are in effect to defray the costs of the Service and are subject to change from time to time in the manner prescribed.

Section 7.2 ANNUAL DUES

The annual dues of each Participant shall be an amount approved by the Board of Directors of the Association times each Licensee (or licensed or certified appraiser), whether licensed as a Broker or salesperson (or licensed or certified appraiser), who is registered as a CAAR MLS user by such Participant or by a managing Broker authorized by the Participant.

Section 7.3 PAYMENT OF ANNUAL DUES

Payment of such annual dues shall be made on or before October 31 of each year and shall be past due after December 31. Fees shall be prorated on a monthly basis.

Section 7.4 QUARTERLY SUBSCRIPTION FEE

The quarterly subscription fee of each Participant shall be an amount approved by the Board of Directors of the Association times each Licensee (or licensed or certified appraiser), whether licensed as a Broker or salesperson, who is registered as a CAAR MLS user by such Participant or by a managing Broker authorized by the Participant.

Section 7.5 PAYMENT OF QUARTERLY SUBSCRIPTION FEE

Payment of such quarterly subscription fees shall be made within 30 days of the billing date.

Section 7.6 MONTHLY COMPILATION FEE

The monthly compilation fee of each Participant shall be an amount equal to the cost of providing the MLS Active and comparable compilations divided by the number of users (including licensed or certified appraisers) who subscribe to receive such compilations, whether licensed as a Broker or salesperson or licensed or certified appraiser, who is employed by or affiliated as an independent contractor with such Participant.

However, the MLS must provide Participants the option of a no-cost waiver of MLS fees, dues, and charges for any Licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS where the Principal Broker participates. The MLS may, at their discretion, require that Broker Participants sign a certification

for nonuse of its MLS services by their Licensees, which can include penalties and termination of the waiver if violated.

Section 7.7 PAYMENT OF MONTHLY COMPILATION FEE

Payment of such fees shall be made on or before the twenty-fifth day of each month and shall be past due after such date.

Section 7.8 LATE FEES

Late fees of the unpaid balance shall be assessed at the following schedule:

30 days \$10 Key and \$10 MLS late fees assessed

45 days \$25 Key and \$25 MLS late fee added plus deactivation of service, agent notified.

60 days \$50 Key and \$50 MLS late fee added, and if primary member, their REALTOR membership is suspended, and broker notified.

Section 7.9 USE BY NON-REGISTERED PEOPLE

A penalty of up to \$1,000.00 will be assessed to the Participant, in addition to all applicable MLS dues and fees from the date of violation (or the beginning of the year of violation if the date of violation cannot be established), if the Multiple Listing Service Committee determines that a non-registered person has in any format used or accessed the CAAR MLS via a Participant's subscription.

SECTION 8 - MEETINGS

Section 8.1 MEETINGS OF THE MLS COMMITTEE

The Multiple Listing Service Committee shall meet for the transaction of its business at a time and place to be determined by the Committee or at the call of the Chair.

Section 8.2 MEETINGS OF MLS PARTICIPANTS

The Committee may call meetings of the Participants in the Service to be known as meetings of the Multiple Listing Service.

Section 8.3 CONDUCT OF THE MEETINGS

The Chair or Vice Chair shall preside at all meetings or, in their absence, a temporary Chair from the membership of the Committee shall be named by the Chair or, upon their failure to do so, by the Committee.

SECTION 9 - CONFIDENTIALITY OF MLS INFORMATION

Section 9.1 CONFIDENTIALITY OF MLS INFORMATION

Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Service. All such information shall be considered confidential and exclusively for the use of Participants acting as subagents of the listing Broker or acting as agents of prospective purchasers in the sale of property filed with the Service or acting in another recognized agency or non-agency capacity or acting as appraisers. This information includes but is not limited to:

- i. the compensation offered to other MLS Participants;
- ii. the type of Listing Agreement, i.e., Exclusive Right to Sell or Exclusive Agency;
- iii. the Seller's and occupant's name(s), phone number(s), or email address(es);
- iv. instructions or remarks intended for cooperating Brokers only, such as those regarding showings or security of listed property.

Section 9.2 MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION

The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. The Service disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

SECTION 10 - OWNERSHIP OF MLS COMPILATIONS⁴, LISTING CONTENT, AND COPYRIGHTS

Section 10.1 OWNERSHIP

By the act of submission of any photographs, images, graphics, video recordings, virtual tours, drawings, written descriptions, remarks, narratives, pricing information and other content (collectively, "Listing Content") to the Association MLS, the Participant represents and warrants that he or she is fully authorized to license the property listing content as contemplated by and in compliance with this section and these rules and regulations, and also thereby does grant to the MLS license to include the Listing Content in its copyrighted MLS compilation and also in any statistical report on "Comparables." Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to the listed property. The Participant further grants to the Association a non-exclusive license to use, sublicense, copy, publish, display and reproduce the Listing Content to the extent necessary to fulfill the purpose of the MLS, as such purpose is defined in the Association Bylaws, and the Participant also warrants to the Association that the Listing Content does not infringe or violate any copyrights or other intellectual property rights of any third party.

Each Participant who submits listing content to the MLS agrees to defend and hold the MLS and every other Participant harmless from and against any liability or claim arising from any inaccuracy of the submitted listing content or any inadequacy of ownership, license, or title to the submitted listing content.

Section 10.1.1 DIGITAL MILLENNIUM COPYRIGHT ACT

Note: The Digital Millennium Copyright Act (DMCA) is a federal copyright law that enhances the penalties for copyright infringement occurring on the Internet. The law provides exemptions or “safe harbors” from copyright infringement liability for online service providers (OSP) that satisfy certain criteria. Courts construe the definition of “online service provider” broadly, which would likely include MLSs as well as Participants and Subscribers hosting an IDX display.

One safe harbor limits the liability of an OSP that hosts a system, network or website on which Internet users may post user-generated content. If an OSP complies with the provisions of this DMCA safe harbor, it cannot be liable for copyright infringement if a user posts infringing material on its website. This protects an OSP from incurring significant sums in copyright infringement damages, as statutory damages are as high as \$150,000 per work. For this reason, it is highly recommended that MLSs, Participants and Subscribers comply with the DMCA safe harbor provisions discussed herein.

To qualify for this safe harbor, the OSP must:

- i. Designate on its website and register with the Copyright Office an agent to receive takedown requests. The agent could be the MLS, Participant, Subscriber, or other individual or entity.
- ii. Develop and post a DMCA-compliant website policy that addresses repeat offenders.
- iii. Comply with the DMCA takedown procedure. If a copyright owner submits a takedown notice to the OSP, which alleges infringement of its copyright at a certain location, then the OSP must promptly remove allegedly infringing material. The alleged infringer may submit a counter-notice that the OSP must share with the copyright owner. If the copyright owner fails to initiate a copyright lawsuit within ten (10) days, then the OSP may restore the removed material.
- iv. Have no actual knowledge of any complained-of infringing activity.
- v. Not be aware of facts or circumstances from which complained-of infringing activity is apparent.
- vi. Not receive a financial benefit attributable to complained-of infringing activity when the OSP is capable of controlling such activity.

Full compliance with these DMCA safe harbor criteria will mitigate an OSP’s copyright infringement liability. For more information, see [17 U.S.C. §512](#).

Section 10.2 COPYRIGHTS

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

Section 10.3 COMPLAINTS OF UNAUTHORIZED USE OF LISTING CONTENTS

Any Participant who believes another Participant 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 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.

Upon receiving a notice, the Committee (Board of Directors) will send the notice to the Participant who is accused of unauthorized use. Within ten (10) days from receipt, the Participant 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.

If the Committee (Board of Directors) determines that the use of the content was unauthorized, the Committee (Board of Directors) may issue a sanction pursuant to Section of 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.

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.

Section 10.4 MLS RULES VIOLATIONS

MLS Participants may not take legal action against another Participant for alleged rules violation(s) unless the complaining Participant has first exhausted the remedies provided in these rules.

Section 10.5 COMPILATIONS

Each Participant shall be entitled to lease from the Charlottesville Area Association of REALTORS® a number of copies of each MLS compilation sufficient to provide the Participant and each person affiliated as a Licensee who is a registered user (including licensed or certified appraisers) with such Participant with one copy of such compilation. The Participant shall pay for each such copy, the rental fee set by the Association.⁵

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

⁴ The term MLS compilation, as used in Sections 9 and 10 herein, shall be construed to include any format in which property listing data is collected and disseminated to the Participants, including, but not limited to, bound book, loose-leaf binder, computer data base, card file, digital rendering, or any other format whatsoever.

⁵ This Section should not be construed to require the Participant to lease a copy of the MLS compilation for any Licensee affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than the listing and selling of real property and who does not, at any time, have access to nor use of, the MLS information or MLS facility of the Association.

SECTION 11 - USE OF MLS INFORMATION

Section 11.1 DISTRIBUTION

Participants shall at all times maintain control over and responsibility for each copy of any MLS compilation leased to them by the Association of REALTORS® and shall not distribute any such copies to persons other than persons registered as CAAR MLS users who are affiliated with such Participant as Licensees or registered CAAR MLS users affiliated with such Participant as licensed or certified appraisers.

Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited.

Further, none of the foregoing is intended to convey Participation or Membership or any right of access to information developed by or published by an Association's Multiple Listing Service where access to such information is prohibited by law.

If any such compilation or access to compilation is found in the possession of any unauthorized persons, the Participant may be charged up to a \$1,000.00 fine and/or may be asked to comply with educational requirements as established by the Multiple Listing Service Committee pursuant to a factual review.

Section 11.2 DISPLAY OF ACTIVE LISTING COMPILATIONS

Participants, and those registered users affiliated as Licensees with such Participants, shall be permitted to display the MLS compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able Buyers for the properties described in said MLS compilation or in an effort to demonstrate examples of competitive properties to Sellers or prospective Sellers and to substantiate the value to a loan officer or appraiser.

Section 11.3 REPRODUCTION

Participants or their affiliated Licensees shall not reproduce any MLS compilation or any Listing Content, except in the following limited circumstances:

Participants or their affiliated Licensees registered as CAAR MLS users may reproduce from the MLS compilation, and distribute to prospective purchasers and/or prospective Sellers, to help to facilitate a sale, a reasonable⁶ number of single copies of property listing data contained in the MLS compilation which relate to any properties in which the prospective purchasers are, or may, in the judgment of the Participants or their affiliated registered user Licensees, be interested.

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

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

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

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

A Participant may reproduce Listing Content in accordance with the written permission of the Participant who submitted the Listing Content to the Association MLS. Except for the limited reproductions permitted under the CAAR Multiple Listing Service Rules and Regulations, no Participant shall reproduce or use in any way any Listing Content without first obtaining written permission from the Participant who submitted such Listing Content to CAAR Information Services.

⁶ It is intended that the Participant be permitted to provide a prospective purchaser with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the Participant is seeking to promote interest. The term "reasonable", as used herein, should, therefore, be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to the total number of listings in the MLS compilation, how closely the types of properties expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

SECTION 12 - USE OF MLS INFORMATION

Section 12.1 LIMITATIONS ON USE OF MLS INFORMATION

Use of information from the MLS compilation of current listing information, from the Association's "Statistical Report", or from any Sold or Comparable report of the Association or MLS for public mass-media advertising by an MLS Participant or in other public representations, may not be prohibited.

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

Note: “Based on information from the Charlottesville Area Association of REALTORS® for the period (date) through (date).”

Section 12.2 LIMITATIONS ON USE OF MLS INFORMATION FOR NON-LICENSED EMPLOYEES OF PARTICIPANTS

Support staff members of Participants, their registered user Licensees or registered users licensed or certified appraisers, may have access to MLS information only for the purpose of supporting the Participant, their registered user Licensees or registered user licensed or certified appraisers, in their efforts to sell or appraise properties.

- i. A “support staff member” of a Participant is one of the following:
 1. an unlicensed Personal Assistant, employed by a REALTOR® who is currently licensed with an MLS Participant in good standing with the MLS;
 2. an office administrator or secretary employed by an MLS Participant in good standing with the MLS;
 3. a Licensee with a member firm who is employed by an MLS Member as a Personal Assistant, or authorized as an office or firm administrator by the qualifying Broker, will be issued an administrative access code in addition to their member account.

“Access to the MLS online system” means the issuance of a user name and password to gain entry into the online system for the sole purpose of conducting real estate business directly related to the business of the MLS Participant or his/her licensed agents.

- ii. Access: Access to the MLS online system may be granted to a support staff member upon proper completion and submission to the MLS of a “CAAR Support Staff Application”, signed and dated by the Designated or Managing Broker of the MLS Participant. (See Appendix E.)
Access to the MLS online system is granted by the MLS on behalf of the MLS Participant, and can be terminated by either written instruction from the MLS Participant or the MLS if it becomes known the support staff member has violated the MLS Rules and Regulations or is no longer employed by the MLS Participant or employing REALTOR®. The MLS Participant shall notify the MLS as soon as practical but not to exceed four (4) days of the termination of a support staff member’s employment either with the brokerage or the employing REALTOR® licensed with the MLS Participant.
- iii. Fees: An initial fee of \$125 is due upon application, made payable by the Broker Participant. The fees of each support staff member shall be an amount approved by the Board of Directors annually and will be billed to the Broker Participant. In the event that the Support Staff participant is replaced before the next annual billing cycle, no additional fee will be charged to the Broker Participant.
- iv. Liability: The MLS Participant who employs the support staff member, or holds the license of the REALTOR® who employs the support staff member, is solely responsible for the actions of the support staff member with respect to the MLS, and said MLS Participant agrees to hold the Charlottesville Association of REALTORS® and its MLS harmless from any liability arising from such actions.

SECTION 13 - COMPLIANCE AND ENFORCEMENT OF RULES

Section 13.1 COMPLIANCE WITH RULES—AUTHORITY TO IMPOSE DISCIPLINE

By becoming and remaining a Participant or Subscriber in this MLS, each Participant/Subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and

hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- i. letter of warning;
- ii. letter of reprimand;
- iii. attendance at MLS orientation or other appropriate courses or seminars which the Participant or Subscriber can reasonably attend, taking into consideration cost, location, and duration;
- iv. appropriate, reasonable fine not to exceed \$15,000;
- v. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- vi. probation for a stated period of time not less than thirty (30) days nor more than one (1) year;
- vii. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

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

Note 2: MLS participants and subscribers can receive no more than three (3) administrative sanctions in a calendar year before they are required to attend a hearing for their actions and potential violations of MLS rules, except that the MLS may allow more administrative sanctions for violations of listing information provided by participants and subscribers before requiring a hearing. The MLS must send a copy of all administrative sanctions against a subscriber to the subscriber's participant and the participant is required to attend the hearing of a subscriber who has received more than three (3) administrative sanctions within a calendar year. (Adopted 11/20)

Section 13.2 NONPAYMENT OF QUARTERLY SUBSCRIPTION FEE, MONTHLY COMPILATION VIOLATION FINE FEE, AND/OR FINE LATE FEE

For failure to pay any subscription fee, monthly compilation fee, violation fine or late fee within thirty (30) days of the date due, and provided that at least ten (10) business days' notice has been given, the Service, including MLS compilations, shall be suspended until all past due fees are paid in full. A \$25 reinstatement fee will apply once suspended.

Section 13.3 FAILURE TO SUBMIT COMPLETE LISTING INFORMATION

For failure to submit complete and correct required listing information to the Service, and provided that forty-eight (48) hours' notice has been given, the Participant will be fined \$50 for the first offense. The fine will double in amount for every subsequent repeat offense thereafter. After four (4) repeat offenses, the Participant will be recommended for review by the MLS Group to the Board of Directors for further discipline as outlined in Section 13.1.

Section 13.4 NONCOMPLIANCE WITH OTHER RULES EXCEPT ETHICAL VIOLATIONS

For failure to comply with any other CAAR MLS Rules and Regulations and provided that forty-eight (48) hours' notice has been given, the Participant will be fined for the first and subsequent offenses as outlined in Appendix F.

SECTION 14 - ENFORCEMENT OF RULES OR DISPUTES

Section 14.1 CONSIDERATION OF ALLEGED VIOLATIONS

The Committee shall give consideration to all written complaints having to do with violations of the Rules and Regulations. By becoming and remaining a Participant, each Participant agrees to be subject to these rules and regulations, the enforcement of which are at the sole discretion of the Committee (Board of Directors).

When requested by a complainant, the MLS will process a complaint without revealing the complainant's identity. If a complaint is subsequently forwarded to a hearing, and the original complainant does not consent to participating in the process, the MLS will appoint a representative to serve as the complainant. (Amended 11/20) A rule violation may be submitted to MLS in one of the following ways:

- i. in writing (fax, email or mail), with dated MLS transaction attached, or generated by the MLS computer;
- ii. by the MLS department pursuant to its automated quality assurance computer process.

Section 14.2 VIOLATIONS OF RULES AND REGULATIONS EXCEPT ETHICAL VIOLATIONS

If the alleged offense is a violation of the Rules and Regulations of the Service and does not involve a charge of alleged professional misconduct or request for arbitration, it may be considered and determined by the MLS Committee following approved factual review procedures, and if a violation is determined, the Committee may direct the imposition of sanctions, provided the recipient of such sanction may appeal it to the Board of Directors of the Association for review within twenty (20) days following receipt of the Committee's decision. The decision of the Board of Directors is final.

Section 14.3 COMPLAINTS OF PROFESSIONAL MISCONDUCT

All complaints of unethical conduct shall be referred by the Committee to the Executive Officer of the Association of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Association's Bylaws.

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

All other complaints of unethical conduct shall be referred by the Board of Directors of the Service to the Association of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Association's bylaws. (See Appendix J)

Section 14.4 MONITORING COMPLIANCE

The Multiple Listing Service Committee, or CAAR staff, retains the right to request Participants to produce documentation required by these Rules and Regulations, either as part of spot checks or as part of investigations of possible or alleged violations. Participants have forty-eight (48) hours to provide the documents.

SECTION 15 - CHANGES IN MLS RULES AND REGULATIONS

Section 15.1 CHANGES IN RULES AND REGULATIONS

Amendments to the Rules and Regulations of the Service shall be by majority vote of the Members of the Multiple Listing Service Committee, subject to approval by the Board of Directors of the Charlottesville Area Association of REALTORS®.

Any mandatory updates set forth by NAR will be immediately added to the Rules and Regulations after written notification is provided to the Board of Directors of the Charlottesville Area Association of REALTORS®.

SECTION 16 - ORIENTATION

Section 16.1 ORIENTATION

Any applicant for MLS participation and any Licensee (including licensed or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided.

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

SECTION 17 - INTERNET DATA EXCHANGE (IDX)

Section 17.1 IDX

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

Section 17.2 AUTHORIZATION

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

Section 17.3 MANIPULATION OF DATA

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

Participation in IDX is available to all MLS Participants who are REALTORS® who are engaged in real estate brokerage and who consent to display their listings by other Participants.

Participants who wish to establish and maintain an IDX site must complete an IDX/VOW Agreement and pay any fees associated with receiving the IDX listing content.

Section 17.4 NOTIFICATION

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

Section 17.5 PROTECTION FROM MISAPPROPRIATION

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

Section 17.6 EXCLUDED LISTINGS/INFORMATION

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

Section 17.7 LISTING SELECTION

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

Section 17.8 REFRESH RATE REQUIREMENT

Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every twelve (12) hours.

Section 17.9 DATA DISTRIBUTION

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.

Section 17.10 BROKERAGE IDENTIFICATION REQUIREMENT

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

Section 17.11 THIRD PARTY COMMENTS/VALUATIONS

Any IDX display controlled by a Participant or Subscriber that:

- i. 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
- ii. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing, either or both of those features shall be disabled or discontinued for the Seller's listings at the request of the Seller. The listing Broker or agent shall communicate to the MLS that the Seller has elected to have one or both of these features disabled or discontinued on all displays controlled by Participants. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the Seller.

Section 17.12 CONTACT INFORMATION

Participants shall maintain a means (e.g., email address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing Broker or listing agent for the property explaining why the data or information is false. However, Participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 17.13 CO-MINGLING

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

Section 17.14 DISPLAY

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

Section 17.15 ALLOWED FIELDS/INFORMATION

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

Section 17.16 LISTING AGREEMENT TYPE

The type of Listing Agreement (e.g., Exclusive Right to Sell, Exclusive Agency, etc.) may not be displayed.

Section 17.17 LISTING BROKERAGE IDENTIFICATION

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

Section 17.18 NON-PRINCIPAL BROKERS AND AFFILIATES

Non-Principal Brokers and sales Licensees affiliated with IDX Participants may display information available through IDX on their own websites subject to their Participant's consent and control and the requirements of state law and/or regulations.

Section 17.19 DATA SOURCE IDENTIFICATION

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

Section 17.20 DISCLAIMER

Participants (and their affiliated Licensees, if applicable) shall indicate on their Websites that IDX information is provided exclusively for consumers' personal, non-commercial use; that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as

necessary to protect Participants and/or the MLS from liability. Displays of minimal information (e.g. “thumbnails”, text messages, “tweets”, etc.), of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures.

Section 17.21 CONSUMER RETRIEVAL LIMIT

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

Section 17.22 OFFICE PARTICIPATION

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

Section 17.23 NON-ACTIVE LISTINGS

Display of Expired and Withdrawn listings are prohibited.

Note: If “Sold” information is publicly accessible, display of “Sold” listings may not be prohibited. (Adopted 11/17.)

Section 17.24 DISPLAY OF SELLER INFORMATION

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

Section 17.25 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 Participant's logo and contact information is larger than that of any third party.

Section 17.26 SERVICE FEES AND CHARGES

Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. (See Appendix B.)

SECTION 18 - VIRTUAL OFFICE WEBSITES (VOWS)

Section 18.1 VOW DEFINED

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

VOW of a non-Principal Broker or sales Licensee is subject to the Participant's oversight, supervision, and accountability.

- ii. As used in Section 19 of these rules, the term "Participant" includes a Participant's affiliated non-Principal Brokers and sales Licensees—except when the term is used in the phrases "Participant's consent" and "Participant's oversight, supervision, and accountability". References to VOW and VOWs include all Virtual Office Websites, whether operated by a Participant, by a non-Principal Broker or sales Licensee, or by an Affiliated VOW Partner (AVP) on behalf of a Participant.
- iii. The term "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.
- iv. As used in Section 17 of these rules, the term "MLS Listing Information" refers to Active listing information and Sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 18.2 SERVICE FEES AND CHARGES

Service fees and charges for participation in VOW shall be as established annually by the Board of Directors. (See Appendix B.)

Section 18.3

- i. 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.
- ii. 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).
- iii. Except as otherwise provided in the VOW policy or in these rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW.

Section 18.4

- i. Before permitting any consumer to search for or retrieve any MLS listing information on his/her VOW, the Participant must take each of the following steps.
 1. 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.
 2. 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.

3. The Participant must require each Registrant to have a username and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his/her option, supply the username and password or may allow the Registrant to establish its username and password. The Participant must also assure that any email address is associated with only one username and password.
- ii. 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, username, and current password of each Registrant. The Participant must keep such records for not less than one hundred eighty (180) days after the expiration of the validity of the Registrant's password.
- iii. 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, username, 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.
- iv. 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:
 1. that the Registrant acknowledges entering into a lawful consumer-Broker relationship with the Participant;
 2. that all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;
 3. 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;
 4. 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
 5. that the Registrant acknowledges the MLS's ownership of and the validity of the MLS's copyright in the MLS database.
- v. 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.
- vi. The terms of use agreement shall also expressly authorize the MLS and other MLS Participants or their duly authorized representatives to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants' listings by the VOW. The agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

Section 18.5

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

Section 18.6

A Participant's VOW must employ reasonable efforts to monitor for and prevent misappropriation, scraping, and other unauthorized uses of MLS listing information. A Participant's VOW shall utilize appropriate security protection

such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

Section 18.7

- i. A Participant's VOW shall not display the 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.
- ii. 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. (See Appendix A.)
- iii. The Participant shall retain such forms for at least one (1) year from the date they are signed or one (1) year from the date the listing goes off the market, whichever is greater.

Section 18.8

- i. Subject to Subsection b) below, a Participant's VOW may allow third parties:
 - a) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
 - b) to display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.
- ii. Notwithstanding the foregoing, at the request of a Seller, the Participant shall disable or discontinue either or both of those features described in Subsection a) as to any listing of the Seller. The listing Broker or agent shall communicate to the MLS that the Seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 19.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled at the request of the Seller.

Section 18.9

A Participant's VOW shall maintain a means (e.g., email 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 forty-eight (48) hours following receipt of a communication from the listing Broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 18.10

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

Section 18.11

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

Section 18.12

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

Section 18.13

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

Section 18.14

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

Section 18.15

A Participant may operate more than one VOW himself/herself or through an AVP. A Participant who operates his/her own VOW may contract with an AVP to have the AVP operate other VOWs on his/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 18.16

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

- i. the compensation offered to other MLS Participants;
- ii. the type of Listing Agreement, i.e., Exclusive Right to Sell or Exclusive Agency;
- iii. the Seller's and occupant's name(s), phone number(s), or email address(es);
- iv. instructions or remarks intended for cooperating Brokers only, such as those regarding showings or security of listed property.

Section 18.17

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 18.18

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

Section 18.19

A Participant shall cause any listing that is displayed on his/her VOW to identify the name of the listing firm 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 18.20

A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than five hundred (500) listings in response to any inquiry.

Section 18.21

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

Section 18.22

A Participant shall cause any listing displayed on his/her VOW 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 18.23

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

APPENDIX A. SELLER INTERNET OPT-OUT FORM

Seller Opt-out Form

Internet

Please initial what applies.

A. I have advised my Broker or listing agent that I do not want the listed property to be displayed on the Internet.

OR

B. I have advised my Broker or listing agent that I do not want the address of the listed property to be displayed on the Internet.

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 searches.

MLS

Please initial:

I have advised my Broker or listing agent that I do not want the property to be listed in the MLS.

I understand and acknowledge that if I have selected not to include my property in the MLS, consumers and Licensees who conduct searches for listings will not see information about the property on the MLS or its IDX feeds.

I understand that my property can be added to the MLS at a future date should I so choose and inform my listing agent.

I understand and acknowledge that by excluding my listing from the MLS, my Broker is not able to be publicly market to agents outside my Brokerage.

APPENDIX B. DATA LICENSE FEE SCHEDULES

IDX License Fee	\$400
VOW License Fee	\$400

Participants who wish to establish an IDX display must complete an IDX (Broker Reciprocity) Agreement and pay any fees associated with receiving the file of IDX listing content.

APPENDIX C. STATUS UPDATE/CDOM

The MLS system will track Cumulative Days on Market (CDOM). CDOM is a count of the total time an *address or parcel ID* has been on the market, as compared to DOM (Days on Market) which is a measure of how long a *specific MLS number* has been on the market (listing date to Contingent or Pending date). The rules for withdrawing and re-listing properties will also change:

CAAR Cumulative Days on Market Rules

STATUS	Cumulative Days On Market Rule
Coming Soon	No DOM or CDOM created.
Comp Only	No DOM or CDOM created.
Expired	New Listing Office and most recent address match Expired fewer than 60 days ago, DOM is added from previous listing and CDOM created. These listings must be entered with a new MLS#.
Expired	Same Listing Office and the most recent address match Expired less than 60 ago, this listing can be put Back on Market and keep the same MLS#, therefore DOM continues, or it can be relisted with a new MLS# and CDOM created.
Expired	Most recent address match Expired 60 days or older, no CDOM created. Listing will be entered with new MLS# and DOM will commence at this point.
Hold	Hold is a non-Active status and should be used when 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. This status does not accrue DOM/CDOM .
Withdrawn	New Listing Office and the most recent address match was Withdrawn less than 60 days ago, DOM from previous listing added and CDOM created. These listings must be entered with a new MLS#.
Withdrawn	Same Listing Office and the most recent address match was Withdrawn less than 60 days ago, this listing can be put Back on Market and keep the same MLS#, therefore DOM continues, or it can be relisted with a new MLS# and CDOM created.
Withdrawn	Most recent address match was Withdrawn 60 days or older, no CDOM will be created. Listing will be entered with new MLS# and DOM commences at this point.
Pending	Same Listing Office generally means sale has fallen through and office still has contract. If, however, the expiration date is past 60 days, this listing should be entered with a new MLS# and no CDOM created. If it is under 60 days, it will be put BOM.
Pending	Different Listing Office and expiration date has passed and is less than 60 days, enter with new MLS#; CDOM created.

APPENDIX D. MULTIPLE LISTINGS

Section A – Listings in Multiple Property Categories

- Listings may appear in multiple property categories if they qualify for that category based on the intended use of the property.
- If a property has a structure on it but is being marketed at land value, it may be placed in both the Land and other applicable property category (i.e. Residential and Land, Commercial and Land, etc.).
- A Residential Rental property that is four (4) or fewer units, but might be a candidate for owner occupancy, would qualify under Multifamily and Residential.
- A Residential property in a location that would allow re-zoning to Commercial could qualify for both Residential and Commercial. It could also qualify under Multifamily if it is more than one unit.
- An apartment building with more than four (4) units may fit under both Multifamily and Commercial.

Below are examples that do not qualify:

- Raw land that does not have at least a proposed house could not be included in Residential.
- A property with more than four (4) Residential units could not be included in Residential without prior approval of MLS Staff. This would generally apply to larger acreage properties.
- Any property where the zoning would not allow the intended use could not be included in an additional category.

Below outlines an example on how to enter a listing that qualifies for multiple classes:

- Listing qualifies for Residential and Rental category
 - Enter listing in each category
 - Reference each listing number on the reciprocating listing in public remarks (Residential number in Rental listing, Rental number in Residential listing)
- Offer accepted on listing as Rental
 - Place Rental listing in Pending status
 - Withdraw Residential listing
- Listing sells and closes as Residential
 - Update Residential listing as Sold
 - Withdraw Rental listing

Section B – Multiple Listings in Same Category

- Do not add a listing more than once to reflect different cities or number of bedrooms.
- Do not add a listing more than once to place a co-listing agent as the primary list agent. CDOM will continue to accrue and the property will not be marked as “new.” In the case of two separate listing firms, there must be a Listing Agreement for each firm.
- Do not list multiple to-be-built homes on the same property.
- Do not list the property both with and without proposed physical improvements.

Below outlines an example on how to enter a listing that qualifies to be entered twice in the same class:

- Make the first listing Active.
- In the Select an Action pop-up window, select “Allow Duplicate Address”
- A notice requesting the additional listing will be sent to CAAR Support for evaluation.

If the listing is approved to allow a duplicate, agent will be notified. Agent can then copy/clone the original listing in order to create the second listing.

APPENDIX E. SUPPORT STAFF APPLICATION

Firm Name: _____ Branch (if applies): _____

Support Username: _____ CAAR ID # (CAAR Use) _____

Support User Email: _____ Desired Password: _____

Please select ONE of the following registration options for the above-named support user.

____ **Firm Administrator-Alias to Main Firm/Branches** - CAAR provides user with unique login. Firm Admin can assume identity of the Broker to manage all listings for main firm and branches of main firm. Firm admin may assume identity of all agents associated with main firm and branches. If the firm does not have branch office(s) do NOT use this option.

____ **Full Access Firm Admin** - Quarterly MLS Service fee \$108 billed to support staff user. Security access level 6, no assume identity required unless creating a listing for an agent. User is billed upon registration and pro-rated accordingly, if necessary. MLS subscription required for this status. This may be paid by the Broker.

____ **Office Admin (No branches)-Alias to Office** - CAAR provides user with unique login. Office administrator may assume identity of Broker to manage all listings for office. Office Admin may assume identity of all agents in this office.

____ **Assistant-Alias to Agent (Agent name)** - CAAR provides user with unique login. Assistant is alias to agent and has assume identity abilities to maintain listings for above named agent.

- As Principal or managing Broker of record of this firm, I hereby request CAAR to register the above named individual. I authorize permission for myself and agents in my firm to allow registered user "assume identity" permission.
- I agree to abide by the rules regarding support staff in **Section 11.2, Limitations on Use of MLS Information for Non-Licensed Employees of Participants**, of the MLS Rules and Regs.
- Initial application fee is \$125, and due at the time application is made.
- I understand as firm Broker I will pay the application fee for the above registered user and billed \$125 annually for as long as user is active under my firm.
- I understand that first 3 options authorize the user to add/change all listings for any Subscriber associated with my firm(s).
- I will notify CAAR of any user who is actively licensed before submission of this form.
- Furthermore, I agree to notify CAAR at such time the user is no longer affiliated with our firm within four (4) business days. Support staff cancellation form may be found online at www.caar.com/Member resources.

Authorized Principle or Managing Broker or Cert. Appraiser Signature

Date

APPENDIX F. COMPLIANCE PROCEDURES

CHARLOTTESVILLE AREA ASSOCIATION OF REALTORS® COMPLIANCE PROCEDURES

Violation Discovery

According to Section 13.1, an alleged rules violation is submitted to MLS (MLS Staff):

- i. in writing (fax, email, or mail), with dated MLS translation attached, or generated by the MLS computer LDC (Listing Data Checker), or
- ii. by the MLS department pursuant to its automated quality assurance computer process.

LDC will investigate alleged violation notices. This process may include requesting documentation from the Listing Office, contacting the listing agent, reviewing the listing, contacting other Members involved in the transaction. If a violation is identified, LDC will begin the notification process.

Any alleged violation of an MLS rule or regulation that includes charges of unethical conduct should be forwarded to the Grievance Committee for review and possible referral to the Professional Standards Committee. Refer to Section 14 of the MLS Rules & Regulations.

Violation Notice

Once a violation has been identified, LDC will issue a written warning (via email) to the listing agent, office manager, and qualifying Broker of the Listing Office. The warning will include the rule violated with a link to the listing in violation. A correction must be completed within 48 hours of issue. Failure to respond to the warning will result in a fine.

Issuing a Fine

MLS Staff will be notified by LDC of any applicable fines to be issued for non-compliance of violation notices. LDC will issue the fine(s) and notify the agent and Broker. A note will be added to the Member record of the agent that includes the violation (section of Rules) and the listing number, date of violation identification, date of fine issuance, and the number of occurrence for the specific violation (1st offense, 2nd offense, 3rd offense, 4th offense.). This tracking information is key to the amount of the fine issued (fines double based on occurrence every 48 hours if violation is not corrected) and for any appeal to show that LDC and staff have completed all necessary steps of notification.

Fines are due within 30 calendar days of issuance, even if the fine is appealed to the MLS Group or, subsequently, the Board of Directors. Failure to pay a fine will result in a late fee equal to that of a late dues payment. This late fee is nonrefundable regardless of outcome of any appeal. Failure to pay within 30 days of notification will result in suspension of MLS services.

Fines are issued based on occurrence and will double in amount as \$50, \$100, \$200, and \$400. Once a 4th occurrence takes place, the MLS Group investigates as a suspected policy violation and develops a recommendation for the Board of Directors on action to be taken, if any (see Section 13).

Immediate Fines

1. Failure to submit a listing to the Service within one (1) business day.

2. Untimely change of status (Pending). Changes in status must be reported to the Service within 48 hours.
3. Untimely change of status (SOLD). Changes in status must be reported to the Service within 48 hours, excluding weekends and postal holidays.

Fines issued for violations of Clear Cooperation, including Coming Soon status, will be \$250, \$500, and \$1,000. Should a 4th violation occur, Subscriber may be subject to suspension of MLS privileges (see Section 13).

Immediate Fine

Showing a listing in the Coming Soon status without changing the status to Active.

Compliance and Appeal Process

A fine may be appealed to the MLS Group, and must be submitted in writing to MLS Staff within five (5) business days of the fine issuance. (The fine must still be paid.) The appeal will be presented at the next scheduled Committee meeting (unless the appeal is received within two (2) business days of the meeting date). The agent and/or his/her Broker may present the appeal in person or just have the written appeal presented to the MLS Group. At the meeting, MLS Staff will present all tracking information (including the original warning notice and documentation accompanying it) as well as the tracking information from the Member record. Once all the information is presented, the Committee may ask questions pertaining to the violation. The questions may be presented via conference call if the agent is not present, or directly to the agent if present at the meeting. Once all questions have been addressed, the call will conclude or the agent (and Broker if also present) will be asked to leave the meeting.

Deliberation will commence among the Committee with the Chair presiding. Any Committee Member with a conflict of interest (a team member or a member of the same office, a relative, or a Member currently working a transaction with the agent) will be asked to refrain from participating in the deliberation of the violation. If the Chair must recuse himself, the Vice Chair will preside over this portion of the meeting. If the Vice Chair must also recuse himself then a Member of the Committee will be appointed by the Committee to preside over this portion of the meeting. The vote will be tallied by written ballot. At the conclusion of the discussion, the meeting will be given back to the Chair.

The decision of the Committee will be provided in writing to the agent within one (1) business day of the meeting. The decision will be recorded in the agent's member record. Additionally, the decision of the Committee will be provided at the next Board of Directors meeting.

The decision of the Committee may be appealed in writing to MLS Staff within five (5) business days of receiving the decision. The same process will be followed with the Board of Directors as it is described for the MLS Group. The decision of the Board of Directors is final.

If a violation is overturned, the fine will be credited back to the agent's account. This does not include any late fee that may have been incurred for failing to pay the fine within the allotted 30 days. Late fees are nonrefundable.

Confidentiality

Confidentiality is imperative to all parties involved. MLS Group Members are to be reminded of confidentiality at the beginning of any appeal presented. The same applies to the Board of Directors. If possible, the Chair and Vice Chair of the MLS Group should attend annual Professional Standards training.

Historical Records and Tracking

Each violation, fine, and appeal decision will be recorded on the member record for internal purposes. This information will not be included for consideration of Letters of Good Standing for other Boards/associations/MLS

organizations unless the violation is of an ethical nature (see Section 14); in which case, Professional Standards guidelines regarding disclosure will take precedence.

APPENDIX G. DEFINITIONS OF STATUS/PROPERTY TYPES/AGENT TYPES

STATUS DEFINITIONS

Partial	Draft listing that allows an agent to create a listing prior to making it Active. Is not assigned an MLS number and does not accrue DOM/CDOM.
Provisional	Listing created in an off-market, draft status to generate an MLS number while the agent can complete the listing before moving into an Active status. Must have signed Listing Agreement and offer of compensation to create the Provisional listing. Viewable only by agent and Broker. Status does not expire.
Active	Property is available for showing and for purchase.
Coming Soon	Listings that are getting ready to be shown and pre-marketed but are not available for showing appointments yet.
Comp Only	Real estate transactions of real property in which a CAAR MLS subscriber has participated as the agent of one or more parties of the transaction, but which were sold outside of the MLS.
Active w/Kickout	Allows property to remain Active in MLS with a ratified offer if there is language in the ratified offer governing the terms of the kick out outlining the Seller's right to terminate the first contract.
Hold	A non-Active status that should be used when 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. This status does not accrue DOM/CDOM.
Pending	A property that has an accepted offer pending settlement. There may or may not be contingencies in the offer.
Sold	Property had an accepted offer, all contingencies, if any, were met and sale closed.
Expired	The property has reached the expiration date noted on the Listing Agreement and is no longer "Active." Agent must acquire a new Listing Agreement or have Seller's permission in writing to extend the expiration date before it can be returned to an Active status. Only Brokers, Firm Admins, or Office Admins can reactivate an Expired listing.
Withdrawn	The property has been removed from the MLS by the agreement between the owner and the listing Broker or the Seller has canceled the listing contract with the agent before the contract's agreed-upon expiration date.
Leased	Leased is an off-market status and should be used when the property has been leased.

Leased and Managed	A Rental property where there has been an executed lease by a Licensee and the property will remain under a management agreement with the owner.
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PROPERTY TYPE DEFINITIONS

Attached	Home shares a common party wall usually on both sides of the property.
Detached	A permanent dwelling with no shared walls, set on a separate lot.
Proposed Detached	Structure is "To be Built". Where ground has not been broken, where a foundation has not been started for a permanent dwelling. Listing should be changed to Detached once a presale is made, ground broken, or foundation begun.

AGENT DEFINITIONS

Non-MLS Agent	Agent is a Participant of an MLS other than CAAR MLS. Use this agent type for non-CAAR MLS Participants on the other side of a transaction when closing a listing.
Unrepresented Seller	Seller not represented by a REALTOR® MLS Participant. Use as agent type for FSBO listings input for comparison data.
Unrepresented Buyer	Buyer is not represented by a REALTOR® MLS Participant. Use this space to place in the place of a Selling Agent to close out listing.

APPENDIX H. COMPARABLE ONLY LISTINGS

Authorization to enter a listing for "Comp Purposes Only" into the CAAR MLS

Real estate transactions in which a CAAR MLS Subscriber has participated as the agent of one or more parties of the transaction, but which were sold outside of the MLS, may be entered into the MLS for comparable purposes only. The purpose of these listings is to increase the data available to CAAR MLS Subscribers for making comparative market analyses of future listings and giving credit for these transactions to the agent(s) involved. Only one agent from such transaction may enter this listing and this Authorization Form must be uploaded onto the Document link of the listing as a NON-public document. This data will not be public and will be available only to MLS subscribers.

"Comp Purposes Only" Listing Entry:

- Select status of "Comp Only" (status does NOT change to sold)
- Complete Appendix H - Authorization Form
- Upload the completed Authorization Form to the listing documents and mark as non-public

The Agent who enters this listing must fill in and initial to acknowledge the following and sign and date at the bottom. The listing must be entered within 7 calendar days of the closing date.

The agent authorized to enter this transaction into the MLS is:

_____ (agent name) who is an agent of

_____ (name of brokerage firm).

There is another agent who was involved in this transaction: yes no If yes, the other agent is:

_____ (agent name) who is an agent of

_____ (name of brokerage firm).

Property Address: _____

Settlement Date: _____

In this transaction, I assert **ALL** the following are true. Initial each of the following items.

_____ 1. I represented: the Seller / previous owner of the subject property OR

the Buyer / current owner of the subject property

_____ 2. I have the agreement of the current owners of this property and the other agent, if any, to list this information into the CAAR MLS.

_____ 3. I have ascertained that this is a unique listing in the CAAR MLS: it has not been entered by another agent and no other agent will be entering this transaction in the future.

_____ 4. This is a bona fide sale wherein a property changed ownership and I had a role in the transaction.

I assert that this information and the data I input for the listing are true and correct to the best of my knowledge:

Print Agent Name	Date	Agent Signature
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Print Agent Name	Date	Agent Signature
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APPENDIX I, PART 1. COMING SOON

1. Coming Soon status applies to Residential, Land, and Multi-family classifications.
2. Only properties subject to a ratified Listing Agreement may be entered under the Coming Soon status.
3. Coming Soon listings are subject to the requirements set forth in this section and must be entered into the CAAR MLS system under the Coming Soon status within one (1) business day of the Listing Agreement ratification by the Seller.
4. The Coming Soon status will not be included in RETS feeds; however, Coming Soon listings may be publicly marketed. Public marketing includes but is not limited to flyers, yard signs, digital communications marketing (email blasts), and publications available to the general public.
5. Listings under Coming Soon status may not be shown. In the event a Seller agrees to allow a Coming Soon listing to be shown, the listing status must be changed to Active prior to the showing.
6. Days on Market (DOM) do not accrue while a listing is under the Coming Soon listing status.
7. You must include a list price, an offer of cooperative compensation, and an expected On-Market Date when using the Coming Soon listing status. This is the date when you expect your listing to be Active in the CAAR MLS system. This date cannot exceed 14 days from the date you submitted your listing to the MLS under the Coming Soon listing status.
8. Use of the Coming Soon listing status is limited to 14 days. After 14 days have passed, the listing status will automatically change to Active status. If you need more time after the 14 days have expired, consider using the Temp Withdrawn listing status.
9. Because a Listing under the Coming Soon status will have an MLS number, the listing agent will be able to add virtual tours, marketing materials, and listing documents ahead of time.
10. A listing that was once under the Coming Soon status cannot revert back to the Coming Soon status. The property must be off market for 60 days or more before it can be re-entered in Coming Soon status.
11. Coming Soon Addendum must be signed (Appendix I, Part 2)
12. If you believe a Coming Soon status listing should be reported for a potential violation, please use the Report It feature in the Paragon MLS or email support@caar.com with these items: a. Property address b. Name of Brokerage firm c. Name of List Agent d. Documentation showing the property is being advertised in the Coming Soon status or that the property was shown.

APPENDIX I, PART 2. COMING SOON ADDENDUM TO VIRGINIA REALTORS® RESIDENTIAL LISTING AGREEMENT

COMING SOON ADDENDUM TO
 VIRGINIA REALTORS® RESIDENTIAL LISTING AGREEMENT
 (Use this Addendum only for property entered as Coming Soon in CAAR MLS)

THIS COMING SOON ADDENDUM is made on _____, 20____ to the Virginia REALTORS® Residential Listing Agreement dated _____, 20____ (the Listing Agreement), by and between _____ (Owner) and _____ (Broker) for the Exclusive Right to Sell certain real property known as _____, Virginia (the Property) and shall be attached to and made a part of the Listing Agreement.

1. COMING SOON INSTRUCTIONS:

- a. Owner and Broker agree that the Listing Agreement is hereby modified as follows: Owner hereby directs Broker to list the Property in the CAAR MLS in Coming Soon status until __ (maximum of 14 days from the date of ratification of the Listing Agreement by Owner).
- b. Owner [select one]: authorizes OR does not authorize Broker to install a For Sale sign with a Coming Soon rider on the Property while the Property is listed in the Coming Soon status.

2. CAAR MLS RULES: CAAR MLS Participants are required to enter all property listings into the CAAR MLS system under the Active or Coming Soon status within one (1) day of the ratification of the Listing Agreement by Owner.

3. COMING SOON LIMITATIONS: Owner directs Broker to enter the Property listing in the CAAR Multiple Listing Service (CAAR) under Coming Soon status and understands that their Property will not be available for viewing by anyone prior to the date entered in Paragraph 1 above.

4. SHOWINGS: Broker is PROHIBITED from showing the Property to prospective Buyers and/or their agents if the Property is listed in the CAAR MLS under the Coming Soon status. If Owner desires to have the Property shown to prospective Buyers and/or their agents, Broker must change the Property status to Active in the CAAR MLS. Once changed to Active status, Broker is prohibited from returning the Property status to Coming Soon.

5. ADVERTISING RESTRICTIONS: Broker may conduct pre-marketing activities for the Property (i.e., photography, staging, landscaping, repairs, etc.).

6. COMPENSATION: Owner acknowledges that a ratified Listing Agreement, including a price and an offer of compensation, designated in the accompanying Listing Agreement to cooperating Buyer agents, is required for the listing of the Property in the CAAR MLS, including in the Coming Soon status.

Witness the following duly authorized signatures:

Owner	Date	Owner	Date
Owner	Date	Owner	Date

Broker: By: _____
 Signature of Broker or authorized agent

Print name: _____

APPENDIX J, COMPLAINTS OF PROFESSIONAL MISCONDUCT PROCEDURES FOR RULES ENFORCEMENT

Filing Complaints

When requested by a complainant, MLSs must provide a process for processing complaints without revealing the complainant's identity. If the complaint 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.

Administrative Sanctions

In any instance where a participant in an association multiple listing service is charged with a violation of the MLS bylaws or rules and regulations of the service, and such charge does not include alleged violations of the Code of Ethics or the Standards of Conduct for MLS participants, or a request for arbitration, the MLS may impose administrative sanctions. Recipients of an administrative sanction may request a hearing before the professional standards committee of the association.

MLS participants and subscribers can receive no more than three (3) administrative sanctions in a calendar year before they are required to attend a hearing for their actions and potential violations of MLS rules, except that the MLS may allow more administrative sanctions for violations of listing information provided by participants and subscribers before requiring a hearing. The MLS must send a copy of all administrative sanctions against a subscriber to the subscriber's participant and the participant is required to attend the hearing of a subscriber who has received more than three (3) administrative sanctions within a calendar year.

Appeals and Hearing Options

If the participant refuses to accept any sanction or discipline proposed, the circumstances and the discipline proposed shall be appealed to the board of directors of the association of REALTORS® which shall, if it deems the finding of violation proper and the sanction appropriate to the offense, delay the effective date of sanction until final entry by a court of competent jurisdiction in a suit filed by the association for declaratory relief, except in those states where declaratory relief is not available, declaring that the disciplinary action and proposed sanction violates no rights of the multiple listing service participant. If the MLS committee has a procedure established to conduct hearings, the decision of the MLS committee may be appealed to the board of directors of the association of REALTORS®. If a separately incorporated MLS has an established procedure for the conduct of hearings, the decisions of the hearing tribunal shall be appealable to the board of directors of the MLS.

Alleged violations of the Code of Ethics or the Standards of Conduct for MLS participants shall be referred to the association's grievance committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the association of REALTORS®. (Amended 11/202/98)

PART TWO, ENFORCEMENT OF RULES, MLS DISCIPLINARY GUIDELINES

Associations of REALTORS® and their multiple listing services have the responsibility of fostering awareness, understanding, and appreciation for the duties and responsibilities of MLS participants and subscribers, and of receiving and resolving complaints alleging violations of the rules and regulations. The REALTOR® organization is firmly committed to vigorous, fair, and uniform enforcement. Enforcement achieves a number of goals. Where participants or subscribers are wrongly or mistakenly charged with violations, the hearing process provides personal and professional vindication. Where violations are determined, enforcement process educates participants and subscribers about their duties and obligations and serves as a meaningful deterrent of future violations.

Allegations of conduct inconsistent with the rules are often viewed by respondents as threats to their professional and personal reputations. This can result not only in their mounting vigorous defenses but also, at times, to threats of legal challenge should a violation be determined, and discipline imposed. Given that MLS participation can have significant economic value, associations and their MLSs need to strictly adhere to their established procedures when considering potential violations. This caution ensures that the rights of the parties will be observed, and legal exposure of associations and their MLSs will be minimized.

At the same time, well-founded caution should not be confused with reservation, reluctance, or hesitancy. Rules become aspirations at best, and potentially meaningless, if not enforced with vigor and determination.

Fundamental to fair and consistent enforcement is reasonable and judicious use of discipline, as both an educational device and as punishment. Associations and their MLSs have a wide variety of sanctions available to them that may be imposed for violations. These range from simple letters of warning to termination of MLS rights and privileges. Between these extremes are mandatory attendance at remedial education sessions, financial penalties, probation, and suspension.

The National Association does not recommend specific penalties for certain offenses or for violations of particular rules. This is in deference to the wisdom and autonomy of the hearing panel privy to the details of complaints coming before them; in recognition of the fact that no two complaints are identical; and in view of the facts that the details of each hearing, including the experience of respondents, their history of prior violations, and mitigating or extenuating circumstances, may all come into play in determining an appropriate penalty. At the same time, there are key points to be considered with respect to imposition of discipline:

- Discipline that can be imposed is strictly limited to those forms authorized in the NATIONAL ASSOCIATION OF REALTORS® Code of Ethics and Arbitration Manual and to any additional form authorized by the National Association's board of directors.
- Discipline should be commensurate with the offense. Unintentional or inadvertent violations should result in penalties designed to educate respondents about the conduct expected of them. Only authorized forms of discipline may be utilized.
- Discipline should be progressive. The disciplinary emphasis on violations by new members or by long-standing members with no history of prior violations should be primarily educational. Repeated or subsequent violations should be addressed with more serious forms of discipline, including substantial fines, suspension, and termination of MLS rights and privileges.
- A gray area can exist with respect to "first time violations" that are clearly not the result of ignorance or mistake but rather demonstrate flagrant disregard for the rules. While the educational aspect of enforcement cannot be disregarded, the fact that the rules exist to protect

clients and customers, the public, and to ensure effective, efficient functioning of the MLS, must also be considered in determining commensurate discipline.

- Mitigating or extenuating circumstances should be considered in determining appropriate discipline. The fact that a respondent recognizes or acknowledges inappropriate conduct or took steps to remediate or minimize harm or injury, should be considered in determining appropriate discipline.
- Respondent's records of earlier violations or, conversely, the fact that they have not violated the rules in the past, can be considered in determining appropriate discipline. Hearing panels cannot consider past violations in deciding whether the conduct currently complained of violates the rules.

Crafting appropriate, meaningful discipline can challenge panels that have concluded the rules have been violated. This discussion is offered as guidance, rather than as a hard and fast template, to assist panels in meeting their responsibility in ensuring the rules' viability and vitality through vigorous and evenhanded enforcement.

Progressive Discipline

Discipline imposed for violation of the rules should be progressive. The severity of discipline should increase incrementally for subsequent violations. The disciplinary emphasis where first time violations occur should be primarily educational. Repeated or subsequent violations should result in more serious forms of discipline being utilized, including substantial fines, suspension, and termination of MLS rights and privileges. At the same time, a gray area can exist where a first-time violation is not attributable to ignorance or oversight, but rather to blatant disregard for the rules. While the educational emphasis of enforcement cannot be disregarded, the fact the rules exist to protect clients and customers, the public, and to ensure the effective, efficient functioning of the MLS must be carefully considered in determining appropriate discipline.

Factors hearing panels should consider in determining appropriate discipline include, but are not necessarily limited to:

- The nature of the violation
- Harm caused by the violation. Was the violation a minor mistake causing little or no harm or, alternatively, was a client, customer, member of the public, or another participant harmed?
- Was the violation inadvertent or unintentional or, conversely, was it the result of knowing disregard for the obligations of MLS participants and subscribers?
- How much real estate experience did the violator have? Did he, or should he, have known better?
- Has the violator been found in violation of the rules previously? How often? How recently? Is the current violation related or similar to earlier violations?
- Are there mitigating or extenuating circumstances that should be considered in determining appropriate discipline?
- Did the violator acknowledge the violation? Did the violator express remorse or contrition?
- Are there other factors that ought to be considered?

Administrative Sanctions

The following is guidance for issuing administrative sanctions for MLS rule violations:

- Category 1 violation means a rule violation relating to listing information provided by a participant or subscriber.
- Category 2 violation means a rule violation relating to IDX and VOW displays.
- Category 3 violation means a rule violation relating to cooperation with a fellow participant or subscriber, and mandatory submission of listings to the service

First Category 1 violation (or first violation within three [3] years):

Possible discipline:

- Letter of warning
- Fine of \$500 or less
- Attendance at relevant education session

Any combination of the above

Repeat Category 1 violation (within three [3] years):

Possible discipline:

- Attendance at relevant education session(s) or course
- Fine of \$2,000 or less

Any combination of the above

First Category 2 violation (or first violation within three [3] years):

Possible discipline:

- Letter of reprimand
- Fine of \$2,000 or less
- Attendance at relevant education session(s)

Any combination of the above

Repeat Category 2 violation (within three [3] years):

Possible discipline:

- Attendance at relevant education session(s) or course
- Fine of \$10,000 or less
- Suspension from the MLS or from the MLS' lockbox key access for three (3) months or less

Any combination of the above

First Category 3 violation (or first violation within three [3] years):

Possible discipline:

- Letter of reprimand
- Fine of \$10,000 or less
- Attendance at relevant education session(s)
- Suspension from MLS or from use of the MLS' lockbox key access for ninety (90) days or less

Any combination of the above

Repeat Category 3 violation (within three [3] years):

Possible discipline:

- Attendance at relevant education session(s) or course
- Fine of \$15,000 or less
- Suspension from MLS or from use of the MLS' lockbox key access for six (6) months or less
- Termination from MLS or from use of the MLS' lockbox key access for 1 to 3 years

Any combination of the above

MLSs are encouraged to use the MLS Schedule of Fines Table provided on NAR.realtor to establish standardized administrative sanctions for violations of the MLS rules.

Scope of MLS Handbook for addressing MLS Rule Violations

Potential violations of the MLS rules will be processed in accordance with NAR MLS Policy Statement and under the process provided for in Section 14.3, Appendix J of the CAAR MLS Rules and Regulations.

Potential violations of a data license agreement are not governed by NAR policy and will thus follow the terms for resolution in the agreement itself. (Adopted Amended 11/2007).