



RULES and REGULATIONS

The following are the Rules and Regulations of Pacific Regional Multiple Listing Service, LLC

1. DEFINITIONS

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

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

1.2. "Affiliate/Affiliates" are defined as a person, persons, or a firm who has been granted limited access to MLS data through the MLS system by virtue of membership in a Shareholder or Client Association/Board that permits such access according to its rules and policies.

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

1.4. "Association" means an association or board of REALTORS® that is a shareholder in the Pacific Regional Multiple Listing Service as the context requires (collectively the "Associations").

1.4.1 "Client Association" means an association or board of REALTORS® that is not a shareholder in the PACMLS but purchases MLS services.

1.5. "BOD" means the PACMLS Board of Directors.

1.6 "Contract Date" means the date on which the contract was mutually executed.

1.7 "Cooperating Participant" means a Participant who acts in cooperation with a Listing Participant to find or obtain a buyer or lessee for a listed property.

1.8. "Cooperating Subscriber" means a Subscriber affiliated with a Cooperating Participant and principally responsible for rendering service to a buyer, either as customer or client, interested in purchasing a property listed by a Listing Participant.

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

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

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

1.12 “Exhibit A” means a complete and accurate legal description of a listed property as researched by a title company.

1.13. “First Right of Refusal” means that a tenant or buyer has an executed option to purchase the property on the same terms as an offer from a bona fide third party.

1.14. “FWS” (literally, “filed with Service”) means the filing with or submission of information to PACMLS by a Subscriber, or the Subscriber’s authorized representative, for inclusion in the PACMLS Compilation. FWS may take on the tense required by usage, and may mean “file,” “filed,” or “filing” depending on context.

1.15. “IDX” means Internet Data Exchange, which is a program through which Participants grant each other permission to display their Listings through electronic delivery, operated or authorized by the Participants.

1.16 “Immediate or immediately” means the same day.

1.17. “Keyholder Agreement” means the contract executed between the Subscriber, the electronic lockbox service provider, and PACMLS governing the use of and access to the electronic lockbox service.

1.18 “Lease” means an agreement to grant the temporary possession or use of (lands, residences, buildings, etc.) to another, usually for compensation at a fixed rate.

1.19 “Listing” is a contractual agreement between the seller and listing firm for the sale or lease of all types of property referenced in Section 8.1, and is effective upon the signature of both parties. For a Listing to be accepted by PACMLS for FWS, the Listing requires two parts:

- (i) the Exclusive Right to Sell Listing or Exclusive Agency Listing that creates the contractual relationship between seller and broker, and
- (ii) the appropriate Data Input Form that defines the property. PACMLS does not require that a physical copy of the Data Input Form be forwarded to PACMLS for a Listing to be valid. PACMLS or the Association may request a copy of any documents.

1.20. "Listing" is a contractual agreement between the seller and listing firm for the sale or lease of all types of property, including but not limited to those referenced in Section 8.1 and is effective upon the signature of both parties.

1.21. "Listing Participant" means a Designated Broker having a Listing agreement with the owner of property appropriate for listing in the MLS.

1.22. "Listing Subscriber" means a licensed real estate agent or broker affiliated with a Listing Participant and principally responsible for rendering service on a Listed Property.

1.23. "Lockbox" means either a PACMLS approved Lockbox and associated electronic keys provided by the electronic lockbox service provider covered by the Keyholder Agreement, or any other Lockbox used by a Subscriber to allow access to a Listed Property by providing a key from a secured container using a code or combination provided by the Subscriber.

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

1.25. "MLS" means the multiple listing service that is provided by PACMLS.

1.26. "NAR" means NATIONAL ASSOCIATION OF REALTORS®.

1.27. "Net Listing" means a Listing in which the commission paid is the excess of the sale price over an agreed-upon (net) price to the seller. Net listings are not accepted by PACMLS.

1.28. "Nonmember" means a person who holds a valid real estate license; or is licensed or certified by an appropriate regulatory agency to engage in the appraisal of real property, but who is not a member of any Shareholder or Client Association. i.e. "Non-REALTOR®".

1.29. "Office Exclusive, Non MLS or Delayed Listing" means if the seller refuses to permit the listing to be disseminated by the MLS, the Participant may then take the listing ("office exclusive") and such listing shall be filed with the MLS but not disseminated to the Participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the MLS.

1.30. "Open Listing" means a contractual agreement under which the Listing Participant acts as the agent of the seller(s), and the seller(s) agrees to pay a commission to the Listing Participant only if the property is sold through the efforts of the Listing Participant. Open listings are not accepted by PACMLS.

1.31. "Owner" means the legal owner of the listed property.

1.32. "PACMLS" means Pacific Regional Multiple Listing Service, LLC.

1.33. "PACMLS Compilation" means the collection of information relating to real property and other subjects that is compiled by PACMLS for dissemination to Subscribers, whether compiled or disseminated in electronic or printed form or in any other form or format.

1.34. “PACMLS Governing Documents” means all of the governing documents of PACMLS in place and as modified from time to time, including, without limitation, the Articles of Incorporation, the Operating Agreement, the PACMLS Rules and Regulations, and the Shareholders Agreement of the PACMLS Shareholders.

Shareholders are:

Lower Yakima Valley Association of REALTORS®,
Tri City Association of REALTORS®, and
Whitman County Association of REALTORS®.

1.35. “PACMLS Roster Database” means any collection of contact information (e.g., e-mail addresses, physical addresses, etc.) for Participants, Subscribers and/or any other parties maintained by PACMLS in the MLS system or otherwise in its records).

1.36. “Participant” means any REALTOR® of an association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these rules, shall be eligible to participate in multiple listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to multiple listing service membership or participation unless they hold a current, valid real estate broker’s license and offer or accept compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an association multiple listing service is strictly limited to the activities authorized under a participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by an association multiple listing service where access to such information is prohibited by law. The REALTOR® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the participant shall have all rights, benefits, and privileges of the service, and shall accept all obligations to the service for the participant’s firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the service by all persons affiliated with the participant who utilize the service.

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

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in

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

Note: Under no circumstances is any individual or firm, regardless of membership status, entitled to multiple listing service participation or membership unless they hold a current, valid real estate broker’s license and offer or accept compensation to and from other participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an association multiple listing service is strictly limited to the activities authorized under a participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by an association multiple listing service where access to such information is prohibited by law.

1.37. “Penalty Policy” means the PACMLS Penalty Policy, as modified from time to time, along with any other penalties, fines, suspensions, revocations and other measures adopted by PACMLS from time to time in accordance with the PACMLS Governing Documents.

1.38. “Policy” is any interpretation, procedure, or clarification of these Rules and Regulations, approved by the Board of Directors and published by PACMLS, that clarifies, facilitates, or expedites the application of the Rules.

1.39. “Data Input Form” means one of the PACMLS approved data collection forms used to profile a property to be inserted into the PACMLS Compilation.

1.40. “REALTOR®” means a real estate professional who is a member of NAR (collectively, “REALTORS®”).

1.41. “Rules” means these PACMLS Rules and Regulations.

1.42. “Shareholder” shall mean an Association having ownership interest in PACMLS as stated in Section 2.

1.43. “Short Sale” means a transaction where title transfers, where the sales 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.

1.44. “Status” means

- (a) ACT = Active
- (b) AWB = Active pending sale of buyer property with bump clause
- (c) PIF = Pending Inspection/Feasibility
- (d) PAC = Pending Appraisal/Closing
- (e) EXP = Expired

- (f) SLD = Sold/Closed Sale
- (g) TOM = Temporarily Off Market
- (h) WDN = Withdrawn

1.45. "Subscriber" means (a) a person who is, or who is affiliated with, a Participant, or (b) an Appraiser, to whom PACMLS has granted (subject to PACMLS Policies, these Rules, and payment of required fees) an identification code and password that permit access to the MLS and the PACMLS Compilation (collectively the "Subscribers").

1.46. "Teams" means a single group of two or more Subscribers, under the sponsorship of one Participant that functions as a single business enterprise for the purpose of transacting real estate business.

1.47. "Temporarily Off Market" means the listed property is removed from active status for a period of not more than 30 days.

1.48. "USPS" means the United States Postal Service.

1.49. "Variable Commission" means any commission other than a flat percentage or flat dollar amount and specified in the listing with a V in the CBA field and clarified in the listing remarks field.

1.50 "Withdrawn" means the listed property is removed from the MLS system.

2. NAME AND SHAREHOLDERS.

The name of this organization is Pacific Regional Multiple Listing Service, LLC. ("PACMLS"). All shares of PACMLS stock are owned equally by the Tri-City Association of REALTORS®, Lower Yakima Valley Association of REALTORS®, and the Whitman County Association of REALTORS® (individually a "Shareholder" or collectively the "Shareholders").

3. AUTHORITY. PACMLS, a Washington corporation, maintains for the use of the Shareholder Associations and the Subscribers the MLS, which is subject to the PACMLS Governing Documents and these PACMLS Rules.

4. POWERS. The business of PACMLS is managed by the BOD, which exercises all such powers of PACMLS and performs such lawful acts as are not done by statute or by the Governing Documents directed or required to be performed by the Shareholders or otherwise.

5. PURPOSE. The purpose of PACMLS is to provide the Shareholders and members with MLS services for use by the Shareholders, Participants, and Subscribers. The MLS is:

- (a) A facility for the orderly correlation and dissemination of Listing information so Subscribers may better serve their clients and the public;
- (b) A means by which Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law);
- (c) A means of enhancing cooperation among the Subscribers;

- (d) A means by which information is accumulated and disseminated to enable Subscribers to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; and
- (e) A means by which Subscribers engaging in real estate appraisals contribute to common databases.

6. SERVICE AREA.

The PACMLS service area shall, at a minimum, include the combined jurisdiction of all Shareholder Associations. The service area may encompass natural market areas outside the jurisdiction of the Associations as may be defined by the BOD. Listings of properties, of the types designated in Section 8.1, located outside of the PACMLS service area will be accepted if the Listing (i) is submitted voluntarily by a Subscriber and (ii) complies with all of these Rules and Washington law.

7. PARTICIPATION

Participation is defined under Section 1.35 herein.

7.1. APPLICATION. Application for MLS participation shall be made in such manner and form as prescribed by the Board of Directors of each Association. Access to the PACMLS system is available only through one of the Shareholder or Client Associations of PACMLS. No direct Participant or Subscriber access is allowed. The application forms may vary from Shareholder/Client Association but all applications shall contain a signed statement agreeing to abide by the PACMLS operating agreement and any other applicable rules and regulations of PACMLS as from time to time amended or adopted.

7.2. ACCESS CREDENTIALS. Subscribers shall be given access credentials in the form of an identification word or number, a password, and any other form of individual secure identification that PACMLS may implement to preserve security of the system. Subscribers may not share their access credentials with anyone, whether the other party is another Subscriber or non-Subscriber. Further Subscribers may not share access to the system by allowing anyone else to participate in an online access session using their access credentials, whether or not the actual credentials were disclosed or shared. Further, except as provided for in Section 20, in the course of their normal real estate practices, Subscribers may not use or convey all or any portion of the PACMLS Compilation from the system in any way to any non-Subscriber, non-Participant, or any ancillary business (whether or not affiliated with a Participant). **Tier 3**

7.3. FULL PARTICIPATION. All real estate and/or appraiser licensees in a Participant's firm must be enrolled as Subscribers to PACMLS unless application for a waiver is made and the waiver subsequently granted by the Shareholder Association in which the Participant has Primary MLS membership. Within Ten (10) Days of their affiliation with a Shareholder Participant's firm, all licensees affiliated with the Participant must apply for either (1) subscription to the PACMLS service or (2) waiver of requirement to participate and subscribe. Shareholder shall notify Participant when Shareholder becomes aware of licensees in Participant's firm that have not complied with these requirements.

7.3.1 Waivers expire annually on December 31st.

7.3.2. To be granted a waiver, the applicant (hereinafter, "Waiver Applicant") must satisfy and continue to satisfy all of the following requirements:

- (a) Waiver Applicant is NOT a Designated Broker, Branch Manager, or Listing agent for any active Listing included in the MLS;
- (b) Waiver Applicant does NOT possess, control, or use a lockbox key to enter, view, or show any property that is listed in the MLS;
- (c) Waiver Applicant does NOT directly or indirectly access or use in any manner whatsoever the Listing information stored in the MLS. Such access and use includes, but is not limited to, direct access to or use of the MLS and the use of the other devices or services provided by the MLS or its affiliated or licensed vendors or suppliers that permit access to and use of any Listing information from the MLS; and
- (d) Waiver Applicant does NOT use, directly or indirectly, in any manner whatsoever information from the MLS to list properties for sale or lease, to identify or locate properties for any potential buyers or lessees, and does not participate in listing or sales activity requiring licensure for any properties listed in the MLS.

7.3.3. Both the Waiver Applicant and the Participant who employs the Waiver Applicant, or with whom Waiver Applicant is affiliated through licensure, shall, on request, attest and certify in writing that Waiver Applicant meets all of the requirements for waiver of participation and shall agree to notify PACMLS within Ten (10) Days of the change should any of the requirements for continuing the waiver no longer be met. **Tier 1**

7.4. LICENSED OR UNLICENSED SUPPORT PERSONNEL. Administrative, personal assistants, or secretarial personnel who do not hold a real estate license shall be allowed access to the system to the extent necessary for them to perform their duties with and for the Participant and the Participant's Subscribers.

7.4.1 The Participant shall make application for and pay the appropriate fee(s) for administrative access in the manner and amounts established by the Shareholder Associations through which the Participant pays PACMLS fees.

7.4.2. Any change in the license status of an administrative person MUST be reported within ten (10) days to PACMLS by the Participant. **Tier 2**

7.5. STANDARDS OF CONDUCT FOR PARTICIPANTS AND SUBSCRIBERS.

7.5.1. Subscribers shall not engage in any practice or take any action inconsistent with the exclusive representation or exclusive brokerage relationship agreements that other Subscribers have with clients.

7.5.2. Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the owner or any other legally authorized party (e.g., a trustee). **Tier 3**

7.5.3. Subscribers, when acting as subagents, as buyer/tenant representatives, or as brokers, shall not attempt to extend a Listing Participant's offer of cooperation and/or compensation to other brokers without the consent of the Listing Participant. **Tier 3**

7.5.4. Subscribers shall not solicit a Listing that is currently listed exclusively with another broker. However, if the Listing Participant, when asked by a Subscriber, refuses to disclose the expiration date and nature of such Listing (i.e., an Exclusive Right to Sell Listing, an Exclusive Agency Listing, or other form of contractual agreement between the Listing Participant and the client), the Subscriber may contact the owner to obtain such information and may discuss the terms upon which the Subscriber might take a future Listing or, alternatively, may take a Listing to become effective upon expiration of any existing exclusive Listing. **Tier 3**

7.5.5. Subscribers shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if when asked by a Subscriber, the buyer/tenant broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the Subscriber may contact the buyer/tenant to secure such information and may discuss the terms upon which the Subscriber might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement.

7.5.6. Subscribers shall not use information obtained from Listing Participants through offers to cooperate made through PACMLS to refer Listing Participants' clients to other brokers or to create buyer/tenant relationships with Listing Participants' clients, unless such use is authorized by the Listing Participant.

7.5.7. The fact that an agreement has been entered into with a Subscriber shall not preclude or inhibit any other Subscriber from entering into a similar agreement after the expiration of the prior agreement. **Tier 3**

7.5.8. The fact that a prospect has retained a Subscriber as an exclusive representative or exclusive broker in one or more past transactions does not preclude another Subscriber from seeking such former prospect's future business.

7.5.9. Subscribers are free to enter into contractual relationships or to negotiate with sellers/lessors, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent.

7.5.10. When Subscribers are contacted by the client of another Subscriber regarding the creation of an exclusive relationship to provide the same type of service, and that Subscriber has not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement.

7.5.11. In cooperative transactions, Participants shall compensate cooperating Participants and shall not compensate or offer to compensate, directly or indirectly, any of the sales licensees (even if they are Subscribers) employed by or affiliated with other Participants without the prior express knowledge and consent of the cooperating Participant. **Tier 2**

7.5.12. Subscribers are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another Subscriber. A general telephone canvass, general mailing, or distribution addressed to all prospects in a given geographical area or

in a given profession, business, club, or organization, or other classification or group is deemed general for purposes of this rule.

The following types of solicitations are prohibited: Telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their property with another Subscriber; and mail or other forms of written solicitations of prospects whose properties are exclusively listed with another Subscriber when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current Listings, for sale or for rent signs, or other sources of information intended to foster cooperation with Subscribers. **Tier 2**

7.5.13. Subscribers, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service.

7.5.14. Subscribers, acting as buyer or tenant representatives or brokers, shall disclose that relationship to the owner's representative at first contact and shall provide written confirmation of that disclosure to the owner's representative or broker not later than execution of a purchase agreement or lease.

7.5.15. Subscribers, acting as representatives or brokers of owners or as subagents of Listing Participants, shall disclose that relationship to buyers/tenants as soon as practicable, and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement.

7.5.16. Subscribers are not precluded from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through a multiple listing service or any other offer of cooperation may not be used to target clients of other Subscribers to whom such offers to provide services may be made. **Tier 3**

7.5.17. Subscribers, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the Listing Participant's offer of compensation to subagents or buyer/tenant representatives or brokers, or make the submission of an executed offer to purchase/lease contingent on the Listing Participant's agreement to modify the offer of compensation. **Tier 2**

7.5.18. All dealings concerning property exclusively listed or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not with the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client. Before providing substantive services (such as writing a purchase offer or presenting a comparative market analysis) to prospects, Subscribers shall ask prospects whether they are a party to any exclusive representation agreement. A Subscriber shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects.

7.5.19. Subscribers, prior to or after terminating their relationship with their current firm shall not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude Participants from establishing agreements with their associated licensees governing assignability of exclusive agreements. **Tier 2**

7.5.20. These Rules are not intended to prohibit ethical albeit aggressive or innovative business practices, and do not prohibit disagreements with other Subscribers involving commission, fees, compensation or other forms of payment or expenses.

7.5.21. Subscribers shall not knowingly or recklessly make false or misleading statements about competitors, their businesses, or their business practices.

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

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

7.6. ARBITRATION OF DISPUTES. By becoming and remaining a Subscriber, each Subscriber agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the NAR Code of Ethics and Arbitration Manual with Subscribers in different firms arising out of their relationships as Subscribers, subject to the following qualifications:

- (a) If all disputants are members of the same Association, or have their principal place of business within the same Association's territorial jurisdiction, they shall arbitrate pursuant to the procedures of that Association, and
- (b) If the disputants are members of different Associations or if their principal place of business is located within the territorial jurisdiction of different Associations, they remain obligated to arbitrate in accordance with the procedures of the Washington Association of REALTORS®.

If the Washington Association of REALTORS® or the Shareholder Association does not provide arbitration services, arbitration shall be conducted in accordance with any existing inter-board/regional agreement or, alternatively, in accordance with the Inter-board/Regional Arbitration Procedures in the NAR Code of Ethics and Arbitration Manual. Nothing herein shall preclude Subscribers from agreeing to arbitrate the dispute before a particular Association.

7.7. DISCONTINUANCE OF SERVICE. A Participant may discontinue MLS service by giving proper notice to his or her Association in a manner specified by the Association. Participants may reapply to an Association for MLS participation in the same manner prescribed for new applicants, provided all outstanding dues, fines, and fees are fully paid.

7.8. SUBSCRIBERS UNDER A SUSPENDED PARTICIPANT. A firm whose Participant is suspended by the MLS for any reason shall also result in the suspension of all Subscribers under the suspended Participant, until such time as the firm once again employs a Participant in good standing with the MLS.

8. LISTING PROCEDURES

8.1. TYPES OF PROPERTY – Tier 3

(a) Listings of real property or private property of the following types, which are listed subject to a real estate broker's license, and which are located within the PACMLS service area, taken by Subscribers, on exclusive right to sell or exclusive agency forms, with a unilateral offer of cooperation and compensation, shall be FWS by 5 p.m. on the next business day after all necessary signature of seller(s) have been obtained and any Marketing or Advertising begins:

- (1) Residential (For Sale) including, but not limited to:
 - (a) Fractional Interests
 - (b) Time Shares
 - (c) Auction Properties
 - (d) IRC (Internal Revenue Code §1031 Exchanges)
- (2) Vacant Land and Lots
- (3) Commercial/Industrial Buildings (For Sale)
- (4) Multi-Family Dwellings (For Sale)
- (5) Business Opportunities

(b) Used mobile or manufactured homes, which are installed on and conveyed with real property, may be listed as residential properties.

(c) Mobile or manufactured homes and new construction homes must have either a valid assigned assessor number by the local taxing authority, or in the absence of an individual number, the Listing may carry the master number from the development.

(d) Participant may hold as optional property, new construction until framing has begun.

(e) No property may be FWS that contains an assessor number other than the individual number assigned to the parcel or, in the absence of an individual number, the master number of the development.

NOTE: Marketing or Advertising may not begin until the listing is entered into the MLS. 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 virtual tours, actual tours, or oral or written descriptions of the property.

8.2 OPTIONAL PROPERTIES. Listing not required by PACMLS, but accepted at the Participants options:

- (a) Residential Rentals
- (b) Commercial Leases

8.3. LISTING AGREEMENTS. A Listing agreement must be in writing and fully executed before that Listing is acceptable to be FWS. The Listing agreement of a property filed with the MLS by the listing participant should include a provision expressly granting the Listing Participant 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. The listing agreement should also include a provision expressly granting the Listing Participant the right to authorize dissemination of Sold information by the MLS to its Participants. Hard copies of Listing agreements shall not be FWS. **Tier 3**

Open and Net Listings are not accepted for listing on the MLS. Only Listings taken using Exclusive Right to Sell Listing and Exclusive Agency Listing contracts are accepted by PACMLS. **Tier 3**

PACMLS may accept Listings taken using other forms of agreement, which make it possible for the Listing Participant to offer cooperation and compensation to Participants acting as subagents, buyer agents, or both. Neither PACMLS nor the Associations regulate the type of Listing that a Subscriber may take. Subscribers are free to take a Listing using a form of agreement that is not accepted by PACMLS for listing on the MLS and market these Listings outside the MLS. **Tier 3**

PACMLS may refuse to publish information that may create legal liability.

8.4. SUBMISSION OF LISTINGS. Listings must be entered directly into the MLS only by the Listing Participant, Subscriber, or authorized administrative personnel having access to the MLS under the provisions of Section 7.4 above. PACMLS reserves the right to:

- (a) Remove from the PACMLS Compilation any Listing in a form that fails to adequately protect the interest of the public and the Subscribers.
- (b) Assure that no Listing FWS establishes, directly or indirectly, any contractual relationship between PACMLS or an Association on the one hand and the buyer, seller, lessor or tenant on the other.

8.5. LISTINGS SUBJECT TO THE RULES. Any listing to be FWS is subject to these Rules. Subscribers shall have a written Listing agreement with all necessary signatures for each Listing that is FWS. PACMLS or the Subscriber's Shareholder Association shall have the right to receive a copy of a written Listing agreement to verify a Listing's existence or adequacy at any time. PACMLS or the Subscriber's Shareholder Association shall also have the right to receive a copy of the owner's written authorization for sales, leases, or exchanges that are FWS. If a request is made and the Subscriber fails to provide the requested information within five (5) Days, PACMLS or the Subscriber's Shareholder Association shall have the right to remove each applicable Listing and discipline the Subscriber for a violation of these Rules. **Tier 1**

8.6. DETAILS ON LISTINGS FILED WITH PACMLS. A Listing, when FWS by a Subscriber, must include all required information or PACMLS will not accept the Listing. An “R” beside a field name on the Data Input Form or input screen indicates “required information” that must be included on each Listing that is FWS. **Tier 2**

Detailed information on Listings FWS shall be accurate and factual at all times, whether the Listing status is active, expired, withdrawn, temporarily-off-market, under contract, sold, pending sale, or any other status. Subscribers may not change any required Listing information, except the owner’s name and phone number, to be non-factual or to eliminate factual information from a Listing. Subscribers may not manipulate data by altering, amending, or refiling Listings to create a statistical or categorical result that is not supported by all applicable facts. This applies to all Listings, whether the Listing status is active, expired, withdrawn, temporarily-off-market, pending sale, sold, or any other status. PACMLS may refuse to publish information that may create legal liability. **Tier 2**

8.7 Exhibit A. Each listing FWS that includes the transfer of real property shall include an exhibit A, (legal description). The Exhibit A must be FWS within three (3) calendar days of listing submission. **Tier 1**

Uploading a document as Exhibit A that does not contain the legal description of the listed property is prohibited. **Tier 2**

8.8. DUAL LISTINGS. Only one Listing for each property may be FWS by or on behalf of the Listing Participant, except under the following circumstances:

- (a) The listed property is offered both for sale and for lease; or
- (b) The property is for sale at one price and extra property may be purchased with the original property at a different price; or
- (c) A residential rental property is available for lease furnished and unfurnished; or
- (d) Properties currently zoned under multiple zoning classes that would allow for multiple uses; or
- (e) The property is for sale as a single parcel or it may be divided and is available for sale as multiple smaller parcels; or
- (f) The property is Land with an existing structure that is considered to be a “tear down” but the structure can still be sold. These properties may be listed in Land and also the appropriate other property class that reflects the existing structure (Residential, Commercial for Sale, or Multi-Family Dwellings). The Land listing must have the appropriate selection marked on the listing indicating what type of existing structure is on the property.

All duplicate listings must be cross referenced in the Public Remarks field. **Tier 1**

8.8.1 Subscribers may not create multiple active Listings for a property except under one of the exceptions listed above. All duplicate listings must be cross-referenced in the Public Remarks field. When the property sells, the most accurate of the duplicate listings needs to be updated with the sold data, all others need to be changed to withdrawn.

8.8.2. If Listings for the same property are FWS by or on behalf of different Listing Participants, PACMLS will notify all such Listing Participants. The notified Listing Participants will have five (5)

Days to resolve the matter. At the end of the five (5) Day period, PACMLS shall have the right to change the status of one, some, or all of the Listings to a withdrawn or temporarily-off-market status.

8.9. OFFICE EXCLUSIVE, DELAYED OR EXEMPT LISTINGS. An Office Exclusive, Delayed, or Non MLS Listing shall be provided to the Listing Participant's Shareholder Association or to PACMLS on the next business day after all necessary signatures of the seller(s) are obtained, but not FWS for dissemination to other Subscribers. The Listing must be accompanied by the PACMLS Sellers Waiver of MLS Benefits form signed by the seller(s) that he or she does not want the Listing to be FWS until a specific date or not at all. **Tier 3**

8.10. CHANGE IN LISTING AGREEMENT TERMS. Any change in listed price or other change in the terms of the original Listing agreement shall be made only when authorized in writing by the owner and shall be FWS within **24** hours after the effective date of the change. Each Listing shall be assigned a unique identification number. **Changing the data within an existing active Listing to create a new Listing is strictly prohibited.** **Tier 1**

8.11. WITHDRAWAL OF LISTINGS PRIOR TO EXPIRATION. Listings of property may be withdrawn from the MLS by the Listing Broker before the expiration date of the Listing agreement provided notice is FWS, including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal. PACMLS or a Shareholder Association shall have the right to receive a copy of such withdrawal agreement at any time. **Tier 1**

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

8.12. SALE, EXCHANGE, OR LEASE CONTINGENCIES APPLICABLE TO LISTINGS. Any sale, exchange, or lease contingencies or conditions in a Listing shall be specified and fully disclosed. Contingencies or conditions that must be disclosed include but are not limited to: the existence of equitable interest in a property; the offer to purchase is contingent upon the sale of another property or upon the satisfactory inspection(s) of the property to be purchased); or that there is an existing First Right of Refusal. **Tier 2**

8.13. LISTING PRICE SPECIFIED. The full gross Listing price stated in the Listing agreement will be included in the information published in the PACMLS compilation of current Listings unless the property is subject to auction. If a property will only be sold by auction, the Listing must state whether the Listing has a reserve price or that the property will be sold at auction without reserve. **Tier 1**

8.14. EXCLUSIONS. When a Listing contains an exclusion (e.g., a provision excluding from the sale certain fixtures located on the property), the exclusion must be disclosed and explained in the public or agent remarks field of the Listing. **Tier 1**

8.14.1 Subscribers may exclude certain buyers that are identified in a Listing by entering in the agent remarks field of the Data Input Form "Prospects reserved by seller, contact listing office for names". **Tier 1**

8.15. THIRD-PARTY APPROVAL. If a property that is FWS is under court jurisdiction, or the sale is subject to any third party approval, the Subscriber must disclose this fact in the appropriate place in the Listing, unless prohibited in writing by the court. *Tier 1*

8.15.1 LISTING MULTIPLE UNIT PROPERTIES. All properties which are to be sold or which may be sold separately must be indicated by individual Listings, one for each property. *Tier 1*

8.16. NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY SUBSCRIBERS. Neither PACMLS nor an Association shall fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Subscribers. Further, neither PACMLS nor any Association shall fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-participants.

8.17. FORMS AND DOCUMENTS. PACMLS or the Subscriber's Association shall have the right to request, and the Subscriber shall provide within five (5) Days of the request, copies of any documents that are required to verify the accuracy of any information that is included in the PACMLS Compilation. *Tier 1*

8.18. TERMINATION AND INCEPTION DATE ON LISTINGS. All Listings shall bear a definite inception date (the "list date") and a definite and final termination date (the "expiration date") as negotiated between the Listing Participant and the owner.

8.19. EXPIRATION, EXTENSION, AND RENEWAL OF LISTINGS. Any Listing automatically expires on the expiration date specified in the Listing agreement unless renewed by the Listing Participant and the owner and notice of renewal or extension is FWS prior to expiration.

Only listings off the PACMLS for a minimum of 30 days may be published as a new Listing. PACMLS and the Subscriber's Association shall, upon request, have the right to receive a copy of any renewal agreement at any time to ensure compliance with the Rules. *Tier 1*

8.20. JURISDICTION. Only Listings of the designated types of property, as described in Section 8.1, which are located within the PACMLS service area, are required to be FWS. Listings of properties, of the types designated in Section 8.1, located outside of the PACMLS service area will be accepted if the Listing (i) is submitted voluntarily by a Subscriber and (ii) complies with all of these Rules and Washington law.

8.21. LISTINGS OF SUSPENDED or EXPELLED PARTICIPANTS. When a Participant is suspended or expelled from the MLS by PACMLS or his/her Shareholder Association for failing to abide by a membership duty (i.e., violation of the Code of Ethics, the PACMLS Governing Documents, these Rules, or other membership obligations) all Listings currently FWS by the suspended or expelled Participant shall, at the suspended or expelled Participant's option, be retained in the PACMLS Compilation until sold, withdrawn or expired, and shall not be renewed or extended by PACMLS beyond the termination date of the Listing agreements in effect when the suspension became effective. If a Participant has been suspended or expelled from the Association or MLS or both by his/her Association for failure to pay appropriate dues, fines, fees or charges, neither the Association nor PACMLS is obligated to provide MLS services, including continued inclusion of the Participant's or Participant's Subscribers' Listings in the PACMLS Compilation of current listing information. On the day the Participant is suspended, Participant shall be sent notice that all Active listings (not UC/Pending or AWB) of that firm shall immediately be changed to a status

of Withdrawn or Withdrawn/Temporarily Off Market, and further that five (5) business days after said notice date, if the firm remains without a Participant, the UC/Pending and AWB listings shall be changed to a status of Withdrawn or Withdrawn/Temporarily Off Market.

8.22. LISTINGS OF RESIGNED PARTICIPANT. When a Participant resigns from the MLS, PACMLS will not provide any services to such resigned Participant, including continued inclusion of such resigned Participant's or Participant's Subscribers' Listings in the PACMLS Compilation of current listing information. When a Participant resigns, the resigned Participant shall be advised in writing that all active Listings of such resigned Participant will be withdrawn upon his/her resignation so that he or she may advise his/her clients and affiliated Subscribers.

8.23. LISTINGS OF RESIGNED, SUSPENDED, OR EXPELLED SUBSCRIBERS. When a Subscriber resigns or is suspended or expelled from PACMLS, as described in Sections 8.20 through 8.22, the Listings in the PACMLS Compilation of the Subscriber so affected shall be transferred by PACMLS and/or the local Association to the Subscriber's Participant, or to such other Subscriber as the Participant shall designate.

8.24. PHOTOGRAPHS, RENDERINGS, FLOOR PLANS, FILES, VIDEO, MEDIA.

The PACMLS Compilation may have the capacity to store and display one or more photographs, floor plans, electronic files in various public and proprietary formats, virtual tours, video tours, renderings, or other Media for a listed property. All Media that appears in the PACMLS Compilations shall be germane to the property. Image Media (photos, etc) may be of the exterior or the interior of that listed property, a view of the surrounding area viewed from that listed property, or a view of specific community amenities associated with that listed property. **Tier 1**

Media may include features such as mortgage calculators and the ability to forward the Media by e-mail. However, Media cannot direct the user in any way to contact information or other information about a real estate agent or broker or any other individual or entity with a connection to the business of real estate. Media may not be used to advertise or promote an agent, broker or a real estate brokerage or any other individual or entity, except that the Media producing enterprise may have its name, address and logo on or in the Media, so long as the name, address or logo does not include any hyperlinks that lead back to the Listing Subscriber or their Participant or other entities other than the Media producing enterprise. **Tier 2**

For the benefit of all Subscribers, Listings are sent to customers and clients of Subscribers and Participants. The intention of this rule is to preclude contact PACMLS information of any kind within the display of the Listing. Items that do not convey specific contact information will be allowed so long as they comply with the intent of this rule.

The following specific items are permitted within Media: **Tier 1**

- (a) A "for sale" sign located on the property may appear in an image of the exterior of the home or property so long as the sign does not convey any specific contact information or company identification.
- (b) An image may contain the date and/or time it was taken, as well as the MLS number of the property it represents, and the PACMLS watermark.

- (c) A rendering or floor plan may have text typical to renderings and floor plans (e.g. room names and dimensions, model home name).
- (d) An electronic file may have text to describe the property and also may have exceptions of the type described above when the electronic file is or contains a photograph, floor plan, rendering or other image media.
- (e) Any photos of new construction submitted that are similar to the listed property but not photos of the actual listed property must have the words “similar to” shown on them.
- (f) Photos cannot be touched up in any way to alter the true picture of the property or the surroundings.
- (g) Any new construction photo that shows a home in the framing stages must be changed out with a photo of the home when it has been final graded.
- (h) A photo is not required for business only listings

Any other use of a photograph, floor plan, electronic file, rendering, virtual tour, or other media to advertise or promote an agent, broker or real estate brokerage, or any other individual or entity, is strictly prohibited. **Tier 1**

Except for Media independently licensed by PACMLS for the benefit of all Subscribers, a Subscriber may not copy and use for any purpose any Media from another Subscriber’s Listing without specific permission from the Listing Participant. It is permissible, however, for a Subscriber to purchase and use Media being used by another Subscriber so long as the Media is purchased from a third-party owning rights to such Media and having the legal capacity to license the Media. **Tier 2**

In addition to any penalty that may be imposed under the PACMLS Penalty Policy, PACMLS shall have the right to immediately remove any Media from a Listing that is not in compliance with this rule.

8.25. PHOTO REQUIREMENTS. All listings FWS must include at least one exterior photo of the listed property, including new construction. Vacant land can be a photo, GIS image or plat/drawing of the listed property. This exterior photo is defined as the street view of the front elevation of the dwelling which incorporates a substantial portion of the entire dwelling. For apartment style or loft properties this exterior photo must represent the exterior of the building in which the unit is located. This exterior photo does not have to be the primary photo attached to the listing unless it is the sole photo attached to the listing. **Tier 1**

8.26 COMPLIANCE. PACMLS or the Subscriber’s Shareholder Association shall have the right to cancel or place into TOM (Temporarily Off Market status) any Listing in the PACMLS Compilation that does not comply with these Rules.

9. INTERNET DATA EXCHANGE PROGRAM. The Policies that govern the PACMLS IDX program are found in the PACMLS IDX Policy. A copy of this Policy can be found on the PACMLS website (www.pacmls.paragonrels.com). There is a presumption that all Participants engaged in real estate brokerage consent to participation in the IDX program and to the display of their Listings by

other IDX participants subject to the Policies established for the program. However, any Participant may opt-out of the IDX program by notifying PACMLS in the manner prescribed by the IDX Policy.

10. SELLING PROCEDURES.

10.1. SHOWINGS. *Tier 1* Appointments to show a property that is FWS, including showings where access to the property is gained by use of a lockbox, shall be conducted through the Listing Participant except under the following circumstances:

- (a) The Listing Participant gives Subscribers specific authority to show the property in the appropriate place in the Listing, or
- (b) After reasonable effort (minimum one (1) Day) the Cooperating Subscriber cannot contact the Listing Subscriber or his/her representative, however, the Listing Participant at his/her option, may preclude such direct showings by Cooperating Participants or Cooperating Subscribers.

The Cooperating Participant must disclose his/her agency status to the Listing Participant or owner as soon as practicable.

If the listed property is marked as not available for showing when FWS or at any subsequent time prior to closing, restrictions may apply. See Section 11.8.

10.2 NEGOTIATIONS. *Tier 2* All negotiations for a listed property shall be conducted exclusively through the Listing Participant or his/her Subscriber or representative unless:

- (a) The owner waives this requirement in writing, and
- (b) No licensed representative of the Listing Participant is available for a period of twenty-four (24) hours, however, the Listing Participant, at his or her option, may preclude such direct negotiations by Cooperating Participants.

The Cooperating Participant must disclose his/her agency status to the Listing Participant or owner as soon as practicable. If any negotiations are carried on in the absence of the Listing Participant, pursuant to this Section 10.2, the Cooperating Participant shall report the status change to the Listing Participant, and at Cooperating Participant's option to PACMLS, within one (1) day after occurrence, and the Listing Participant shall report the status change to PACMLS within one (1) day after receiving notice from the Cooperating Participant.

10.3. PRESENTATION OF OFFERS. The Listing Subscriber must make arrangements to present the offer as soon as possible, or give the Cooperating Subscriber a satisfactory reason for not doing so. ***Tier 2***

10.4. SUBMISSION OF WRITTEN OFFERS. The Listing Subscriber shall submit to the seller all written offers until closing unless precluded by law, government rule, or regulation, or agreed otherwise in writing between the seller and the Listing Subscriber. Unless a subsequent offer is contingent upon the termination of an existing contract, the Listing Subscriber/Subscriber shall recommend that the seller obtain the advice of legal counsel prior to acceptance of a subsequent offer. ***Tier 2***

Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated. **Tier 3**

10.5 RIGHT OF COOPERATING SUBSCRIBER IN PRESENTATION OF OFFER The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's or lessor's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations. **Tier 1**

RIGHT OF COOPERATING SUBSCRIBER IN PRESENTATION OF OFFER. Except as provided in this Section, the Cooperating Subscriber (when acting as a buyer agent or subagent) or his/her representative has the right to participate in the presentation to the seller or lessor of any offer he/she secures to purchase or lease. He/she does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the Listing Subscriber. However, if the seller or lessor gives written instructions to the Listing Subscriber that the Cooperating Subscriber or his/her representative not be present when an offer the Cooperating Subscriber secured is presented, the Cooperating Subscriber has the right to a copy of the owner's written instructions. None of the foregoing diminishes the Listing Subscriber's right to control the establishment of appointments for such presentations. **Tier 1**

10.6. RIGHT OF LISTING SUBSCRIBER IN PRESENTATION OF COUNTER-OFFERS. Except as provided in this Section, the Listing Subscriber or his/her representative has the right to participate in the presentation of any counter-offer made by the owner. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except where the Cooperating Subscriber is a subagent). However, if the purchaser or lessee gives written instructions to the Cooperating Subscriber that the Listing Subscriber not be present when a counter-offer is presented, the Listing Subscriber has the right to a copy of the purchaser's or lessee's written instructions. **Tier 1**

10.7. STATUS CHANGES AND REPORTING THE SALE/LEASE OF A LISTED PROPERTY. Status changes for Active, Withdrawn or Temporarily Off Market, Expired, and Withdrawn listings shall be reported to the multiple listing service by the Listing Subscriber within twenty-four hours (1) Day after they have occurred (excepting weekends, holidays and postal holidays. Within two (2) Days (or 3 Days when a legal holidays fall adjacent to a weekend) after all parties to the transaction have executed an agreement to purchase and sell, or lease a property that is FWS, the status of the Listing must be changed to a Sale Pending or Leased status by the Listing Subscriber. Likewise, within twenty-four hours after the close of escrow or completion of the transaction, a property that is FWS must be changed to a Sold or Leased status as appropriate, with the final closing sales price. **Tier 2**

PACMLS or Shareholder's Association shall have the right to place a Listing that does not comply with this rule in a Temporarily Off Market (Status Code: TOM) status.

10.8. SHORT SALE PROPERTIES. Tier 1 Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing participants.

When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing contract, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants.

10.9. REPORTING RESOLUTIONS OF CONTINGENCIES. The Listing Subscriber shall FWS, within two (2) Days or three (3) Days when a legal holidays fall adjacent to a weekend following the occurrence that a contingency on file with the MLS has been fulfilled or renewed or the agreement has been withdrawn. **Tier 2**

10.10. ADVERTISING OF LISTINGS FILED WITH PACMLS. A Listing shall not be advertised by any Subscriber, other than the Listing Subscriber/Subscriber, in any medium whatsoever, without prior consent of the Listing Subscriber. **Tier 2**

10.11. REPORTING WITHDRAWAL OF PENDING SALE. The Listing Subscriber shall FWS the withdrawal of any pending sale within two (2) Days (or three (3) Days when a legal holidays fall adjacent to a weekend) following its occurrence, and the Listing shall be reinstated immediately. **Tier 2**

10.12. REFUSAL TO SELL. If the seller of any listed property that is FWS refuses to accept a written offer satisfying the terms and conditions stated in the Listing, Listing Subscriber shall within two (2) Days (or three (3) Days when a legal holidays fall adjacent to a weekend) change the Listing to an off market status (other than SOLD). For the purposes of this section, an "off market" status shall be any status except Active or Pending. **Tier 2**

11. PROHIBITIONS.

11.1. INFORMATION FOR SUBSCRIBERS ONLY. Except as expressly permitted by Section 20, any Listing FWS shall not be made available to any individual, broker or firm not a MLS Subscriber without prior consent of the Listing Participant, except pursuant to a subpoena or specific action of the PACMLS Board of Directors. **Tier 3**

11.2. "FOR SALE" SIGNS. Only the "For Sale" signs of the Listing Participant may be placed on the property, unless agreed to by the Listing Participant. **Tier 1**

11.2.1 TIMELY REMOVAL OF SIGN. The For Sale Sign must be removed from the property within two (2) Days after the date that the Listing status is changed to sold, leased, withdrawn, or expired. **Tier 1**

11.3. "SOLD" SIGNS. Prior to closing, only the "Sold" sign of the Listing Participant may be placed on the property, unless the Listing Participant authorizes the Cooperating Participant to post such a sign. **Tier 1**

11.4. SOLICITATION OF LISTINGS FILED WITH PACMLS. Subscribers shall not solicit a Listing of a property that is FWS unless such solicitation is consistent with Article 16 of the NAR Code of Ethics or Section 7.5 of these Rules.

11.5. INFORMATION IN PUBLIC and PRIVATE REMARKS and DIRECTIONS. The Policies that govern the information that can be contained in the directions, public and REALTOR® private remarks in the Listing are found in the **PACMLS Inappropriate Language Policy**. A copy of this Policy can be found on the PACMLS website (www.Pacmls.paragonrels.com).

11.6. INFORMATION IN PUBLIC REMARKS. Information in the Public Remarks field in the Listing shall be limited to information describing or marketing the listed property. Such field shall not include information about individuals or co-brokerage arrangements or any alarm codes or other information about how to gain access to a property. **Tier 3**

Public Remarks shall not direct the user in any way to contact information or other information about a real estate agent or broker or any other individual or entity with a connection to the business of real estate. **Tier 2**

11.7. USE OF INFORMATION FIELDS. Subscribers may only enter in any field on the Data Input Form the information required or reasonably contemplated by such field. **Tier 1**

11.8. PROPERTY ACCESS RESTRICTIONS. If access to a listed property is restricted in any way by either by Listing Agent or Seller, it must be explained in Agent Confidential Remarks, and all restrictions apply to all PACMLS Participants and Subscribers, including Listing Participant and Listing Subscriber. **Tier 2**

12. DIVISION OF COMMISSIONS.

12.1. COOPERATIVE COMPENSATION SPECIFIED ON EACH LISTING. Tier 2 The Listing Participant shall specify, on each Listing that is FWS, the compensation being offered to Participants for their services in the sale/lease of such Listing. The compensation amount shall be either a percentage of the gross selling/lease price or a definite dollar (non-zero) amount. Compensation amounts that are not based on the gross sales/lease price (e. g., compensation is based on the base price of a new home) must be shown as a fixed dollar (non-zero) amount. PACMLS shall not accept or publish any Listing that does not include an offer of compensation, nor shall PACMLS include general invitations by Listing Participants to Subscribers to discuss the terms and conditions of possible cooperative relationships.

Such offers of compensation are unconditional except that entitlement to compensation is determined by the Cooperating Participant's performance as the procuring cause of a successful transaction. The Listing Participant's obligation to compensate any Cooperating Participant as the procuring cause of a successful transaction may be excused if it is determined through arbitration that, through no fault of the Listing Participant and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the Listing Participant to collect a commission pursuant to the Listing agreement. For the purposes of this section, a "successful transaction" means a sale that closes or a lease that is executed. In such instances, entitlement to cooperative compensation offered through the 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 Participant to collect some or all of the commission established in the Listing agreement; at what point in the transaction the Listing Participant knew (or should have known) that some or all of the commission established in the Listing agreement might not be paid; and how promptly the Listing Participant communicated to Cooperating Participants that the commission established in the Listing agreement might not be paid.

This shall not preclude the Listing Participant from offering any Participant compensation other than the compensation indicated on his/her Listings as published by PACMLS provided the Listing Participant informs such Participant in writing before the Participant produces an offer to purchase and provided that the modification in the specified compensation is not the result of any agreement among all or with any other Subscribers. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount (non-zero).

Neither PACMLS nor the Associations shall have a rule requiring the Listing Participant to disclose the total negotiated commission as stated in the Listing agreement. PACMLS shall not publish or disclose in any manner the total negotiated commission on any Listing that is FWS. Neither PACMLS nor the Associations shall make any rule on the division of commissions between Participants and non-participants. This is solely the responsibility of the Listing Participant.

The Listing Participant may, from time to time, adjust the compensation being offered to Participants for their services with respect to any Listing by changing the offer of compensation in the Listing. However, notwithstanding the foregoing, the offer of compensation published in the Listing and the PACMLS Compilation at the time a written contract offer is presented shall be the compensation applicable to that transaction.

Neither the buyer nor the seller of a property is a participant in the multiple listing service. Therefore, it is inappropriate for either buyer or seller to offer compensation to any party through the multiple listing service. The Listing Participant shall not include in the Listing any offer of compensation that is not made directly by the Listing Participant to cooperating Participants.

12.2. DUAL OR VARIABLE RATE COMMISSIONS. The existence of a dual or variable rate commission arrangement (i.e. one in which the owner agrees to pay a specified commission if the property is sold/leased by the Listing Subscriber without assistance and a different commission if the sale/lease results through the efforts of a Cooperating Subscriber; or one in which the owner agrees to pay a specified commission if the property is sold/leased by the Listing Subscriber either with or without the assistance of a Cooperating Subscriber and a different commission if the sale/lease results through the efforts of the owner) shall be disclosed by the Listing Subscriber in the Agent Remarks field. The Listing Subscriber shall, in response to inquiries from potential Cooperating Subscribers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the owner. If the Cooperating Subscriber is a buyer/tenant representative, the Cooperating Subscriber must disclose such information to his or her client before the client makes an offer to purchase or lease. **Tier 2**

12.3. SUBSCRIBER AS PRINCIPAL. If a participant or any licensee (or licensed certified appraiser) affiliated with a participant has any ownership interest in a property, the listing of which is to be disseminated through the PACMLS, that person shall disclose that interest when the listing is filed with the PACMLS and such information shall be disseminated to all PACMLS participants. **Tier 2**

12.4. SUBSCRIBER AS PURCHASER. If a Subscriber wishes to acquire an interest in a property that is listed with another Subscriber, such contemplated interest shall be disclosed in writing to the Listing Subscriber not later than the time an offer to purchase is submitted to the Listing Subscriber. **Tier 2**

13. LOCKBOX AND/OR ACCESS SYSTEMS.

13.1 The provisions of this Section 13 shall apply equally to all lockboxes used by Subscribers, whether procured from the current electronic lockbox service provider or from an alternate source, and whether electronic or mechanical in operation.

13.2. AUTHORIZATION TO USE A LOCKBOX. A Lockbox may not be placed on a property that is FWS without the written permission of the property owner. **Tier 3**

A listing Subscriber may use another Subscriber's Lockbox to place on a property that is FWS so long as the lockbox owner/lessee has granted permission. However, the lockbox owner/lessee is ultimately responsible for the Lockbox and must comply with all rules in Section 13.

13.3. REMOVING KEYS FROM THE LISTED PROPERTY. Only the owner/lessee of the Lockbox may remove the keys from a listed property unless the Lockbox owner/lessee grants permission to another Subscriber to do so. If the Lockbox placed on a property is borrowed from another Subscriber the authorized Listing Subscriber may grant permission to another Subscriber to remove the keys from the listed property. **Tier 3**

13.4. LOCKBOX KEYS. When a Lockbox key is assigned to a Subscriber, that key is for the Subscriber's own use. A Subscriber is not permitted to allow any other person to use his/her assigned key, nor shall a Subscriber use another Subscriber's key. In addition, the personal identification number that is required to operate the key is not to be disclosed to any other person and is not to be written on the key or written on any paper or document that is stored with or near the key. Furthermore, a Lockbox Key may only be used to the extent of its assigned privilege authorized by the Subscriber's or Association. **Tier 3**

13.5. USE OF LOCKBOX ACCESS. A Subscriber may use a Lockbox to retrieve the listing key to gain access to a property only with the consent of the Listing Subscriber pursuant to Section 10.1 and only for the purpose of viewing or showing the property with the goal of producing a prospective purchaser or purchaser for the property. Subscribers must obtain the prior consent of the Listing Subscriber for any other use of Lockbox access including without limitation in connection with an appraisal, a home inspection, or production of a virtual tour. **Tier 3**

Furthermore, lockbox code(s) will not be disclosed to anyone who is not a PACMLS Subscriber without the Listing Subscriber's written permission. **Tier 3**

13.6. TIMELY REMOVAL OF LOCKBOX. A Lockbox must be removed from the property within two (2) Days after the date that the Listing status is changed to sold, leased, withdrawn, or expired. **Tier 1**

13.7. REMOVAL OF LOCKBOX BY UNAUTHORIZED INDIVIDUALS. Only the owner/lessee of the Lockbox may remove the Lockbox from a property, unless the Lockbox owner/lessee provides

authorization for another person to do so. PACMLS, or its designee, shall have the right to remove a Lockbox from a property that is not in compliance with the Rules. **Tier 2**

13.8. FAILURE TO COMPLY WITH THE KEYHOLDER AGREEMENT OR THIS

SECTION 13. Any violation by a Subscriber of that Subscriber's Keyholder Agreement also shall be deemed as a violation by that Subscriber of the requirements of this Section 13. The Shareholder Associations reserve the right to review such violations on a case by case basis and such violations may require special consideration and action by the BOD in addition to any other penalties for such violations already mandated in the PACMLS Penalty Policy.

13.9. EQUAL APPLICATION. All provisions of this Section 13 apply equally to Lockboxes and to any other method that allows access to the property, including Lockboxes provided by sources other than the Shareholder electronic Lockbox service provider.

14. COMPLIANCE WITH RULES – AUTHORITY TO IMPOSE DISCIPLINE.

14.1 By becoming and remaining a Participant or Subscriber, each Participant and Subscriber agrees to be subject to these Rules and any other PACMLS governance provisions. PACMLS may, through the administrative and hearing procedures established in these Rules, impose discipline for violations of these Rules and/or any other PACMLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- (a). Letter of warning
- (b). Letter of reprimand
- (c). Attendance at MLS orientation or other appropriate courses or seminars which the Participant or Subscriber can reasonably attend taking into consideration cost, location, and duration
- (d). A fine not to exceed \$15,000
- (e). Suspension of MLS rights, privileges, and services for not less than thirty (30) Days or more than one (1) year
- (f). Termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years

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

14.2. PACMLS FEES AND CHARGES. The BOD is responsible for establishing fees and charges for services that are provided by PACMLS. The BOD is also responsible for establishing fines or

other penalties that shall be imposed for violations of these Rules. The schedule of fines shall be adopted as Policy and may be amended from time to time as approved by the BOD. Fees and fines shall be published on the PACMLS website and in such other forms as the BOD may direct.

14.3. PENALTIES FOR VIOLATIONS OF THESE RULES. The Policies that govern the application of fines or penalties for violation of these rules are contained in the PACMLS Penalty Policy. A copy of this Policy can be found on the PACMLS website (www.Pacmls.paragonrels.com). If two or more violations exist with respect to a single Listing and these violations are identified at the same time, the violations shall be noticed and handled together and the provisions applicable to the more severe violation shall prevail.

15. COMPLIANCE WITH RULES.

15.1. COMPLIANCE WITH RULES. The following actions may be taken by PACMLS or the Subscriber's Association for failure to comply with these Rules:

- (a) For failure to pay any service charge, fine or fee on or before the specified date due, and provided that said failure continues thereafter for at least ten (10) Days after notice has been given, the Subscriber's MLS service may be suspended until all service charges, fees and fines are paid in full and any identified errors are corrected.
- (b) For failure to comply with any other rule, the provisions of Sections 14 and 17 of these Rules shall apply.

15.2. APPLICABILITY OF RULES TO SUBSCRIBERS. Non-principal brokers, sales persons, Appraisers, and others authorized as Subscribers hereunder to access the PACMLS Compilation are subject to these Rules and may be disciplined for violations thereof provided that each such applicable Subscriber has executed, either by signature or by electronic means, an agreement acknowledging that access to and use of the MLS is contingent on compliance with the Rules. This provision does not eliminate the Participant's ultimate responsibility and accountability for Subscribers who are affiliated with the Participant.

16. NOTICES.

16.1. Notices of violations and applicable fines associated with those violations shall be delivered according to the procedures defined in the PACMLS Penalty Policy, as adopted by the BOD and amended from time to time. Any notices required or permitted by these Rules to be sent by PACMLS may be sent by either of the following two methods.

16.1.1. By e-mail to either the e-mail address on file in the PACMLS Roster Database or via internal e-mail delivery through the MLS system. Electronic messages are instantaneous. Therefore, Notice shall be deemed to have been constructively delivered at the time the e-mail message is sent to the recipient.

16.1.2. By U.S. Postal Service ("USPS") mail to a postal address on file for a Subscriber or Participant at the postal address shown for the Participant's office in the PACMLS Roster Database. Notice shall be deemed to have been constructively delivered two (2) USPS Service Days after being deposited in the USPS system for delivery.

16.2 Subscribers shall be responsible for maintaining current contact information, including mailing and e-mail addresses, with PACMLS and with their Associations.

17. CONSIDERATION OF ALLEGED VIOLATIONS.

The PACMLS Shareholder Associations are responsible for investigating all complaints alleging a violation of these Rules. PACMLS may, at its discretion, require complaints to be submitted in writing or by electronic means, including but not limited to email or an electronic notification system built within the MLS system.

17.1. VIOLATION OF RULES. If the alleged offense is a violation of the PACMLS Rules and does not involve a charge of alleged violation of one or more of the provisions of Sections 7.5 (Standards of Conduct) of these Rules or a request for arbitration, PACMLS shall consider the alleged violation pursuant to the procedures set forth in Section 14 hereof. If a violation is determined by the Shareholder Association, the staff shall direct imposition of sanction(s) according to the PACMLS Penalty Policy as published at the time of the violation, provided that the recipient of such sanction(s) may appeal such determinations to the Shareholder's MLS Committee and subsequently to the Shareholder Association's BOD in accordance with these Rules. Alleged violations of Sections 7.5 (Standards of Conduct) of the Rules shall be referred to the Association from which the Subscriber receives MLS services. The process for appeal shall be defined in the PACMLS Penalty Policy.

17.2. COMPLAINTS OF UNETHICAL CONDUCT AND ARBITRATION REQUESTS. PACMLS shall refer complaints of unethical conduct and requests for arbitration to the Association from which the Subscriber receives MLS service.

18. CONFIDENTIALITY OF PACMLS INFORMATION.

Except as expressly permitted by Section 20, all MLS information and other information provided by PACMLS to the Subscribers shall be considered official information of PACMLS. Such information shall be considered confidential and is for the exclusive use of the Subscribers as defined in these Rules and PACMLS' Policies. (For similar provisions, please see Sections 7.2, 11.1 and 20.1.)

18.1. PACMLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION. Neither PACMLS nor the Associations verify the information that is provided by the Subscribers and both PACMLS and the Associations disclaim any responsibility for its accuracy. Each Subscriber, and such Subscriber's Participant, agrees to hold PACMLS and the Associations harmless against any liability arising from any inaccuracy or inadequacy of the information that such Subscriber provides.

18.2. ACCESS TO COMPARABLE AND STATISTICAL INFORMATION.

Shareholder association members who are actively engaged in real estate brokerage, management, appraising, land development, or construction, but who do not participate in MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current (active) listing information that is generated wholly or in part by PACMLS including "comparable" information, "sold" information and statistical reports. This information is provided for the exclusive use of Shareholder Association members and individuals affiliated with these members who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm except as otherwise provided in these Rules.

19. OWNERSHIP OF PACMLS COMPILATIONS* AND COPYRIGHTS.

By the act of submitting any property Listing content to the MLS, the Participant represents that he or she has been authorized to grant and also thereby does grant authority for PACMLS to include the property Listing content in its copyrighted PACMLS 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. All right, title, and interest in each copy of the PACMLS Compilation created and copyrighted by PACMLS, and in the copyrights therein, shall at all times remain vested in PACMLS.

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-general content. If any OSP complies with the provisions of the DMCA safe harbor, it cannot be liable for copyright infringement if a user posts infringing material on its website. This protects an OSP from incurring significant sums in copyright infringement damages, as statutory damages are as high as \$150,000 per work. For this reason, it is highly recommended that MLSs, participants and subscribers comply with the DMCA safe harbor provisions discussed herein.

To qualify for this safe harbor, the OSP must:

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

Full compliance with these DMCA safe harbor criteria will mitigate an OSP’s copyright infringement liability. For more information see 17 U.S.C. S512.

*The term MLS compilation, as used in these Rules 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.

20. USE OF COPYRIGHTED PACMLS COMPILATIONS.

20.1. DISTRIBUTION. Tier 2 Except as provided in this Section 20, Subscribers shall not provide copies of or access to the PACMLS Compilation to persons other than Subscribers, real estate licensees affiliated with such Subscribers or those Subscribers who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.

Use of information developed by or published by PACMLS is strictly limited to the activities authorized under a Subscriber's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey access to or the right to use the PACMLS Compilation under any circumstances where access to such information would be prohibited by law.

20.2. DISPLAY. Subscribers shall be permitted to display information contained in the PACMLS Compilation to prospective purchasers only in conjunction with such Subscriber's ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in the PACMLS Compilation. **Tier 2**

20.3. REPRODUCTION. Tier 2 Subscribers shall not reproduce any PACMLS Compilation or any portion thereof except in the following limited circumstances:

Subscribers may reproduce from the PACMLS Compilation, and distribute to prospective purchasers, a reasonable number of single copies of property listing data contained in the PACMLS Compilation, which relate to any properties in which the prospective purchasers are, or may, in the judgment of the Subscriber, be interested.

Nothing contained herein shall be construed to preclude any Subscriber from utilizing, displaying, distributing, or reproducing property Data Input Forms or other compilations of data pertaining exclusively to properties currently listed for sale with the Subscriber's firm.

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 Subscribers. 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, or statistical information from utilizing such information to support valuations on a particular properties for clients. 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.

21. USE OF PACMLS INFORMATION.

21.1. **Tier 2** Use of information from the PACMLS Compilation, from PACMLS "Statistical Reports" or from any "sold" or "comparable" report of PACMLS for public mass-media advertising by a Subscriber or in other public representations is not prohibited. However, any advertisement, whether in print or not, or other forms of public representations based in whole or in part on information supplied by PACMLS must clearly demonstrate the period of time over which such advertisement or representations are based and must include the following Notice:

"Based on information from the Pacific Regional Multiple Listing Service for the period (date) through (date)."

Non-print forms of advertising or representation, including radio and television advertising, must include the following, or substantially similar, disclaimer:

"Based on information from the Pacific Regional Multiple Listing Service for the period (date) through (date)."

21.2. **Tier 3** A Participant may disclose to any person with whom the Participant has a client-broker or fiduciary relationship, the compensation offered to other MLS Participants.

A Participant may not disclose to any non-PACMLS Subscriber any of the following information:

- (a) The seller's and occupant's phone number(s) or e-mail address(es),
- (b) Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.

22. Internet Data Exchange (IDX) and Real Estate Transaction Standard (RETS)

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

22.1 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.

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

22.2.1. 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.

22.2.2. 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.

22.2.3. 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).

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

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

22.2.6. 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.

22.2.7. 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.

22.2.8. Any IDX display controlled by a participant or subscriber that:

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

Either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by 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.

22.2.9. 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.

22.2.10. 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.

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

22.3.1. 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.

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

22.3.2. Participants shall not modify or manipulate information relating to other participants listings. PACMLS 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 of fewer authorized fields.

22.3.3. 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.

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

22.3.5. 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.

22.3.6. 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.

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

22.3.8. 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.

Note: An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle 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.

22.3.9. Display of expired and withdrawn listings is prohibited.

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

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

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

22.5. Any rule above that specifies "IDX" shall include all electronic delivery methods.

23. Virtual Office Website (VOW) Rules

23.1. VOW Defined

23.1.1 A “Virtual Office Website” (VOW) is a participant’s Internet website, or a feature of a participant’s website, through which the participant is capable of providing real estate brokerage services to consumers with whom the participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS listing

information, subject to the participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a participant may, with his or her participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the participant's oversight, supervision, and accountability.

23.1.2. As used in Section 23 of these rules, the term "participant" includes a participant's affiliated non-principal brokers and sales licensees—except when the term is used in the phrases "participant's consent" and "participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all Virtual Office Websites, whether operated by a participant, by a non-principal broker or sales licensee, or by an "Affiliated VOW Partner" (AVP) on behalf of a participant.

23.1.3. "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.

23.1.4. As used in Section 23 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.

23.2. 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.

- (a) 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).
- (b) 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.

23.3.

(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:

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

2. The participant must obtain the name of and a valid e-mail address for each Registrant. The participant must send an e-mail 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 e-mail address provided by the Registrant is valid and that the Registrant has agreed to the terms of use.

3. The participant must require each Registrant to have a 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 e-mail 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, e-mail address, user name, and current password of each Registrant. The participant must keep such records for not less than one hundred eighty (180) days after the expiration of the validity of the Registrant's password.

(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, e-mail 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:

1. that the Registrant acknowledges entering into a lawful consumer-broker relationship with the participant
2. that all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use
3. that the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW
4. that the Registrant will not copy, redistribute, or retransmit any of the information provided, except in connection with the Registrant's consideration of the purchase or sale of an individual property
5. that the Registrant acknowledges the MLS' ownership of and the validity of the MLS' 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.

23.4. 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.

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

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.

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

- a. 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.*

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 searches.*

Initials of Seller

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

23.7.

- 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
 - ii. to 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.

23.8. 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.

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

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

23.11. 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.

23.12. 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®.

23.13. 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.

23.14. 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.

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

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

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

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

22.18. A participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

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

Note: The number of days passwords remain valid before being changed or reconfirmed must be specified by the MLS in the context of this rule and cannot be shorter than ninety (90) days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.

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

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

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

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

23.25. Where a seller affirmatively directs his or her listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within forty-eight (48) hours.

24. RULES CHANGES.

Amendments to these Rules shall be by consideration and approval of the BOD in accordance with the provisions of the PACMLS Governing Documents. These Rules may not be altered, amended, or repealed and new Rules may not be adopted, except in accordance with the procedures set forth in the PACMLS Governing Documents.

Amendments to these Rules shall become effective upon approval by NAR.