



MONMOUTH OCEAN REGIONAL REALTORS®



MONMOUTH OCEAN

REGIONAL MULTIPLE LISTING SERVICE

Rules & Regulations

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Monmouth Ocean Regional REALTORS® , Inc.
Multiple Listing Service Rules and Regulations

ARTICLE I - OBJECTIVES

Section 1. Purpose. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of cooperation to other Participants (acting as either subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analysis, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (lease or exchange). (Rev. 6/08)

Section 2. Participation. Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in the bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 1/09)

Note: Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm 'offers or accepts cooperation and compensation' means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and on-going basis during the operation of the Participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the

requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law.

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

The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants. (Adopted 1/09)

ARTICLE II - ADMINISTRATION

Section 1. The administration of the Multiple Listing Service shall be conducted in the office of the Monmouth Ocean Regional REALTORS® where all information regarding listings, corrections, addendums, sales prices, types of financing, withdrawals, sales and other matters pertaining to multiple listings shall be reported.

1.1 Supervision. The Multiple Listing Service committee shall develop policy concerning the Service in accordance with their rules and regulations, as approved by the Board of Directors, Monmouth Ocean Regional REALTORS®. The implementation of that policy shall be administered by the Executive Officer through the MLS Supervisor.

1.2 Appointment of Committee. The President of the Monmouth Ocean Regional REALTORS® shall appoint, subject to confirmation by the Board of Directors, Monmouth Ocean Regional REALTORS®, an MLS Committee of 15 REALTOR® members. Members of the Committee shall consist of seven MLS Participants and seven REALTOR® members. The Chairperson shall be a broker/owner or broker/manager appointed for a one-year term by the President and shall be selected from any current or previous Board of Director or MLS Committee member. The MLS Chairperson shall not serve more than two consecutive one-year terms. The Committee members shall serve two-year terms. (Rev. 6/08)

1.3 Vacancies. Vacancies in unexpired terms shall be filled as in the case of original appointees.

1.4 Attendance. Any Committee member who fails to attend three successive regular, including special meetings, of the Committee shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees.

1.5 Handbook on Multiple Listing Policy. All Committee members shall be guided by the National Association of REALTORS® Handbook on Multiple Listing Policy, and herein adopted by these Rules and Regulations.

ARTICLE III - MEMBERSHIP

Section 1. Listings taken by an individual prior to becoming an MLS Participant need not be submitted to the Service.

1.2 Where partnerships or corporations are concerned, the right of the Participant shall be vested in one person only; either a partner in a firm or an officer in a corporation. The "Participant" may be transferred to another owner, principal, partner or officer of the same office, in the event of a change of the broker-of-record. A service charge will be assessed for this change of record. Where an office, firm or corporation who is a Participant of the Multiple Listing Service has more than one office (branch) in Monmouth County, all their offices (branches) shall be considered as separate units for the purpose of listing distribution and billing.

ARTICLE IV - SERVICE CHARGE

Section 1. Service Fees and Charges. The service fees and charges for the operation of the Multiple Listing Service are in effect to defray the cost of the Service and are subject to change.

2. Initial Participation Fee. An applicant for participation in the Service shall pay an application fee of \$500.00 with such fee to accompany the application.

3. The initial multiple listing participation fee will be charged only to new applicants for Multiple Listing Service. Should a Multiple Listing Participant request an intra-office transfer to a new Multiple Listing Participating Broker, the initial Multiple Listing participation fee shall be waived, however, a \$50.00 service charge will be assessed for this transaction. It is understood that no change in service will take place, only a bookkeeping and administration charge is made for this transaction.

4. MOMLS Primary Market Area: For the purpose of billing, the MORR (as approved by the Board of Directors) has defined its Primary Market Area as Monmouth and Ocean Counties, New Jersey. MORR under the direction of its

Board of Directors shall reserve the right to expand or contract its Primary Market Area as it deems necessary. (Rev. 6/08)

5 (a) Participants with offices located within the MORR/MLS Primary Market Area (Monmouth and Ocean Counties) (Broker of Record) shall be responsible to pay all participation fees as billed. The fees of each MLS participant will be based on the total number of real estate licensees and licensed or certified appraisers who are employees or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such MLS participant, times a fee in such amount as established by the MLS Committee and approved by the Board of Directors of the Monmouth Ocean Regional REALTORS®. Billing is due upon receipt. The participation fees are based on the participation account as recorded in the Bookkeeping Department. (Rev. 6/08)

However, MLSs must provide participants the option of a no-cost waiver of MLS fees, dues and charges for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS where the principal broker participates. MLSs may, at their discretion, require waiver recipients and their participants to sign a certification for nonuse of its MLS services, which can include penalties and termination of the waiver if violated. (Adopted 05/18)

NOTE: A re-instatement fee will be charged, for individuals that have not renewed their membership or were terminated from the Multiple Listing Service, then reapply within the same annual billing cycle. The re-instatement fee is applicable for MLS Participation at the fee of \$100 per individual. (Adopted 3/13)

5 (b) Participants with offices located outside the MOMLS Primary Market Area (Monmouth and Ocean Counties) (Broker of Record) shall be responsible to pay all participation fees as billed. The fees of each MLS participant will be based only on the number of applicants, times a fee in such amount as established by the MLS Committee and approved by the Board of Directors of the Monmouth Ocean Regional REALTORS®. Billing is due upon receipt. The participation fees are based on the participation account as recorded in the Bookkeeping Department. (Rev. 6/08)

NOTE: A re-instatement fee will be charged, for individuals that have not renewed their membership or were terminated from the Multiple Listing Service, then reapply within the same annual billing cycle. The re-instatement fee is applicable for MLS Participation at the fee of \$100 per individual. (Adopted 3/13)

6 Listing and Related Fees: The Participant will be required to submit paperwork to the MLS Office in the event of an audit is conducted by the MLS staff. (Rev. 6/08)

The fees and charges may be changed by the Multiple Listing Committee following the approval of the Board of Directors, Monmouth Ocean Regional REALTORS®. These fees shall approximate the cost of bringing the Service to the Participant.

Attached to the Rules and Regulations is a Fee Schedule which is made part of the Rules and Regulations and which will be enforced by the lockbox vendor.

7 Lockbox Charges:

(a) A charge set by the committee for purchase of a lockbox and lid, said items are to become the property of the Participant.

(b) Brokers agree that they are jointly and severally liable with the Holder for all duties, responsibilities, and undertakings of Holder under the Title Key Lease Agreement. (Rev. 6/08)

(c) Upon due and timely notice, if the key is not returned then the Holder will be liable for a fine, in addition to the expenses as stated in Paragraph II of the Title Key Lease Agreement.

ARTICLE V - MEETINGS

Section 1. The MLS Committee shall meet for the transaction of its business at a time and place determined by the Committee or at the Call of the Chair. Eight (8) members of the Committee shall constitute a quorum. (Rev. 7/06)

1.1 The Chairman may call meetings of all Participants in the Service to be known as General Participants Meetings of the Multiple Listing Service. Twenty percent (20%) of the Participants shall constitute a quorum.

1.2 The Chairman or Vice-Chairman shall preside at all meetings, or in their absence, a temporary chairman from the membership of the Committee shall be named by the Chairman, or, upon his/her failure to do so, by the Committee.

ARTICLE VI - COMPENSATIONS

Section 1. Where two Brokers cooperate in a sale, they shall arrange between them a division of the compensation paid.

1.1 Compensation Specified on Each Listing. The Listing Broker shall specify on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants for their services for the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was

impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to the cooperating brokers that the commission established in the listing agreement might not be paid. The listing broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities as defined by law) which may be the same or different.

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

The compensation specified on listings filed with the Multiple Listing Service shall appear in one of two forms. The essential and appropriate requirement by an Association Multiple Listing Service is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the listing broker, in writing, in advance of *submitting* an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms: (1) by showing a percentage of the gross selling price; (2) by showing a definite dollar amount. (Revised 3/2011)

Note: *MLSs may also, as a matter of local discretion, allow participants to offer cooperative compensation as a percentage of the net sales price, with the net sales price defined as the gross sales price minus buyer upgrades (new construction) and seller concessions (as defined by the MLS unless otherwise defined by state law or regulation). (Adopted 3/2011)*

The listing broker retains the right to determine the amount of compensation offered to other participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law) which may be the same or different. (Adopted 3/2011)

This shall not preclude the listing broker from offering any MLS Participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of submitting an offer to purchase, and provided that the modification in the specific compensation is not the result of any agreement among all or any other Participants in the Service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount. (Revised 3/2011)

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

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

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

1.5 *Multiple listing services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction. (Revised 3/2011)*

Note: *Nothing in these MLS rules precludes a listing participant and a cooperating participant, as a matter of mutual agreement, from modifying the cooperative compensation to be paid in the event of a successful transaction. (Adopted 3/2011)*

Section 2. Division of Compensations:

2.1 The Listing Broker may, from time to time, adjust the compensation on any listing by advance published notice to the Service so that all Participants can be advised.

2.2 Dual or Variable Rate Commission Agreements: The existence of a dual or variable rate commission arrangement, i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker, or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of the seller/landlord, shall be disclosed by the listing broker by a key, code or symbol as required by the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease. (Rev. 10/02)

2.3 Disclosure of Potential Short Sales: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they must also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers. (Rev. 06/09)

2.4 Participants may, but are not required to, 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) to other participants and subscribers. When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing contact, required by the lender as a

condition of approving the sale, will be apportioned between listing and cooperating participants. (Rev. 06/09)

Section 3. Participant as Principal: If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any interest in a property, the listing of which is to be disseminated through the Multiple Listing Service, that person shall disclose that interest when the listing is filed with the Multiple Listing Service and such information shall be disseminated to all Multiple Listing Service Participants.

Section 4. Participant as Purchaser: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed in writing to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

ARTICLE VII - LISTING PROCEDURES

Section 1. Listings of real or personal property of the following types, which are listed subject to a real estate broker's license and are located within the service area of the Monmouth Ocean Regional MLS taken by Participants on a sole and exclusive right to sell listing form or an exclusive agency agreement (see Notes 1 & 2) be broker-loaded or sent to the MLS Central Office for staff load within 48 HOURS after all necessary signatures of seller(s) have been obtained. The exclusive agency listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on a blanket unilateral basis, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to sell listings with no named prospects exempted, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right to sell listings with no named prospects exempted. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right to sell listings with prospect reservations. (Rev. 6/2018)

- (a) single family homes for sale or exchange including condominiums.
- (b) residential vacant lot and acreage for sale or exchange.
- (c) two-family, three-family and four-family residential buildings for Sale or exchange.

Note 1: The multiple listing service shall not require a participant to submit listings on a form other than the form the participant individually chooses to utilize provided the listing is of a type accepted by the service, although a property

data form may be required as approved by the multiple listing service. However, the multiple listing service, through its legal counsel:

- may reserve the right to refuse to accept a listing form which fails to adequately protect the interests of the public and the participants
- assure that no listing form filed with the multiple listing service establishes, directly or indirectly, any contractual relationship between the multiple listing service and the client (buyer or seller)

The multiple listing service shall accept exclusive right-to-sell listing contracts and exclusive agency listing contracts and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other participants of the multiple listing service acting as subagents, buyer agents, or both.

The listing agreement must include the seller's written authorization to submit the agreement to the multiple listing service.

The different types of listing agreements include:

- exclusive right-to-sell • exclusive agency • open • net

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

The exclusive right-to-sell listing is the conventional form of listing submitted to the multiple listing service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.

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

Note 2: A multiple listing service does not regulate the type of listings its members may take. This does not mean that a multiple listing service must accept every type of listing. The multiple listing service shall decline to accept open listings (except where acceptance is required by law) and net listings, and it may limit its service to listings of certain kinds of property. But, if it chooses to limit the kind of listings it will accept, it shall leave its members free to accept

such listings to be handled outside the multiple listing service.

Note 3: A multiple listing service may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the MLS compilation of current listings. (Rev.6/08)

The following are some of the types of properties that may be VOLUNTARILY filed through the Service at the Participant's option provided, however, that any listing submitted is entered into within the scope of the participant's licensure as a real estate broker (6/08):

- (a) other residential income
- (b) subdivided vacant lots
- (c) land, ranch or farms
- (d) business opportunity
- (e) motel-hotel
- (f) mobile home parks
- (g) commercial income
- (h) industrial

1.1 Listings subject to Rules and Regulations of the Service: Any listing taken with the Multiple Listing Service is subject to the Rules and Regulations of the Service upon signature of the seller(s).

(a) A listing that is already actively listed in the Service cannot be re-listed with the original listing agency until the original listing is reported either withdrawn, sold and closed or expired. An administrative fee of \$100 will be charged if a property is relisted prior to the expiration of the original listing. (Rev. June 2018)

(b) Broker loaded listings must contain the mandatory fields as promulgated by the MLS.

(c) Agencies, agents and seller's personal information and showing instructions in the Public Remarks section of the listings is prohibited (Examples of personal info include, but are not limited to, e-mail address, websites, mobile/cell numbers, agent home phone, company affiliations or advertisements, etc.) Agents and offices will each be fined \$50 and will have 48 hours to remove the personal information. If the information is not removed within 48 hours, the fines will be doubled to \$100 each and an additional 48 hours given to remove the information. In the event the prohibited information is still not removed, the MLS Staff will remove such info and an additional fine of \$250 each will be imposed, with the understanding that, any individual who has been administratively fined or sanctioned otherwise by the MLS may, per Article XII – Enforcement of Rules and Regulations, Section 2 be permitted due process in that he or she may request a professional standards hearing with 20 days of receipt

of such sanction and then request an appeal of the hearing panel's decision within 20 days of that decision being rendered. (Rev. 3/2010)

(d) Branded Virtual Tours will be prohibited on listings processed by the Monmouth/Ocean MLS as well as any and all links to any websites in the public remarks section. (Examples of Branded Tours would be tours that include, but are not limited to information such as e-mail address, websites, mobile/cell numbers, company affiliations or advertisements, etc.) The MLS Staff will remove such violations including the actual virtual tour upon complaint. (Rev. 9/05)

(e) Mandatory change of Multiple Listing System passwords periodically, as mandated by the MLS Committee. (Rev. 9/05)

1.2 Exempted Listings: If the seller refuses to permit the listing to be disseminated by the MLS Service, the Participant may then use an Exclusive Right to Sell (Office Exclusive) Listing. A copy of the listing, along with the Office Exclusive Rider must be filed with the MLS Service and must be loaded into the system within 48 HOURS after all necessary signatures have been obtained. The MORR MLS does not forward Office Exclusive Listings to any websites. (Rev. 6/2018)

1.3 Amendment to Current Listing: Any change in listed price or expiration date after processing shall be made ONLY when authorized in writing by the seller(s) as per the original listing contract.

1.4 Withdrawal of Listing Prior to Expiration: Listings of property may be withdrawn from the Multiple Listing Service by the Listing Broker before the expiration date of the listing agreement, providing there is a signed copy of the agreement between the seller and the listing broker authorizing the withdrawal, which will be subject to random audit by the MLS service. Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller can document that his exclusive relationship with the listing broker has been terminated, the multiple listing service may remove the listing at the request of the seller. (Rev. 3/2010)

(a) a listing may be withdrawn in two ways: CONDITIONAL (NEGOTIABLE) or UNCONDITIONAL.

(b) the seller may retain the right to sell to his employer or employer's agent. This would constitute an unconditional withdrawal, without penalty of commission payment. The listing agreement should have a note to that effect.

(c) all withdrawals are effective on the date signed and broker-loaded

1.5 Contingencies Applicable to Listings: any contingency or conditions of any term in the listing shall be specified and noticed to all Participants.

1.6 All properties which are to be sold or may be sold separately may be listed aggregately.

1.7 Listing Price Specified: The full gross listing price should be stated in the contract. The Multiple Listing Service shall not accept net or open listings.

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

1.9 ANY LISTING BROKER-LOADED WITH THE MLS AUTOMATICALLY EXPIRES AT MIDNIGHT THE DATE OF EXPIRATION.

(a) If extension is not entered by midnight expiration the date of expiration, then a new listing must be published and charged as a new listing.

(b) Any extension or renewal of a listing must be signed by the sellers.

(c) Termination Date on Listings - Listings filed with the service shall bear a definite and final termination date, as negotiated between the listing broker and the seller. (Rev. 6/08)

1.10 Jurisdiction: Only listings of the designated types of property located within the jurisdiction of the Association of REALTORS are required to be entered into the Service. Listings of property which are located outside the Association's jurisdiction will be entered if submitted voluntarily by a Participant but cannot be required by the Service. See Article IV for further information.

1.11 Listings of Suspended Participants: When a Participant of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Association Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option be retained in the Service until sold, withdrawn or expired, and shall not be

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

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

1.12A Listings of Resigned Participants: When a Participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings from the MLS, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise his clients.

1.13 The method of listing distribution to the Participant's office or offices shall be by privately contracted delivery service (courier service) in accordance with the areas serviced (Association's jurisdiction), by the agreement of delivery, now in effect with the private delivery service. Any Participant whose office is outside the area serviced by the private delivery service must make special arrangements with the MLS for delivery of the MLS material to their office at the Participant's expense.

1.14 Listings filed with the Multiple Listing Service shall not be made available to any non-participating broker without the consent of the listing

broker. However, every member should cooperate with any New Jersey licensed Real Estate Broker when in the best interests of their clients.

1.15 Multiple Listing information is privileged information and will not be made available to anyone except as stated in 1.14 above.

Section 2. INTERNET DATA EXCHANGE (IDX) – IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants. (Amended 3/13)

2.1 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, or frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display. (Amended 3/13)

2.2 PARTICIPATION: Participation in IDX is available to all MLS participants who are REALTORS® who are engaged in real estate brokerage and who consent to display of their listings by other participants. (Amended 3/13)

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

2.3.1 Participants must notify the MLS of their intention to display IDX information and must the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. (Amended 3/13)

2.3.2 MLS participants may not use IDX-provided listings for any purpose other than display on their websites as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. (Amended 3/13)

2.3.3 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 on IDX sites. (Rev. 6/08)

- 2.3.3.1 The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed. (Adopted 3/13)
- 2.3.4 Listings including property addresses, can be included in IDX displays except where a seller has directed their listing brokers to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs). (Amended 3/13)
- 2.3.5 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. (Rev. 6/08)
- 2.3.6 Participants shall not modify or manipulate information relating to other participants listings. MLS Participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields. (Rev. 2/16)
- 2.3.7 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.
- 2.3.8 Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, "control" means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules. (Amended 3/13)
- 2.3.9 All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily

visible color and typeface not smaller than the median used in the display of listing data. Displays of minimal information (e.g. “thumbnails”, text messages, “tweets”, etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 3/13)

2.3.9.1 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. (Adopted 3/13)

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

2.3.10.1 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. (Adopted 3/13)

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

2.3.12 Participants must refresh all MLS downloads and displays automatically fed by those downloads not less frequently than every 12 hours. (Amended 11/14.)

2.3.13 Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. Displays of minimal information (e.g. “thumbnails”, text messages, “tweets”, etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 3/13)

2.3.14 Except as provided in the IDX policy and these rules, an IDX site or a participant or user operating an IDX site or displaying IDX information as otherwise permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity. (Amended 3/13)

2.3.15 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. (Amended 3/13)

2.3.16 Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. (Amended 3/13)

2.3.17 Display of expired, withdrawn, and sold listings* is prohibited. (Rev. 2/16)

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

- 2.3.18 Display of seller's(s') and/or occupant's(s') name(s), phone number(s), and e-mail address(es) is prohibited. (Adopted 3/2010)
- 2.3.19 Participants are required to employ appropriate security protection such as firewalls, on their websites and displays provided that any security measures required may not be greater than those employed by the MLS. (Amended 3/13)
- 2.3.20 *Deceptive or misleading advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. For purposes of these rules, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information is larger than that of any third party. (Adopted 3/13)*
- 2.3.21 Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. (Adopted 3/13)
- 2.3.22 An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, "co-mingling" means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display. (Adopted 11/14)

Section 3. MODEL VIRTUAL OFFICE WEBSITE (VOW) RULES FOR MLS

Section 3.1 (a): A Virtual Office Website ("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.

(b): As used in these Rules, the term "Participant" includes a Participant's affiliated non-principal brokers and sales licensees – except when the term is used in the phrases "Participant's consent" and "Participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner ("AVP") on behalf of a Participant.

(c) "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

(d) As used in these Rules, the term "MLS Listing Information" refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 3.2 (a): The right of a Participant's VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.

(b) Subject to the provisions of the VOW Policy and these Rules, a Participant's VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange ("IDX").

(c) Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW.

Section 3.3 (a): Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:

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

(ii) The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.

(iii) The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password.

(b) The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.

(c) If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.

(d) The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:

i. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;

ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;

iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;

iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's

consideration of the purchase or sale of an individual property;

v. That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.

(e) The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labeled as such, and may not be accepted solely by mouse click.

(f) The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

Section 3.4: A Participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

Section 3.5: A Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of MLS Listing Information. A Participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

Section 3.6 (a): A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

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

1. Please check either Option a **or** Option b

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

OR

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

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

initials of seller

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

Section 3.7 (a) Subject to subsection (b), a Participant's VOW may allow third-parties (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing

(b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller."

Section 3.8: A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a

communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 3.9: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 3.10: Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

Section 3.11: A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 3.12: A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 3.13: A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies.

Section 3.14: A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

Section 3.15: A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:

- a. Expired, and withdrawn listings. (Rev. 2/16)
Note: Due to the 2015 changes in IDX policy and the requirement that participants are allowed to use MLS listing information through all delivery mechanisms when providing brokerage services, MLSs can no longer prohibit the display of pending ("under-contract") listings to the Registrants of a participant's VOW
- 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.

Section 3.16: A Participant shall not change the content of any MLS Listing Information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS Listing Information with additional information not otherwise prohibited by these Rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS Listing Information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields

Section 3.17: 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.

Section 3.18: A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 current listings and not more than 100 sold listings in response to any inquiry.

[With regard to Section 3.15 through 3.18, equivalent requirements are hereby imposed on Participants' use of MLS Listing Information in providing brokerage service through all other delivery mechanisms.]

Section 3.19: A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

Section 3.20: A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

Section 3.21: A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.

Section 3.22: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.
(Adopted 1/09)

Section 4. TRANSFER OF LISTINGS

If in connection with the sale, merger, transfer or consolidation of the business and/or all or substantially all of the assets of a Participant, the listings of such Participant (the "Transferor") are assigned to the purchaser of the business and/or assets (the "Transferee"), the Service shall change the name of the listing broker on such listings, subject to the following:

(a) The Transferee is a Participant in good standing in the Multiple Listing Service; and

(b) Receipt by the Service of a request executed by Transferor and Transferee in the following form:

1. We request that MOMLS change the name of the listing broker on the following listings: MLS #_____, #_____, etc. from _____ to _____.

2. We certify that this request is made in connection with a sale, merger, transfer or consolidation by the original listing broker of its business and/or all or substantially all of its assets, which transaction included an assignment of the subject listings.

3. We hereby agree, jointly and severally, to indemnify and hold the Monmouth Ocean Regional REALTORS® and its employees harmless from and against any and all loss, cost or damage that it may suffer or incur as a result of a claim asserted by an owner of a property whose listing has been so changed.

Transferor: _____

Transferee: _____

Receipt by the Service of an administrative fee of \$____, plus \$____ for each transferred listing. (Adopted 10/09)

ARTICLE VIII - SELLING PROCEDURES

Section 1. Negotiations with the seller for the showing and/or the purchase of listed property filed with the Multiple Listing Service shall be conducted through the Listing Broker with the following exceptions:

a) the listing broker gives the selling broker specific authority to negotiate directly, or

b) after reasonable effort, the selling broker cannot contact the listing broker or his representatives, however, the listing broker, at his option, may preclude such direct negotiations by the cooperating broker.

Section 1.1 The selling office sends to the listing office a copy of the contract of sale, enabling the listing office to report the contract through the MLS office. It is the listing broker's responsibility to report the listing as "under contract" within 48 hours after attorney review. (Rev. 3/2010)

Section 1.2 The listing broker shall report to the multiple listing service within twenty-four (24) hours that a contingency on file with the multiple listing service has been fulfilled or renewed, or the agreement cancelled. (Adopted 3/2010)

Section 2. In the event a contract on a listing reported as under contract is terminated, the selling broker shall notify, within 24 hours the listing broker and also provide to the listing broker written documentation as to the reason why the deal fell through. The listing broker shall, within 24 hours, report the listing "back on the market." (Rev. 3/2010)

Section 3. Listing Broker must make arrangements to present offer to the owner or his authorized representative within 24 hours of receipt of the written offer by their firm. The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer. Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated. (Rev. 6/08)

3.1 Right of Cooperating Broker in Presentation of Offer: The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he 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 written instruction. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

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

the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

3.3 Status changes, including final closing of sales, shall be reported to the multiple listing service by the listing broker within 48 hours after they have occurred. If negotiations were carried on under Section 1(a) or (b) hereof the cooperating broker shall report accepted offers to the listing broker within 24 hours after occurrence and the listing broker shall report them to the MLS within 24 hours after receiving notice from the cooperating broker. (Rev. 3/2010)

Note: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the MLS; to provide timely notice of status changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the MLS to its participants. (Rev. 6/08)

Section 4. A listing shall not be advertised by a Participant, other than the listing broker, without prior consent of the listing broker.

4.1 The listing broker shall report immediately to the multiple listing service the cancellation of any pending sale, and the listing shall be reinstated immediately. (Rev. 6/08)

Section 5. The LISTING BROKER and ONLY the listing broker may remove a lockbox and/or report its removal.

5.1 Lockboxes must be removed immediately after a multiple listing expires.

5.2 Any key, programmer or other device (hereinafter referred to as "key") by which a lock box can be opened shall be non-duplicative. By "non-duplicative" it is not meant that the key is necessarily covered by a current patent but that it cannot be readily copied in the manner that other types of keys ordinarily are.

5.3 Keys must be obtained from the original manufacturer, from a recognized vendor of lock box systems or from any other legitimate source. Prior to utilizing previously used keys, lids or boxes, information shall be obtained from the original manufacturer to determine whether the

key's pattern, code or configuration is already in use by other Boards, Multiple Listing Services or other users in the vicinity. Surrounding Boards and Multiple Listing Services shall also be contacted to determine whether the key's pattern, code or configuration is currently in use.

5.4 The lock box system is an activity of the Monmouth Ocean Regional REALTORS®-owned and operated MLS.

Every MLS Participant and every non-principal broker, sales licensee and licensed or certified appraiser who is affiliated with an MLS Participant and who is legally eligible for MLS access shall be eligible to hold a key subject to their execution of a lease agreement with the MLS.

In the case of non-principal brokers, sales licensees, and licensed or certified appraisers, the lease agreement shall be cosigned by the designated REALTOR or the office's broker of record. Lease agreements shall spell out the responsibilities of the parties and shall incorporate by reference any applicable rules or regulations or other governing provisions of the Board or MLS that relate to the operation of the lock box system. The lease agreement shall also provide that keys may not be used under any circumstances by anyone other than the key holder.

The Association may, at its discretion, authorize unlicensed personal assistants, administrative and clerical staff, and individuals seeking licensure as real estate appraisers, who are under the direct supervision of a designated REALTOR, or MLS Participant, or their licensed designee, to hold a lock box key on the same terms and conditions as non-principal brokers and sales licensees.

No one shall be required to lease a key from the Board except on a voluntary basis.

The Association may, at its discretion, lease keys to Affiliate Members actively engaged in a recognized field of real estate practice or in related fields. In such instances, the lease agreement shall be signed by the key holder and by a principal, partner or corporate officer of the key holder's firm.

Key lease agreements may, at the option of the Board, contain a liquidated damages provision to offset some or all of the Board's costs in reestablishing the security of the system if it is determined that the security has been compromised through the negligence or fault of the key holder.

5.5 The Association shall maintain current records as to all keys issued and in inventory. There shall be an audit, at least annually, of all keys, whether issued or in inventory. This requirement may be satisfied by a physical inventory or, alternatively, by receipt of a statement signed by the key holder and the designated REALTOR, broker of record, or, in the

case of an Affiliate Member, by a principal, partner or corporate officer of the key holder's firm, attesting that the key is currently in possession of the key holder.

5.6 Lock boxes may not be placed on a property without written authority from the seller. This authority may be established in the listing contract or in a separate document created specifically for the purpose.

5.7 Boards shall charge key holders and their cosignatories with the joint obligation of immediately reporting lost, stolen or otherwise unaccountable for keys to the Board. Upon receipt of notice the Board shall take any steps deemed necessary to resecure the system.

5.8 Boards shall adopt written, reasonable and appropriate rules and procedures for administration of lock box systems which may include appropriate fines, not to exceed \$1,000. Any issuing fees, recurring fees, or other administrative costs shall be established at the discretion of the Board and set forth in the rules and procedures. All key holders, whether Board members or not, shall agree, as a condition of the key lease agreement, to be bound by the rules and procedures governing the operation of the lock box system.

5.9 Notwithstanding the foregoing, Boards and Multiple Listing Services may sell electronic lock box programmers to MLS Participants and others eligible to hold lock box keys pursuant to these requirements provided that such devices may be deactivated, if necessary, within a reasonable period not to exceed thirty (30) days and that the Participant has authorized the sale in writing.

Section 6. The Listing Broker shall log the closing of sale to the MLS office within 48 hours after closing of sale.

Section 7. Reporting Resolutions of Contingencies

The listing broker shall report to the multiple listing service within twenty-four (24) hours that a contingency on file with the multiple listing service has been fulfilled or renewed, or the agreement cancelled. (Adopted 3/11).

ARTICLE IX - REFUSAL TO SELL

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

ARTICLE X - PROHIBITIONS

Any listing filed with MLS shall not be made available to any NON-PARTICIPANT in MLS without prior consent of the LISTING BROKER and in accordance with Article XV.

Section 1. For Sale Signs. Only the "For Sale" sign of the listing broker may be placed on a property.

Section 2. Under Contract Signs. Prior to closing, the "Under Contract" sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

Section 3. Participants shall not solicit a listing on a property filed with the Service unless such solicitation is consistent with Article 16 of the REALTOR® Code of Ethics, its Standards and Practice, and its Case Interpretations.

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

ARTICLE XI - COMPLIANCE WITH RULES

Section 1. By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- a. letter of warning
- b. letter of reprimand
- c. attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location, and duration
- d. appropriate, reasonable fine not to exceed \$15,000
- e. probation for a stated period of time not less than thirty (30) days nor more than one (1) year
- f. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year

g. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

(Adopted 3/2010)

Section 2. The following action may be taken for noncompliance with the rules:

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

b. for failure to comply with any other rule, the provisions of ARTICLE XII - ENFORCEMENT OF RULES AND REGULATIONS shall apply.

Note: Generally, warning, censure, and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the rules and regulations of the multiple listing service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service. If the MLS desires to establish a series of moderate fines, they should be clearly specified in the rules and regulations. (Adopted 3/2010)

ARTICLE XII - ENFORCEMENT OF RULES AND REGULATIONS

Section 1. The MLS Committee shall give consideration to all written complaints having to do with a violation of these Rules and Regulations. By becoming and remaining a participant, each participant agrees to be subject to these rules and regulations, the enforcement of which are at the sole discretion of the Committee (Board of Directors). (Rev. 6/2018)

Section 2. Violations of Rules and Regulations: If the alleged offense is a violation of these Rules and Regulations and does not involve a charge of alleged unethical conduct or request for arbitration it may be administratively considered and determined by the Multiple Listing Committee, and if a violation is determined, the Committee may direct the imposition of sanction, provided the recipient of such sanction may appeal it to the Professional Standards Committee of the Monmouth Ocean Regional REALTORS®, for a hearing in accordance with the bylaws and rules and regulations of the Monmouth Ocean Regional REALTORS® within twenty (20) days following receipt of the committee's decision. In any instance where a Participant of the Association's Multiple Listing Service is charged with a violation of the MLS Rules and Regulations and after a hearing by the MLS Committee, refuses to accept any sanction or discipline proposed, the circumstances and the discipline proposed shall be referred to the Board of Directors of the Monmouth Ocean Regional REALTORS® which shall, if it deems the findings of violation proper and the sanction appropriate to the offense, delay the effective date of sanction until final entry by a court of

competent jurisdiction the disciplinary action and proposed sanction violates no rights of the Multiple Listing Service Participant. Any member in violation of any of the above stipulated Rules and Regulations may be fined up to \$15,000. All fines are payable within ten (10) working days and if not paid may result in an automatic suspension of service whereby Article XI, Section 1(b) of these operating rules shall be enforced. (Rev. 3/2010)

If, rather than conducting an administrative review, the multiple listing committee has a procedure established to conduct hearings, the decision of the multiple listing committee may be appealed to the board of directors of the association of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the association's grievance committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the Monmouth Ocean Regional REALTORS®. (Adopted 3/2010)

Section 3 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the Association for appropriate action in accordance with the professional standards procedures established in the Bylaws.

Section 4 Complaints of Unauthorized Use of Listing Content:

Any participant, who believes another participant has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to the MLS. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. No participant may pursue action over the alleged unauthorized use and display of listing content in a court of law without first completing the notice and response procedures outlined in this Section 3 of the MLS rules.

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

If the Committee (Board of Directors) determines that the use of the content was unauthorized, the Committee (Board of Directors) may issue a sanction pursuant to Section 7 of the MLS rules, including a request to remove and/or stop the use of the unauthorized content within ten (10) days after transmittal of the decision. If the unauthorized use stems from a violation of the MLS rules, that too will be considered at the time of establishing an appropriate sanction.

If after ten (10) days following transmittal of the Committee's (Board of Director's) determination the alleged violation remains uncured (i.e. the content is not removed, or the rules violation remains uncured), then the complaining party may seek action through a court of law. (Adopted 6/2018)

Section 5. MLS Rules Violations

MLS participants may not take legal action against another participant for alleged rules violation(s) unless the complaining participant has first exhausted the remedies provided in these rules. (Adopted 6/2018)

ARTICLE XIII - ORIENTATION

Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided. (Rev. 3/2010)

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancement and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely. (Adopted 3/2011)

The purpose of the Orientation is to inform all as to:

- a) purpose of Multiple Listing Service
- b) advantages of Multiple Listing Service
 - 1. To member
 - 2. To seller and/or buyers
- c) explanation of rules and regulations
- d) procedure to follow when submitting listings to service
 - 1. explanation of forms used in MLS
 - 2. reporting pertinent data

In as much as Participants are held accountable for the actions of the sales licensees affiliated with their firm, it is strongly recommended that all sales licensees also attend the orientation course to avoid the Participant being charged with a possible violation of these rules and regulations based on actions or activities of said salespersons affiliated with the firm. Waivers to this requirement may be given under certain circumstances by the Multiple Listing Committee Chairperson.

ARTICLE XIV - PUBLICATION AND INFORMATION

Section 1. Confidentiality of MLS Information: Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants authorized and qualified to act as cooperating agents of the listing broker in the sale of property filed with the Service and real estate licensees affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants.

Section 2. MLS Not Responsible for Accuracy of Information: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

Section 3. Access to Comparable and Statistical Information: Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building, but who do not participate in MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Association Members who receive such information, either as an Association service or through the Association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

ARTICLE XV - OWNERSHIP OF MLS COMPILATIONS AND COPYRIGHTS

Section 1. By the act of submission of any property listing content to the MLS, the participant represents and warrants that he or she is fully authorized to license the property listing content as contemplated by and in compliance with this section and these rules and regulations, and also thereby does grant to the MLS license to include the property listing content in its copyrighted MLS compilation, and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to the listed property. (Rev. 6/2018)

Each participant who submits listing content to the MLS agrees to defend and hold the MLS and every other participant harmless from and against any liability or claim arising from any inaccuracy of the submitted listing content or any inadequacy of ownership, license, or title to the submitted listing content. (Adopted 6/2018)

Section 1a. All rights, title and interest in each copy of every MLS Compilation created and copyrighted by the Monmouth Ocean Regional REALTORS®, and in the copyrights therein, shall at all times remained vested in the Monmouth Ocean Regional REALTORS®.

Section 1b. Each Participant shall be entitled to lease from the Monmouth Ocean Regional REALTORS® a number of copies of each MLS Compilation sufficient to provide the participant and each person affiliated as a licensee with such Participant with one copy of such MLS Compilation. The Participant shall pay for each such copy, the rental fee set by the Association.

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

ARTICLE XVI - USE OF COPYRIGHTED MLS COMPILATIONS

Section 1. DISTRIBUTION: Participants shall at all times maintain control over and responsibility for each copy of any MLS Compilation leased to them by the Association of REALTORS®, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by the 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 a Board Multiple Listing Service where access to such information is prohibited by law.

Section 1A. DISPLAY: Participants, and those persons affiliated as licensees with such Participants, shall be permitted to display the MLS Compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said MLS Compilation.

Section 1B. REPRODUCTION: Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof, except in the following limited circumstances:

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

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any MLS content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information deemed confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations. (Amended 11/14)

Section 2. LIMITATIONS OF USE OF MLS INFORMATION: Use of information from MLS compilation of current listing information, from the Association's "Statistical Report," or from any "sold" or "comparable report of the Association or MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited.

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

"Based on information from the Monmouth County Association of REALTORS® Multiple Listing Service for the period _____ through

(date).

(date)

Section 3. CHANGES IN RULES AND REGULATIONS. Amendments to the Rules and Regulations of the Service shall be by a majority vote of the members of the Multiple Listing Service Committee, subject to approval by the Board of Directors.

Revised and approved by the National Association of REALTORS® June 2018.

