

**NORTH CENTRAL WASHINGTON ASSOCIATION OF REALTORS®**  
**MLS MEETING AGENDA**  
**August 31<sup>st</sup>, 2017**

**1. CONFIRMATION OF QUORUM & CALL TO ORDER**

**2. CONSENT AGENDA**

- a. June 2017 Minutes
- b. MLS Membership Report

**Billable Membership:** 310 Members (26 Appraisers, 284 Brokers)

**New Members:** Addie Adkins – Platinum Property Management, Russ McClellan – NCW Real Estate, Kristin Picard – NCW Real Estate, Valerie Seal – Premier One Properties, Chase Lak – NCW Real Estate

**New Office:** NCW Real Estate

**Inactive Members:** Marty Fenton – Coldwell Banker LaVigne

**3. FINANCIAL REPORTS**

- a. Financial Reports – July 2017 & Year-to-Date

**4. BOARD REPORT**

The Board of Directors adopted the MLS Committee report in whole.

**5. NEW BUSINESS**

**a. Violations**

**i. Section 2.3 – Right of Cooperating Firm in Presentation of Offer**

Consideration of selling broker's right to present offer to seller.

**b. MLS Rules & Regulations**

Review of Governing Documents Presidential Advisory Group recommendations for changes to the MLS Rules & Regulations.

**c. Zillow Feed**

Zillow is no longer going to accept any third-party property search feeds beginning October 1<sup>st</sup>, 2017.

**6. OTHER BUSINESS**

**7. ADJOURN**

*Next Meeting: September 28<sup>th</sup> at 9:00am*

**NORTH CENTRAL WASHINGTON ASSOCIATION OF REALTORS®**  
**MLS MEETING MINUTES**  
**July 27<sup>th</sup>, 2017**

**Committee Members Present:** Jamie Wallace, Karie Rolen, Jonathan Corning, Stephenie Jones, Sharon Ventrello, Jessica Rankin, Leann McCamey, Adam Williams

**Excused Committee Members:** CamieKae Lynch

**Guests:** Angie Coleman, Kele Osborn, JoAnna Holland, Karen Boghokian, Russ Andrews, Dennis Slack, Paul Mares, Pam Wright

**Staff Present:** Christi Maroney, Becca Chambers, Myranda Drescher

**1. CONFIRMATION OF QUORUM & CALL TO ORDER – 9:05AM**

**2. CONSENT AGENDA**

- a. June 2017 Minutes
- b. MLS Membership Report

**Billable Membership:** 306 Members (26 Appraisers, 280 Brokers)

**New Members:** Chelsey Blaufuss-Nick Mclean Real Estate Group, Domenica Navarro-Laura Mounter Real Estate

**MOTION:** (Sharon) Adopt the Consent Agenda. M/S/A, U.

**3. FINANCIAL REPORTS**

- a. Financial Reports – June 2017 & Year-to-Date

**MOTION:** (Jonathan) Adopt the financial reports. M/S/A, U.

**4. BOARD REPORT**

The Board of Directors adopted the MLS Committee report in whole.

**5. NEW BUSINESS**

**a. Windermere Internal Database**

Windermere is launching a new agent tool which uses MLS information to create reports. In order for the reports to be accurate, access to all listing statuses including Expired, Withdrawn and Cancelled listings must be included.

**MOTION:** (Jonathan) Allow all statuses to be swept for non-public-facing websites: M/S/A, U.

**b. Violations**

**i. Section 2.5 – Reporting Sales to the Service**

Listing became pending on July 5<sup>th</sup>, status updated in the MLS system on July 20<sup>th</sup>.

**MOTION:** (Karie) Issue Letter of Reprimand and require completion of the MLS Rule Acknowledgement. \$250 fine waived. M/S/A, U.

**MOTION:** (Sharon) Extend the meeting to 10:50am. M/S/A, U.

**c. MLS Committee Vacancy**

Members interested in serving on the MLS Committee for the vacated term through the end of 2019 and another through the end of 2017.

**MOTION:** (Jonathan) Appoint Kele Osborn to the term through the end of 2017 and JoAnna Holland to the term through the end of 2019. M/S/A, U.

Both candidates began their term immediately.

**d. Contingencies**

Possible rule and/or fine for entries in the contingency field.

**MOTION:** (Adam) Require numerical field for adding bump days to Active – Contingent properties. M/S/A, U.

No fine was established.

**MOTION:** (Jessica) Extend the meeting to 11:00am. M/S/A, U.

**e. Section 2.3 – Right of Cooperating Firm in Presentation of Offer**

Discussion for rule clarification.

Consideration to require statewide form 7C from the seller stating their decline for presentation of offers be uploaded to the document section or the MLS office prior to the refusal of any consent to present by selling broker. The Governing Documents President's Advisory Group was requested to review possible options.

**6. OTHER BUSINESS**

**a. Showing Instructions Field Request**

Request to add an option "See private remarks for showing instructions" in the Showing Instructions section.

**MOTION:** (Jonathan) Add request to Showing Instructions section. M/S/A, U.

**b. Offer Review Field**

Request to add a field showing the date and time the seller will review offers with listing broker.

**MOTION:** (Jonathan) Look into the options for including location of above field in Flex and present for review at the next MLS Committee meeting. M/S/A, U.

**7. ADJOURN**

**MOTION:** (Stephenie) Adjourn the meeting at 11:02am. M/S/A, U.

***Next Meeting: August 31<sup>st</sup> at 9:00am***

**Rules and Regulations for an MLS Operated as a Committee of a Board of REALTORS®  
North Central Washington Association of REALTORS®**

## **Listing Procedures**

### **Section 1- Listing Procedures**

Listings of real or personal property which are listed subject to a real estate firm's license and are located within the jurisdiction of the Multiple Listing Service are accepted as the following types:

- a. single family homes for sale or exchange
- b. vacant lots and acreage for sale or exchange
- c. two-family, three-family and four-family residential buildings for sale or exchange
- d. commercial properties for sale or exchange

All listings taken by Participants must be made active in the Multiple Listing Service on the List Date by 9pm. Failure to follow all listing procedures may result in a penalty. Please refer to Addendum 1 for the NCWAR MLS Fine Schedule.

#### **Note 1 – Marketing & Advertising**

Marketing or Advertising may not begin until the listing is entered and active in the Multiple Listing Service. The terms "Marketing" and "Advertising" may be used interchangeably and mean presenting the property to the public, another Participant or Subscriber through any means, including but not limited to:

- a. Virtual tours;
- b. Actual tours;
- c. Oral or written descriptions of the property; or
- d. Signage, included branded, franchise, directional or digital.

#### **Note 2 – Accepted MLS Forms**

The NWMMLS Northwest MLS Statewide listing agreements and Commercial Brokers Association forms are the preferred form and Any other forms used may be reviewed and approved on a case by case basis by the NCWAR MLS Committee and its legal counsel. (08/10) The Multiple Listing Service shall not require a Participant to submit listings on a form other than the form the Participant individually chooses to utilize provided the listing is of a type accepted by the Service. Although a property data form may be required as approved by the Multiple Listing Service. However, the Multiple Listing Service, through its legal counsel:

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

The Multiple Listing Service shall accept exclusive right to sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing firm to offer compensation to the other Participants of the Multiple Listing Service acting as buyer brokers. (Amended 11/96)

The listing agreement must include the seller's written authorization to submit the agreement to the Multiple Listing Service. (Amended 11/96)

The different types of listing agreements include: The Service will only accept the following types of listing agreements:

- a. exclusive right to sell or lease
- b. exclusive agency
- c. ~~open~~
- d. ~~net~~

The Service does not accept net listings because they are deemed unethical and, in most states, illegal. Open listings are not accepted except where required by law because the inherent nature of an open listing is such as to usually not include the authority to cooperate and compensate other firms and inherently provides a disincentive for cooperation. (Amended 4/92)

When a listing goes to auction it essentially becomes an open listing by default and therefore must be removed cancelled from the MLS compilation. If the listing agent/broker does not remove the auction listing immediately the listing agent/broker will be fined \$100 with an additional \$25 per day for each consecutive day until the listing is cancelled.

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 firm to cooperate with and to compensate other firms. (Amended 4/92)

The exclusive agency listing also authorizes the listing firm, as exclusive firm, 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. (Amended 4/92)

### Types of Properties

Following are some of the types of properties that may be published through the Service, including types described in the preceding paragraph that are required to be filed with the Service and other types that may be filed with the Service at the Participant's option provided, however, that any listing submitted is entered into within the scope of the Participant's licensure as a real estate firm: (Amended 11/91)

1. residential
2. residential income
3. subdivided vacant lot
4. land and ranch
5. business opportunity
6. motel-hotel
7. mobile homes
8. mobile home parks
9. commercial income
10. industrial

### Section 1.1 – Listings Subject to Rules and Regulation of the Service

Any listing taken on a contract to be filed with the Multiple Listing Service is subject to the rules and regulations of the Service upon signature of the seller(s).

### Section 1.2 – Detail on Listings Filed with the Service

When a listing is entered in the Multiple Listing Service by the listing firm, shall be complete in every detail which is ascertainable as specified on the property data form. A legal description in the form of a County Deed or Exhibit A from a title company must be uploaded to the document page at the time the listing becomes active. The legal owner must be included in the owner field unless a statewide form is submitted to the MLS that the seller requests otherwise. After notification from MLS staff, corrections must be completed within ~~forty-eight (48) hours~~ two consecutive business days, no later than 9pm, (excluding weekends, holidays and postal holidays) or the listing agent/broker will be fined \$100. If the ~~correction~~ legal description is not completed entered into the system after the initial ~~48 hours~~ two consecutive business days, an additional \$25 per consecutive day will be imposed. Failure to correct this violation within five (5) consecutive business days of the listing becoming active will result in the listing being withdrawn from the service.

Foreclosure, bank-owned or real estate owned ("REO") listings must be disclosed at the time the listing becomes active.

### Section 1.2.1 Limited Service Listings

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

- a. arrange appointments for cooperating firms to show listed property to potential purchasers but instead gives cooperating firms authority to make such appointments directly with the seller(s);
- b. accept and present to the seller(s) offers to purchase procured by cooperating firms but instead gives cooperating firms authority to present offers to purchase directly to the seller(s);
- c. advise the seller(s) as to the merits of offers to purchase;
- d. assist the seller(s) in developing, communicating, or presenting counter-offers;
- e. participate on the seller's(s') behalf in negotiations leading to the sale of the listed property;

will **must** be identified with an appropriate code or symbol (e.g., LR or LS) in MLS compilations so potential cooperating firms will be aware of the extent of the services the listing firm will provide. ~~to the seller(s), and any potential for cooperating firms being asked to provide some or all of these services to listing firms' clients, prior to initiating efforts to show or sell the property. (Adopted 5/01)~~

**Note:** Cooperating firm shall include all brokers licensed under the firm.

### Section 1.2.2 MLS Entry-Only Listings

Listing agreements under which the listing firm will not provide any of the following services:

- a. arrange appointments for cooperating firm, firm and the firms affiliated licensees to show listed property to potential purchasers but instead gives cooperating firms authority to make such appointments directly with the seller(s);
- b. accept and present to the seller(s) offers to purchase procured by cooperating firms but instead gives cooperating firms authority to present offers to purchase directly to the seller(s);
- c. advise the seller(s) as to the merits of offers to purchase;
- d. assist the seller(s) in developing, communicating, or presenting counter-offers;
- e. participate on the seller's(s') behalf in negotiations leading to the sale of the listed property;

will **must** be identified with an appropriate code or symbol (e.g., EO) in MLS compilations so potential cooperating firms will be aware of the extent of the services the listing firms will provide. ~~to the seller(s), and any potential for cooperating firms being asked to provide some or all of these services to listing firms' clients, prior to initiating efforts to show or sell the property. (Adopted 5/01)~~

**Note:** Cooperating firm shall include all brokers licensed under the firm.

### Section 1.3 – Exempted Listings

If the seller ~~refuses to permit~~ **waives the opportunity for** the listing to be disseminated by the Service, the Participant may then take the listing ("office exclusive") and such listing shall be filed with the Service but not disseminated to the Participants. By the next business day, after all necessary signatures of the seller(s) to an exempt listing have been obtained and any Marketing or Advertising has begun, the Participant shall deliver a written "Seller's Waiver of MLS Benefits" (as provided by the NCWAR MLS) to the Association **by 9pm of the next business day following seller's initial contract signature, and prior to the start of any marketing or advertising beginning**, completely describing the property and specifying that the listing information is not to be disseminated by the Association. Failure to do so will result in a fine of \$1,000.

**Note:** Section 1.3 is not required if the Service does not require all listings to be submitted by a Participant to the Service.

### Section 1.4 – Change of Status of Listing

Any change to the original listing agreement (i.e.; price, terms, showing, etc.) shall must be made only when authorized in writing by the seller and shall be filed with the Service by 9pm on the next business day (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing firm or the listing agent/broker will be fined \$100. If the correction is not completed by the next business day, an additional \$25 per day for each consecutive day will be imposed.

### **Section 1.5 – Withdrawal of Listing Prior to Expiration**

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

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing firm's concurrence. However, when a seller (s) can document that his exclusive relationship with the listing firm has been terminated, the Multiple Listing Service may remove the listing at the request of the seller (*Adopted 11/96*)

### **Section 1.6 – Contingencies Applicable to Listings**

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

### **Section 1.7 – Listing Price Specified**

The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings, unless the property is subject to auction. (*Amended 11/92*)

### **Section 1.8 – Listing Multiple Unit Properties**

All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the Multiple Listing Service.

### **Section 1.9 – No Control of Commission Rates or Fees Charged by Participants**

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

### **Section 1.10 – Expiration, Extension, and Renewal of Listings**

Listings filed with the Multiple Listing Service will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed. (*Amended 11/01*)

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. Extension and renewals of listings must be signed by the seller(s) and filed with the service. (*Amended 11/01*)

### **Section 1.11 – Termination Date on Listings**

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

### **Section 1.12 – Jurisdiction**

Only listings of the designated types of property located within the jurisdiction of the MLS are required to be submitted to the Service. Listings of property located outside the MLS's jurisdiction will be accepted if submitted voluntarily by a Participant, but cannot be required by the Service. (*Amended 11/01*)

### **Section 1.13 – Listings of Suspended Participants**

When a Participant of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board bylaws, MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, withdrawn, or expired, and shall

not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the Board (except where MLS participation without Board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing information. Prior to any removal of suspended Participant's listings from the MLS, the suspended Participant should be advised, in writing, of the intended removal so that the suspended Participant may advise his/her clients.

#### **Section 1.14 – Listings of Expelled Participants**

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

#### **Section 1.15 – Listings of Resigned Participants**

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

#### **Section 1.16 – Members Advertising in Listings Prohibited**

The public remarks section of listings may be used to provide additional information pertinent to the listed property only, not the process of purchasing the property, and **The public remarks section** may not be used to advertise a members personal information, any company information or logos, any email address, any website information, any referral information, showing instructions directing clients to contact the listing member, etc. Language that addresses the process of purchasing the property must be in the private remarks. **Additionally, the The NCWAR** MLS prohibits any personal information and any lockbox/contractor **box** or other access codes in the private remarks section. **If the aforementioned language is Violations of advertising language as** identified on a listing the MLS staff will call and email the listing agent and request removal of the prohibited language. If the listing agent/broker does not complete the correction within **24** hours after notification by MLS staff, a **\$100** fine will be imposed. If the correction is still not completed after the initial **24** hours an additional \$25 per day will be imposed. If the listing agent is non-responsive or non-cooperative the MLS Committee will contact the Principal to remove the erroneous **unauthorized** language. The addendum section may be used for additional showing instructions and additional seller/renter/tenant phone numbers, incentives or other **broker pertinent** disclosures. ~~that are pertinent to other brokers. It may not be used to advertise a member's personal information, company logos, e-mail addresses, website information, etc.~~

One (1) **main primary** listing photo is required at the time the listing becomes active in the MLS. If this requirement is not met, a warning will be issued. The primary/main photo section of listings may only be used to include photo representation of the actual property, artistic renderings, floor plans and elevations as the main listing photo so long as there is a disclaimer in the public remarks. **The primary listing photo must reflect the principal asset being offered for sale. The listing broker shall have until 9pm on the day of notification to upload a correct primary photo or a Failure to include a primary photo at the time the listing becomes active will result in an automatic fine of \$100. If the correction is not completed by 9pm on the day of notification the listing becomes active, an additional \$25 per consecutive day will be imposed until the correction is made.** In the case of new construction\*, condos, etc., subsequent photos may be photos of properties "similar to" if applicable. Photos **may not including include** member's personal information, e-mail addresses, website information, etc., OR any form of company logo including visible firms' "For Sale" signs, will not be permitted (*Amended 2/10*). Multiple Listing Services may, as a matter of local discretion, require submission of a reasonable number of photographs or other



graphic representations that accurately depict listed property except where sellers expressly direct that photographs of their property not appear in MLS compilations.

**Note:** Floor-plans or photos of the “in-construction” phases are acceptable.

\* Lockbox/contractor codes may be sent to the MLS office for inclusion in the Lockbox Codes spreadsheet located on the MLS dashboard.

## Selling Procedures

### Section 2 – Showing and Negotiations

Appointments for showing and negotiations with the seller for the purchase of listed property filed with the Multiple Listing Service shall **must** be conducted through the listing firm, except under the following circumstances:

- a. the listing firm gives the cooperating firm specific authority to show and/or negotiate directly, or
- b. after reasonable effort, the cooperating firm cannot contact the listing firm or his representative; however, the listing firm, at its option, may preclude such direct negotiations by cooperating firms. *(Amended 4/92)*

**Note:** It is strongly recommended members leave their business cards ~~after~~ **when** showing a listing. *(Amended 7/14)*

**Note:** It is strongly recommended that no electronic key holder or accessing broker shall leave any other person who is not also an electronic holder unattended at a listed property without the seller’s written permission. *(Amended 7/14)*

**Note:** ~~Every listing must state whether a~~ **All listings are required to identify if a** SentiLock lockbox is used under the detail tab and showing instructions. ~~All current listings must be in compliance effective January 1<sup>st</sup>, 2013.~~ *(Amended 7/14)*

### Section 2.1 – Presentation of Offers

The listing firm must ~~make arrangements~~ **arrange** to present the offer **all offers** as soon as possible, **as time is of the essence**, or ~~give~~ **provide** the cooperating firm a satisfactory reason for not doing so. *(Amended 4/92)*

### Section 2.2 – Submission of Written Offers

The listing firm shall **must** submit to the seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller and the listing firm. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing firm shall recommend that the seller obtain the **written** advice of legal counsel prior to acceptance of the subsequent offer. *(Approved 11/87)*

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 **written** legal advice where there is a question about whether a pre-existing contract has been terminated. *(Amended 11/045)*

### Section 2.3 – Right of Cooperating Firm in Presentation of Offer

The cooperating firm (subagent or buyer agent) or his/her **licensed** representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He/she does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing firm. However, if the seller or lessor gives written instruction to the listing firm that the cooperating firm not be present when an offer the cooperating firm secured is presented, the cooperating firm has the right to a copy of the seller’s, or lessor’s written instructions. None of the foregoing diminishes the listing firm’s right to control the establishment of appointments for such presentations. *(Amended 4/92)*

### Section 2.4 – Right of Listing Firm in Presentation of Counter-Offer

The listing firm or his/her **licensed** representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He/she does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee. However, if the purchaser or lessee gives written instructions to the

cooperating firm that the listing firm not be present when a counter-offer is presented, the listing firm has the right to a copy of the purchaser's or lessee's written instructions. (*Adopted 11/93*)

### **Section 2.5 – Reporting Sales **Change of Status** to the Service**

All status changes, including final closing of sales, shall **must** be **updated in** the multiple listing service by the listing firm within **one (1)** business day after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating firm shall report accepted offers to the listing firm within **one (1)** business days after occurrence and the listing firm shall report them to the MLS within **one (1)** business days after receiving notice from the cooperating firm. Failure to do so will result in **a \$100 automatic fine and an additional \$25 per consecutive day until the listing status is updated.**

**Note:** The listing agreement of a property filed with the MLS by the listing firm should include a provision expressly granting the listing firm authority to advertise; to file the listing with the MLS; to provide timely notice of status changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing firm the right to authorize dissemination of this information by the MLS to its participants. (*Amended 11/01*)

### **Section 2.6 – Reporting Resolutions of Contingencies (**Contingent Offers**)**

The listing firm shall report to the Multiple Listing Service within **one (1) business day** that a contingency on file with the Multiple Listing Service has been fulfilled, renewed, or cancelled or a **\$100 fine** will be imposed. If the correction is not made after **one (1) business day** an additional **\$25 per consecutive day** will be imposed.

### **Section 2.7 – Advertising of Listing Filed with the Service**

A listing shall not be advertised by any Participant other than the listing firm without prior **written** consent of the listing firm.

### **Section 2.8 – Reporting Cancellation of Pending Sale**

The listing firm **and/or broker shall must** report **immediately** to the Multiple Listing Service, **within one (1) business day**, the cancellation and reinstatement of any pending sale. **and the listing shall be reinstated immediately.** Failure to report a cancellation will result in an automatic **\$100 fine plus an additional \$25 per consecutive day until the listing is reinstated.**

~~\*Note: Use of the term firm shall include all brokers licensed under the firm.~~

## **Refusal to Sell**

### **Section 3 – Refusal to Sell**

If the seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the Service and to all Participants.

## **Prohibitions**

### **Section 4 – Information for Participants Only**

Any listing filed with the Service shall not be made available to any broker or firm not a Member of the MLS without the prior **written** consent of the listing firm.

#### **Section 4.1 – “For Sale” Signs**

Only the “For Sale” sign of the listing firm, licensed assumed name or both may be placed on a **any listed** property. (*Amended 11/89*)

#### **Section 4.2 – “Sold” Signs**

Prior to closing, only the "Sold" or "Pending" sign of the listing firm, licensed assumed name or both may be placed on a property, unless the listing firm authorizes, in writing, the cooperating (selling) firm to post such a sign. (Amended 4/96)

**\*Note:** WAC 308-124B-210 states a firm must operate under their firm name or an assumed name as licensed. (1) All advertising or solicitations without limitation for brokerage services, to include the internet-based advertising, web pages, e-mail, newspaper, and other visual media must include the firm name or an assumed name as licensed. (2) Brokers and managing brokers advertising using a name, title, or brand without obtaining an assumed name license must: (a) Always use and display the firm's licensed name or the firm's licensed assumed name in a clear and conspicuous manner in conjunction with the use of such name, title, or brand. (b) Not use a name, title, or brand which suggests a legal entity separate and distinct from the firm, such as "Inc.," "LLC," "LLP," "Corp.," "firm," or "company." (c) Not use name, title, or brand commonly understood to reference a firm or an office, such as "realty," "realtors," "firm," or "real estate." (d) Receive advance written approval from the firm's designated broker to use an unlicensed title or brand.

### **Section 4.3 – Solicitation of Listing Filed with the Service**

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

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

Without such protection, a seller could receive hundreds of calls, communication, and visits from firms and its brokers who have been made aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present firm.

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

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

### **Section 4.4 Use of the Terms MLS and Multiple Listing Service**

No MLS participant, subscriber or licensee affiliated with any participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual 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 they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise. (Adopted 11/07)

### **Section 4.5 – Grace Period**

In response to official rule changes, Members have no more than two weeks from date of notice to comply with said changes.

### **Section 5 – Compensation Specified on Each Listing**

The listing broker shall specify, on each listing filed with the multiple listing service, the compensation offered to ~~other multiple listing service participants~~ cooperating members for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be

excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. *(Amended 11/98)*

In filing a property with the multiple listing service of an association of REALTORS®, the participant of the service is making blanket unilateral offers of compensation to the other MLS participants, and shall therefore specify on each listing filed with the service, the compensation being offered to the other MLS participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.\* *(Amended 11/96)*

Upon discovery if the Selling Office Commission ("SOC") does not include a commission amount the listing broker and designated broker will receive an automatic fine of \$100. The listing will be cancelled no later than 9pm on the day the listing broker and designated broker are notified by MLS staff. (1-12)

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

1. by showing a percentage of the gross selling price
2. by showing a definite dollar amount *(Amended 11/95)*

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

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. *(Amended 11/96)*

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. *(Amended 11/95)*

**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. *(Amended 4/92)*

**Note 3:** The multiple listing service shall make no rule on the division of commissions between participants and nonparticipants. This should remain solely the responsibility of the listing broker.

**Note 4:** Multiple listing services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction. *(Amended 5/08)*

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

**Note 6:** Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they may, as a matter of local discretion, also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales, if allowed by local rules, must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers. *(Amended 5/09)*

#### **Section 5.0.1**

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. *(Adopted 05/08)*

#### **Section 5.1 – Participants as Principal**

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

#### **Section 5.2 – Participants as Purchaser**

If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listing with another Participant, such contemplated interest shall be disclosed, in writing, to the listing firm not later than the time an offer to purchase is submitted to the listing firm *(Adopted 2/92)*

#### **Section 5.3 – Dual or Variable Rate Commission Arrangements**

The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing firm without assistance and a different commission if the sale/lease results through the efforts of a cooperating firm; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing firm either with or without the assistance of a cooperating firm and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing firm by a key, code, or symbol as required by the MLS. The listing broker shall disclose the differential that would result in either cooperative transaction or in a sale/lease that results through the efforts of the seller/landlord. If the cooperating firm 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. (Amended 05/01) Exempt parties must be disclosed in the private remarks. An asterisk (\*) in front of the compensation is required for all dual/variable rate commission arrangements. Failure to do so will result in a \$1,000 fine upon discovery.

## Service Charges

### Section 6 – Service Fees and Charges

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

a. **Initial Participation Fee**

A REALTOR® applicant for participation in the Service shall pay an application fee of \$1,619 with such fee to accompany the application. A REALTOR® applicant, on behalf of a branch office to which the main office is also a participant, shall pay an application fee of \$550.00 for participation in the Service with such fee to accompany the application. An affiliate applicant for participation in the Service shall pay an application fee of \$200.00 with such fee to accompany the application.

b. **Recurring Participation Fee**

The monthly participation fee of each Participant shall be an amount equal to \$\_\_\_\_\_ \* \_\_\_\_\_ times each licensee and licensed or certified appraiser who has access to and use of the Service, whether licensed as a designated broker, managing broker, broker or certified appraiser who is employed by or affiliated as an independent contractor with such Participant. Payment of such fees shall be made on or before the first day of the fiscal year to the Multiple Listing Service. Fees shall be prorated ~~on a monthly basis~~.

- **\$115.00 for 1<sup>st</sup> REALTOR® Broker Principal**
- **\$70.00 for 1<sup>st</sup> REALTOR® Appraiser Principal**
- **\$35.00 for additional subscribers affiliated with a REALTOR® Broker Principal**
- **\$30.00 for additional subscribers affiliated with a REALTOR® Appraiser Principal**

(Amended 7/14)

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

- a. **Participant is** responsible for a licensee's (user) fee for up to 60 days from the time MLS office is notified that licensee no longer has an active license.

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

**Note:** Financing from the Multiple Listing Service should be adequate but not such amounts as to be the source of financing the Board's operation. The Multiple Listing Service should pay its own way and allow for a reasonable operating reserve, but it is merely another service of the Board and not the principal activity or reason for the Board's existence. As long as it is able to restrict its service exclusively or primarily to Board members, the Service is not properly a Board profit center.

**Note:** Multiple Listing Services that choose to include affiliated unlicensed administrative and clerical staff, personal assistants, and/or individuals seeking licensure or certification as real estate appraisers among those eligible for access to and use of the MLS information as "subscribers" may, at their discretion, amend Section 6(b) as necessary to include such individuals in the computation of MLS fees and charges. (Adopted 4/92)

## Compliance with Rules

### Section 7 Compliance with Rules—Authority to Impose Discipline

By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules and regulations 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 will be commensurate with the offense. Unintentional or inadvertent violations will result in penalties designed to educate MLS participants and subscribers as to the rules expected of them by the MLS. Conversely, if an MLS participant or subscriber intentionally violates the MLS Rules and Regulations Discipline that may be imposed may only consist of one or more of the following:

- a. letter of warning
- b. letter of reprimand
- c. reconfirmation of MLS Rule Acknowledgement
- d. 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
- e. appropriate, reasonable fine not to exceed \$15,000
- f. probation for a ~~stated~~ **specified** period of time not less than thirty (30) days nor more than one (1) year
- g. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- h. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years. *(Adopted 11/07)*

### Section 7.1 Compliance with Rules

The following action may be taken for noncompliance with the rules:

- a. ~~for~~ Failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days' notice has been given, the service shall be suspended until service charges or fees are paid in full;
- b. ~~for~~ Failure to comply with any other rule **or regulation shall trigger** the provisions of Sections 9 and 9.1 ~~shall apply.~~

**Note:** Generally, warning, censure, ~~and the imposition of a moderate~~ **or** fine are sufficient to constitute a deterrent to violation of the rules and regulations of the multiple listing service. Suspension, ~~or~~ **termination or escalation of the fine schedule,** is an **extreme** sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service. ~~If the MLS desires to establish a series of moderate fines, they should be clearly specified in the rules and regulations. (Amended 11/88)~~ **The current fine schedule established by the MLS Committee and ratified by the Board of Directors is made a part of these Rules and Regulations and is attached as Addendum #1.**

### Section 7.2 Applicability of Rules to Users and/or Subscribers

Non-principal licensees, appraisers, and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the participant to the same or other discipline. This provision does not eliminate the participant's ultimate responsibility and accountability for all users or subscribers affiliated with the participant. *(Adopted 4/92)*

## Meetings

### Section 8 – Meetings of MLS Committee

The Multiple Listing 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 Chairperson, **currently scheduled for the last Thursday of each month at 9am.**

#### Section 8.1 – Meetings of MLS Participants

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

#### Section 8.2 – Conduct of the Meetings

The Chairperson or ~~Vice Chairperson~~ **President-Elect of the Board of Directors** shall preside at all meetings or, in their absence, a temporary Chairperson from the membership of the Committee shall be named by the Chairperson, or, upon his failure to do so, by the Committee.

## **Enforcement of Rules or Disputes**

### **Section 9 – Consideration of Alleged Violations**

The **MLS** Committee shall ~~give consideration to~~ **consider** all written complaints having to do with violations of the rules and regulations. (*Amended 2/98*)

#### **Section 9.1 – Violations of Rules and Regulations**

Discipline will be commensurate with the offense. Unintentional or inadvertent violations will result in penalties designed to educate MLS participants and subscribers as to the rules expected of them by the MLS. Conversely, if an MLS participant or subscriber intentionally violates or disregards the MLS Rules and Regulations, a more severe sanction will be applied. All subscribers must acknowledge annually, and in writing, the MLS governing Rules and Regulations.

Discipline will also be progressive. The disciplinary emphasis on violations by new members or by longstanding members with no history of MLS Rule violations will be primarily educational. If first-time violations are clearly not the result of ignorance or a mistake but demonstrate flagrant disregard for the MLS Rules and Regulations, the fact that the MLS Rules and Regulations exist to protect participants, subscribers and the public will also be seriously considered in determining commensurate discipline. However, the educational aspect of enforcement of the rules will not be disregarded. Repeated or subsequent violations will be addressed with more serious forms of discipline as outlined in Section 7.

If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the Multiple Listing Service Committee, and if a violation is determined, the Committee may direct the imposition of sanctions, provided the recipient of such sanctions may request a hearing before the Professional Standards Committee of the Board in accordance with the bylaws and rules and regulations of the Board of REALTORS® within twenty (20) days following receipt **the date of notice** of the Committee's decision. (*Amended 11/96*)

If, rather than conducting an administrative review, the Multiple Listing Committee has procedure established to conduct hearings, the decision of the Multiple Listing Committee may be appealed to the Board of Directors of the Board of REALTORS® within twenty (20) days of ~~the tribunal's~~ **the date of notice that a decision being has been** rendered. Alleged violations involving unethical conduct shall be referred to the Board's Grievance Committee for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charges shall be referred directly to the Board of Directors of the Board of REALTORS® (*Amended 2/98*)

#### **Section 9.2 – Complaints of Unethical Conduct**

All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the Board of REALTORS® for appropriate action in accordance with professional standards procedures established in the Board's bylaws. (*Amended 11/88*)

## **Confidentiality of MLS Information**

### **Section 10 – Confidentiality of MLS Information**

Any information provided by the Multiple Listing Service to ~~the~~ **all** Participants **and subscribers** shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and those affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants. If a listing agent/broker violates this rule, Participants or MLS Subscribers will receive a \$1,000 fine and a 90-day suspension from the Multiple Listing Service. (*Amended 4/92*)

#### **Section 10.1 – MLS Not Responsible for Accuracy of Information**



The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

### **Section 10.2 – Access to Comparable and Statistical Information**

Board members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive by purchase or lease all information other than current listing information that is generated wholly or in part by the MLS, including “comparable” information, “sold” information, and statistical reports. This information is provided for the exclusive use of Board members and individuals affiliated with Board members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm, except as otherwise provided in these rules and regulations.

### **Ownership of MLS Compilation\* and Copyright**

#### **Section 11**

By the act of submitting any property listing content to the MLS, the participant represents that he/she has been authorized to **grant license** and also thereby does **grant license** authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property. (Amended 05/06)

**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:

- a. 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.
- b. Develop and post a DMCA-compliant website policy that addresses repeat offenders.
- c. 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.
- d. Have no actual knowledge of any complained-of infringing activity.
- e. Not be aware of facts or circumstances from which complained-of infringing activity is apparent.
- f. 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.

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

### **Section 11.1**

All right, title, and interest in each copy of every multiple listing compilation created and copyrighted by the North Central Washington Association of REALTORS® and in the copyrights therein, shall at all times remain vested in the North Central Washington Association of REALTORS®.

### **Section 11.2**

Each participant shall be entitled to lease from the North Central Washington Association of REALTORS® a number of copies of each MLS compilation sufficient to provide the participant and each person affiliated as a licensee (including licensed or certified appraisers) with such participant with one copy of such compilation. The participant shall pay for each such copy the rental fee set by the association.\*\*

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

\*\*This section should not be construed to require the participant to lease a copy of the MLS compilation for any licensee (or licensed or certified appraiser) affiliated with the participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, or appraising the types of properties which are required to be filed with the MLS and who does not, at any time, have access to or use of the MLS information or MLS facility of the association.

## **Use of Copyrighted MLS Compilation**

### **Section 12 – Distribution**

Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them by the Board of REALTORS®, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participants as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed or published by a Board Listing Service where access to such information is prohibited by law. *(Amended 4/92)*

### **Section 12.1- Display**

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

### **Section 12.2 – Reproduction**

Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof, except in the following limited circumstances:

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

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

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the participant and those licensees affiliated with the

participant who are authorized to have access to such information. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support 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)*

## **Use of MLS Information**

### **Section 13 – Limitations on Use of MLS Information**

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

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

Based on information from the North Central Washington MLS for the period (date) through (date). *(Amended 11/93)*

## **Changes in Rules and Regulations**

### **Section 14 – Changes in Rules and Regulations**

Amendments to the rules and regulations of the Service shall be by a 51% vote of the Members of the Multiple Listing Service Committee, subject to approval by the Board of Directors of the North Central Washington Association of REALTORS®.

## **Orientation**

### **Section 17 – Orientation**

Any applicant for MLS Participation and any licensee affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided. *(Amended 11/96)*

## **Internet Data Exchange (IDX)**

**Note:** These model rules, originally adopted in November 2001, are updated to reflect enhancements to the IDX policy approved in November 2009.

### **Section 18 – IDX Defined**

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

#### **Section 18.1 – Authorization**

Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that

participant's listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display. *(Amended 5/12)*

#### **Section 18.2.1**

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

#### **Section 18.2.2**

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

#### **Section 18.2.3**

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

#### **Section 18.2.5**

Participants must refresh all MLS downloads and displays automatically ~~fed by these downloads not less frequently than~~ **at a minimum of once every 12 hours**. *(Amended 11/14)*

#### **Section 18.2.6**

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

#### **Section 18.2.7**

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

#### **Section 18.2.8**

Any IDX display controlled by a participant or subscriber that

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

either or both of those features shall be disabled or discontinued ~~for~~ **from** 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. Except for the foregoing and subject to Section 18.2.9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. *(Amended 5/12)*

#### **Section 18.2.9**

Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or

correct any data or information that simply reflects good faith opinion, advice, or professional judgment.  
(Amended 5/12)

#### **Section 18.2.10**

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

#### **Section 18.2.11**

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

### **Section 18.3 Display**

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

#### **Section 18.3.1**

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

##### **Section 18.3.1.1**

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

#### **Section 18.3.3**

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

#### **Section 18.3.7**

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

#### **Section 18.3.8**

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

#### **Section 18.3.11**

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

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

### **Section 18.3.12**

Display of expired, withdrawn and sold listings\* is prohibited.

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

### **Section 18.3.14**

Participants are required to employ appropriate security protection such as firewalls on their websites and displays provided that any security measures required may not be greater than those employed by the MLS. *(Amended 5/12)*

### **Section 18.3.15**

Participants must maintain an audit trail of consumer activity on their website and make that information available to the MLS if the MLS believes the IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers. *(Amended 5/12)*

### **Section 18.3.16**

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

## **Section 18.4 – Service Fees and Charges**

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

\***Note:** See note on page 7 under section 4.2 regarding WAC 308-124B-210

## **Virtual Office Websites (VOW)**

### **Section 19.1**

- a. A Virtual Office Website (“VOW”) is a Participant’s Internet website, or a feature of a Participant’s website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a firm-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 licensee affiliated with a Participant may, with his or her Participant’s consent, operate a VOW. Any VOW of a non-principal licensee is subject to the Participant’s oversight, supervision, and accountability.
- b. As used in Section 19 of these Rules, the term “Participant” includes a Participant’s affiliated non-principal brokers and sales licensees – except when the term is used in the phrases “Participant’s consent” and “Participant’s oversight, supervision, and accountability”. References to “VOW” and “VOWs” include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner (“AVP”) on behalf of a Participant.

- c. "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.
- d. As used in Section 19 of these Rules, the term "MLS Listing Information" refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

### **Section 19.2**

- a. The right of a Participant's VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.
- b. Subject to the provisions of the VOW Policy and these Rules, a Participant's VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange ("IDX").
- c. Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW.

### **Section 19.3**

- a. Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:
  - i. The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.
  - ii. The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.
  - iii. The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password.
- b. The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.
- c. If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.
- d. The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:

- i. That the Registrant acknowledges entering into a lawful consumer broker relationship with the Participant;
  - ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;
  - iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;
  - iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;
  - v. That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.
- e. The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labeled as such, and may not be accepted solely by mouse click.
- f. The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

#### **Section 19.4**

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

#### **Section 19.5**

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

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

#### **Section 19.6**

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

### **Seller Opt-Out Form**

1. Check one.



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

OR

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

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

\_\_\_\_\_  
initials of seller

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

### **Section 19.7**

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

### **Section 19.8**

A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 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 19.9**

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

### **Section 19.10**

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

### **Section 19.11**

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

### **Section 19.12**

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

**Section 19.13**

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

**Section 19.14**

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