

**WESTERN REGIONAL
INFORMATION SYSTEMS AND
TECHNOLOGY INC.

RULES AND REGULATIONS**

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Western Regional Information Systems & Technology, Inc.

Rules and Regulations

Section 1. Definitions.

As used in these Rules and Regulations the following terms shall have the indicated meanings:

- (a) **The Service.** A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency 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, analyses, 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 (or lease).
- (b) **Participation.** Participation in the Service is available to the firm, partnership, or corporation whose principal is a REALTOR® member of a shareholder or other REALTOR® Board/Association and without further qualification except payment of required dues and fees and written agreement to abide by the Bylaws and Rules and Regulations of the Service.
- (1) Participant: The REALTOR® principal of the firm, partnership or corporation, or the branch manager designated by said firm, partnership or corporation to act on the principal's behalf, shall be termed the "Participant" in the Service and shall have all the rights, benefits, and privileges of the Service. The Participant shall accept all obligations to the Service for the firm, partnership or corporation and for compliance with the Bylaws and Rules and Regulations of the Service by all persons affiliated with the Participant who utilize the service. All licensees with the Participant must belong to the Service. The Participant is responsible for accurately reporting all changes concerning users to the WRIST service within forty-eight (48) hours (not including weekends and government holidays). This includes, but not limited to Broker affiliations, office transfer, name changes, license status, and Board affiliations changes.
- (2) Participation Defined: 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 these 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 are capable of accepting and offering 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. The Realtor® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or

corporation as the “Participant” shall have all rights, benefits, and privileges of the Service, and shall accept all obligations to the Service for the Participant’s firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the Service by all persons affiliated with the Participant who utilize the Service.

(3) Users or Subscribers: Non-principal brokers, sales associates, and licensed or certified appraisers affiliated with a Participant shall be termed “users” or “subscribers” of the Service.

(a) Licensed or certified appraisers (proof of license or certificate required) not affiliated with a “Participant” that have no board affiliation shall be termed “users” or “subscribers” of the Service. All licensees or certified appraisers operating out of the owner’s office must also subscribe to the Service. They will have search only access (!B Status), no voting privileges and can hold no position as Director of the Service.

(4) Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors of the Service and made available to individuals qualified for participation within Sections 1 (a) and (b) herein. The application form shall contain the signed and dated statement of the applicant agreeing to abide by the Bylaws and other rules, regulations and policies of the Service as from time to time adopted or amended.

(5) Participants may discontinue participation in the Service by giving the Corporation thirty (30) days advance written notice, and may reapply to the Service at any time by making formal application in the manner prescribed for new applicants for participation, provided all past due financial obligations to the Service are fully paid.

(c) **Listing Agreements.** These definitions are provided to facilitate categorization of listings in the Service and are premised on the existence of agency relationships between seller(s) and listing broker(s). In any area of conflict or inconsistency, state law or regulation takes precedence.

(1) **Exclusive Rights to Sell Listing:** A contractual agreement under which the listing broker becomes the agent of the seller(s) and the seller(s) agrees to pay a commission to the listing broker regardless of whether the property is sold through the efforts of the listing broker, the seller(s), or anyone else; and a contractual agreement under which the listing broker becomes the agent of the seller(s) and the seller(s) agree to pay a commission to the listing broker regardless of whether the property is sold through the efforts of the listing broker, the seller(s), or anyone else; except that the seller(s) may name one or more individuals or entities as exemptions in the listing agreement and if the property is sold to any exempted individual or entity the seller(s) is not obligated to pay a commission to the listing broker.

(2) **Exclusive Agency Listing:** A contractual agreement under which the listing broker becomes the agent of the seller(s) and the seller(s) agree to pay a commission to the listing broker if the property is sold through the efforts of any real estate broker. IF the property is sold through the efforts of the seller(s), the seller(s) is not obligated to pay a commission to the listing broker.

(3) **Net Listing:** An agreement under which a seller agree to receive a certain dollar amount for the sale of their property regardless of the price stipulated in the listing agreement.

(4) **Open Listing:** A contractual agreement under which the listing broker becomes the only agent of the seller(s) and the seller(s) agree to pay a commission to the listing broker only if the property is sold through the efforts of the listing broker.

- (d) **Profile Sheet.** The standard property data (listing input) form prescribed by the Service, to be fully completed by the listing broker giving all pertinent information on the subject property and used to encode the information into the WRIST computer system.
- (e) **Exclusion.** An individual or a group of individuals specifically named in the listing agreements to whom the seller reserves the right to sell without payment of a commission.
- (f) **Offer.** The written offer to purchase signed by the prospective buyer(s), which, if executed by the owner, will constitute a contract of sale.
- (g) **WRIST Territorial Jurisdiction.** The area shall be coextensive with the combined territorial jurisdiction of WRIST's shareholder Boards/Associations.
- (h) **List Date:** The List Date is the effective date or starting date of the term of the Exclusive Right to Sell or Exclusive Agency agreement or, if none is noted, the last seller(s) signature date on the agreement.
- (i) **Branding/Scraping:** Uniqueness to easily identify a specific entity, such things as logos and catch phrases all add to a sites branding. Scraping refers to the distribution of listings without the permission of the originating Broker.
- (j) **Disclaimer of Internet Data Exchange Participation:** Any participating Participant's website must have the disclaimer identified in IDX Rules Section 16.3.h.
- (k) **Fees for Internet Data Exchange Participation:** Service fees and charges for participation in IDX shall be as established annually by the Board of Directors of WRIST.
- (l) **Internet Data Exchange Database:** Internet Data Exchange database is the current aggregate compilation of all active exclusive right to sell listings of all "Internet Data Exchange Participants" (IDXP) except those listings where the property seller has opted out of the WRIST publication by so indicating on the listing contract.
- (m) **Internet Data Exchange Participants (IDXP):** This is a system that will allow Participating Brokers to get exposure of their own listings more effectively through cooperating with other participating brokers through the use of the Internet. This permission is limited to the IDXP's own branded company website and shall not be shared with any third party.

NOTE: All of WRIST's Participants will participate in the Internet Data Exchange (IDX) program unless the Participant completes an Opt out Elective Form and it is placed on file with WRIST.

- (n) **Internet Data Exchange:** Internet Data Exchange is a means of sharing participating IDXP's listing information by displaying other IDXP's listings on their own websites. Participating IDXP's may participate in Internet Data Exchange without actually having a website.
- (o) **Internet Data Exchange Participant Listing Information:** Under no circumstances will the IDXP modify, manipulate or deface any, all, or part thereof, of the actual listing information of an IDXP's data hosted on an IDXP's website.

- (p) **Internet Data Exchange Participation – Pre-requisite Requirement:** Any broker may participate in Internet Data Exchange as long as he/she has an active real estate brokerage license and is actively engaged in providing services to buyers or sellers in real estate
- (q) **Prohibited Third Party Scraping of Internet Data Exchange Listing Information:** Any Participant displaying the shared database or any portion thereof shall make reasonable efforts to avoid “scraping” of the data by third parties or displaying of that data on any other website.

NOTE: These definitions are provided to facilitate categorization of listings in the Service’s compilations. In any area of conflict or inconsistency, state law or regulation takes precedence. These definitions are premised on the existence of agency relationships between seller(s) and lessor(s) and listings brokers. However, if state law permits brokers to list property, on either an exclusive or open basis, without establishing an agency relationship, those listings may not be excluded from the Service’s compilations on the basis that the listing broker is not the seller’s agent. Submission of such listings must be accompanied by the listing broker’s disclosure that the listing broker is not the agent of the seller(s) or lessor(s) and such status shall be communicated to the other Participants as part of the property data information.

Section 2. Listing Procedures

Note: The exclusive right to sell listing is the conventional form of listing submitted to the 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 a 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 which have no exclusions, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right to sell listings that have no named prospects exempted. (Board Approved 8-19-2004)

Net and Open listings shall not be accepted by the Service.

Section 2.1 Listings Required: Listings of real or personal property of the following types, which are listed subject to a real estate broker’s license, located within the territorial jurisdiction of the Western Regional Information Systems & Technology, Inc. (WRIST) taken by Participants on an Exclusive Right to Sell Agreement or an Exclusive Agency Agreement shall be filed with the Service by entering profile information into the WRIST computer system within seventy-two hours (excluding Saturdays, Sundays, and postal holidays) after all necessary signatures of seller(s) have been obtained, unless restricted in writing by the owner. The effective date shall be the starting date of the term of the agreement or, if none, the last seller’s signature date on the agreement. Postmark and or fax will determine the timeliness of filing for property data mailed to the WRIST office of processing, and off-line participants must include the listing, property data form, and photo request information for each listing submitted.

- (a) Single family homes and condominiums for sale or exchange.
- (b) Residential vacant lots and acreage for sale or exchange.
- (c) All multi-family buildings for sale or exchange up to and including six units.
- (d) All farms/agricultural property for sale or exchange.

- (e) Residential income property for sale or exchange.
- (f) Mobile Homes sold with a land parcel

Section 2.2 Optional Listings: Listings of mobile homes not permanently attached, commercial income an industrial properties, business opportunities, residential properties for rent, and those properties located outside the territorial jurisdiction of WRIST which are taken by Participants on an Exclusive Right to Sell Agreement, or An Exclusive Agency Agreement or a rental contract will be filed with the Service at the option of the Participant.

Section 2.3 Jurisdiction: Only listings of the designated types of property located within the jurisdiction of WRIST are required to be submitted to the Service. Listings of property located outside the MLS jurisdiction will be accepted if submitted voluntarily by a Participant, but cannot be required by the Service.

Section 2.4 Listings Subject to Rules and Regulations of the Service. Any listing taken on a contract to be filed with the Service is subject to the Rules and Regulations of the Service upon signature of the seller(s).

- (a) The Service shall not require a Participant to submit listings on an agreement form other than the form the Participant chooses to utilize, but may reserve the right to refuse to accept a listing form which fails to adequately protect the interests of the public and the Participants.
- (b) The Service reserves the right to assure that no listing *agreement* form filed with the Service establishes, directly or indirectly, any contractual relationship between The Service and the Participant's client.
- (c) Listings filed with the Service shall include the name of the Participant submitting the listing and the name of the Participant's affiliated licensee (listing agent).

Note: Co-brokerage properties listed by two Participants of the Service can both enter the property into the Service as long as they reference the other brokerage firm information in the Brokers Remark section. Upon the sale of the listed real property, the selling brokerage firm must mark their listing "closed" while the co-broking brokerage firm must mark their listing "withdrawn" in the system. (Board Approved 8-19-2004)

Section 2.5 Detail on Listings: All exclusive listings electronically filed with the Service shall be subject to regular random audit by the Service and shall contain:

- (a) The statement "This listing may be entered in the Western Regional Information Systems & technology, Inc. by (name of listing broker), subject to the Rules and Regulations of WRIST".
- (b) A listing (effective) date, a definite and final termination or expiration date, and the full gross listing price as stated in the listing contract.
- (c) Seller(s) authorization to submit the agreement to the Service.
- (d) Every detail that is required as specified on the Listing Input Sheet and accurately recorded to the service.

- (e) In the Remarks section, information that is descriptive and relevant to an accurate portrayal of the property being marketed. Such information, “Remarks,” the listing agent has determined is viewable to the public and other participants/members of the Service and agrees will be viewed by the public at large. The same is applicable to the “Property Photograph.” The Service does not permit the placement of the listing agent name, phone number, email address, web address, unique property codes, HUD information, lock box information and other information of this nature that is not descriptive in nature and relevant to an accurate portrayal of the property being marketed, to be placed in the “Remarks” section of a listing. The same is applicable to the “Property Photograph.” Any violation of this policy shall be considered a violation of the MLS Rules.
- (f) Uploaded Images: Images attached to a listing must relate to the property listed including but not limited to exterior and interior photos of the property, floor plans, maps, builder’s sketches or other representations of the property, and excluding any “branding” or other promotional images including but limited to listing agent photos or logos, or other representations of the listing agent and/or listing brokerage. Any violation of this policy shall be considered a violation of the MLS Rules.

Section 2.5.1 Limited Service Listings: Listing agreements under which the listing broker will not provide one, or more, of the following services:

- (a) Arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s);
- (b) Accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s);
- (c) Advise the seller(s) as to the merits of offers to purchase;
- (d) Assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (e) Participate on the seller(s) behalf in negotiations leading to the sale of the listed property

Will be identified with an appropriate code or symbol (e.g. “LR” or “LS”) in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers’ clients, prior to initiating efforts to show or sell the property.

Section 2.5.2 MLS Entry-Only Listings: Listing agreements under which the listing broker will not provide any of the following services:

- (a) Arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s);
- (b) Accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s);
- (c) Advise the seller(s) as to the merits of offers to purchase;
- (d) Assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (e) Participate on the seller(s) behalf in negotiations leading to the sale of the listed property

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

Section 2.6 Agreement Copies: Copies of any Exclusive Right to Sell Agreement and Exclusive Agency Agreement for properties filed with the Service must be submitted to the Service upon the request of WRIST staff, WRIST committees, and/or WRIST Board of Directors. Failure to submit the requested documents for properties filed with the Service within 48 hours, or 2 days (except Saturdays, Sundays, and postal holidays) of the request will result in an automatic penalty for late submission.

Section 2.7 Exempted Listings: If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing ("office exclusive") and such listing shall not be disseminated to the Participants. Certification signed by the seller that he does not desire the listing to be disseminated by the Service must be submitted to the WRIST office within 72 hours (except Saturdays, Sundays, and postal holidays) along with a copy of the listing agreement. Postmark will determine the timeliness of filing for documentation mailed to the WRIST office.

Exclusive Agency listings will not be disseminated to the Internet.

Section 2.8 Changes to Listing: Any change in listing price, commission arrangements and/or dates in the original listing agreement, shall be made only when authorized in writing by the seller and shall be entered into the WRIST system within 48 hours, or two (2) days (excluding Saturdays, Sundays and postal holidays) after the authorized change is received by the listing broker. Verification of all such changes will be made available to the Service upon request.

- (a) All status changes including active, sold, withdrawal, and mutual release must also be entered within forty-eight (48) hours of the change in condition.
- (b) Status changes electronically filed with the Service shall be subject to regular random audit by the Service.
- (c) Postmark, fax or email will determine the timeliness of filing for all changes mailed to the WRIST office for processing.

Section 2.9 Withdrawal: Listings which cannot be shown until a future date must be entered within seventy-two (72) hours of their listing date with the listing remarks disclosing this status and the date on which the property can be shown. These listings must be transferred to Active Status as of the date on which they may first be shown. Properties that become temporarily off the market as requested by the seller must be transferred back to Active Status on the date in which they may next be shown. Listings in this status will expire on their original expiration date.

Section 2.10 Mutual Release: Listings of property may be withdrawn from WRIST by the listing broker before the expiration date of the listing agreement provided notice is entered or filed with the Service. A copy of the agreement between the seller and the listing broker which authorizes the withdrawal shall be retained by the listing broker. Said agreement shall indicate if withdrawal is with or without release, and the agreement shall be submitted to the Service within 48 hours, or two days.

Terminated status indicates a listing is withdrawn with mutual release.

Section 2.11 Contingencies Applicable to Listings: Any contingency or special condition in the listing shall be noted in the listing information and disseminated to the Participants. This information should be disseminated to the Participants through the Remarks section in the Service's system.

All contingent listings will expire on their original expiration date. Contingent listings may be extended prior to expiration with the written consent of the seller(s) and/or lessor(s).

Section 2.12 Sold Properties: All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form.

- (a) When part of a listed property has been sold, proper notification of the sale should be given to WRIST and the remainder of the property should be re-filed by the listing office.
- (b) If a listing is sold after it expires, it shall be brought back on the market and converted to "sold."
- (c) A lease-option agreement or a land contract agreement shall be reported as a sold by the listing office when the lease-option or land contract is executed.

Section 2.13 No Control of Commission Rates or Fees Charged by Participants: The Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the multiple listing service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and nonparticipants.

Section 2.14 Expiration, Extension, and Renewal of Listings: Any listing filed with the Service automatically expires on the date specified in the Exclusive Agreement unless renewed or extended by the listing broker prior to expiration. If renewal or extension is obtained after the expiration date of the original listing, then a new listing must be secured by the listing broker for the property to be filed with the Service. The property must then be processed as a new listing.

If notice of renewal or extension is dated after the expiration date of the original listing, then a new listing must be secured for the listing to be filed with the Service. It should then be published as a new listing. Any extension or renewal of a listing must be signed by the seller(s) and be filed with the Service.

Section 2.15 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 obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended participant shall, at the participant's option, be retained in the service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a participant has been suspended from the 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 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 clients

Section 2.16 Listings of Expelled Participants: When a participant of the service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, 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 by the expelled participant shall, at the participant's option, be retained in the service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a participant has been expelled from the association (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

Section 2.17 Listings of Resigned Participants: When a Participant resigns from the Service, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in WRIST's compilation of current listing information. Prior to any removal of a resigned Participant's listings from the MLS, the resigned Participant will be advised in writing of the intended removal so that the resigned Participant may advise his clients.

Section 3. Computer Online.

- (a) The web address for MLXchange is <http://wrist.mlchange.com>.
- (b) Know your office number and agent username/password. *If authentication devise utilized by the service then said devise will be needed to log in.*
- (c) Primary user class levels are assigned to each user of MLXchange. These primary user class levels restrict access to levels of listing maintenance in the MLS software.
 - (1) !O - User can add and modify listings for all members of the office.
 - (2) !A - User can add and modify listings for self only.
 - (3) !B - No access to modify or to submit images.
- (d) When entering a new listing, use the "Autopop from Tax" feature (if your tax records are available in MLXchange) to automatically populate the tax year, semi-annual taxes, parcel-id, street address, square footage, number of bedrooms, bathrooms, and total number of rooms.
- (e) For your convenience, have a copy of the WRIST areas available *or access to* <http://wristinc.com> when entering a listing. This will help place the property in the correct geographic area. All areas are considered the geographic location with the exception of Miami County. Miami County areas are defined via the school district.
- (f) After submitting a new listing to MLXchange, you may be prompted to select the property location on a map. This will enhance the accuracy of the mapping features in MLXchange.
- (g) When entering a listing you have the option to save the listing as incomplete and finish entering at a later date. However, you are still required to submit the listing to the MLS within 72 hours of the list date (excluding Saturdays, Sundays and postal holidays).

- (h) Changes to the listings can be made via the Listing Maintenance utility in MLXchange. Price changes and status changes must be entered into the system within 48 hours of the change (excluding Saturdays, Sundays and postal holidays). When you are inputting a sold, you will need the selling agent's username and selling office code #.
- (i) You are authorized to make almost any change necessary on your own listings. You do not, however, have the authority to delete listings or reactivate them once they have expired.
- (j) If you are supplying a picture to the WRIST office, please make sure you have written on the back the MLS' #, complete street address, office # and agent name.
- (k) If you require assistance with the online system, please call WRIST at 1-800-433-0800 or 937-335-1117.

Section 3.1 Property Types: All listings must be entered in the appropriate property type classification, and geographic area designated for that purpose. (Board Approved 8-19-2004)

Once a property that has been listed in two different property types is sold, one listing must be marked **closed** and the other listing withdrawn.

Section 3.2 Computer Usage: The use of the Service's computer for the input and retrieval of information shall be in accordance with the Rules and Regulations, operating policies and procedures, and the computer instructions published on the listing input sheet and in the Service's computer system user's manual.

- (a) The Mail function is for messages to and from WRIST participants, which concern Service matters or communication on specific transactions. New listings, status changes, extensions, and price changes that already appear on the Hotsheet are not proper material for Mail Messages and will result in a penalty.
- (b) The Open House function shall be used for announcements regarding open houses and tours (broker, public, and company) only.

Section 3.3 Non-Computerized Offices: Any Participant who does not have a computer system must still comply with WRIST Rules and Regulations. Within 72 hours, or 3 days (except Saturdays, Sundays, and postal holidays) of listing or 48 hours, or 2 days (except Saturdays, Sundays, and postal holidays) making other changes to a listing, the information must be mailed or faxed by the listing office to the Service. Upon receipt, it will be entered into the Services computer systems by the WRIST staff for fee as determined by the WRIST Board of Directors.

Section 3.4 Password Use: Participants and Subscribers shall not permit any person to use his or her login name and password. In the event the password of a Participant or Subscriber is used in violation of this section, such Participant or Subscriber shall be liable to WRIST for all loss or damage caused by such use and shall be subject to a fine of one thousand dollars (\$1,000) for each such entry and other sanctions as provided in the Rules and Regulations. The fact that the Participant or Subscriber did not grant consent to the use of the password shall not be a defense.

Unlicensed office administrative staff may receive a login name and password from the Service at no charge.

Section 4. Selling Procedures.

Section 4.1 Showing and Negotiations: Appointments for showings and negotiations with the seller(s) or lessor(s) for the purchase of listed property filed with the Multiple Listing Service shall be conducted through the listing broker unless the listing broker gives the cooperating broker specific authority to show and/or negotiate directly.

Section 4.2 Presentation of Offers: The listing broker must make arrangements to present all offers to the seller(s) or lessor(s) as soon as possible, or give the cooperating broker(s) (subagent or buyer agent) a satisfactory reason for not doing so.

Section 4.3 Submission of Written Offers: The listing broker shall submit to the seller(s) or lessor(s) all written offers until closing (title transfer) unless precluded by law, government rule or regulations, or agreed otherwise in writing between the seller and listing broker. Unless the subsequent offer is contingent upon the termination of the existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer.

Section 4.4 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 instructions. None of the foregoing diminishes the listings broker's right to control the establishment of appointments for such presentations.

Section 4.5 Right of Listing Broker in Presentation of Counteroffer: The listing broker or his representative has the right to participate in the presentation of any counteroffer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counteroffer 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 counteroffer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 4.6 Reporting "Solds" to WRIST: Solds shall be reported within forty-eight (48) hours after closing (excluding Saturdays, Sundays and postal holidays) to the Service by the listing broker unless the negotiations were carried on under Section 4.1 hereof in which case the cooperating broker shall report, sending a copy to the listing broker within 24 hours after acceptance.

- (a) When reporting land contract sales or lease purchase agreements as comparable sales, the date of occupancy or possession shall be used as the transfer date and the remarks shall indicate when title is to be transferred.

NOTE: The listing agreement of a property filed with WRIST by the listing broker should include a provision expressly granting the listing broker authority to file the listing with WRIST; to provide timely notice of status changes of the listings to WRIST; and to provide sales information including selling price to WRIST upon sale of the property.

Section 4.7 Reporting Resolutions of Contingencies: The listing broker may report to the Multiple Listing Service within 48 hours (excluding Saturdays, Sundays and postal holidays) that a contingency on file with WRIST has been fulfilled or renewed, or the agreement cancelled.

Section 4.8 Advertising of Listing Filed with WRIST: A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker.

Section 4.9 Reporting Cancellation of Pending Sale: The listing broker shall report within 48 hours, or 2 days (except Saturdays, Sundays, and postal holidays) to the Multiple Listing Service the cancellation of any pending sale and the listing shall be reinstated immediately.

Section 5. Prohibitions.

Section 5.1 Information for Participants Only: Any listing filed with the Service shall not be made available to any broker or firm not a Member of the MLS without the prior consent of the listing broker.

Section 5.2 “For Sale” Signs: Only the “For Sale” sign of the listing broker may be placed on a property.

Section 5.3 “Sold” Signs: Only the “Sold” sign of the listing broker may be placed on a property except as may be otherwise allowed in the REALTORS Code of Ethics, provided that such exception is consistent with applicable Ohio law, and subject to permission of the property owner of record.

Section 5.4 Solicitation of Listing Filed with the Service: Participants shall not solicit a listing on property filed with the Service unless solicitation is consistent with Article 16 of the REALTOR Code of Ethics, its Standards of Practice and its Case Interpretations.

Section 5.5 Confidentiality: 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 and real estate licensees affiliated with such Participants, and for 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 5.6 Accuracy: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. WRIST 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 5.7 Access to Comparable and Statistical Information: The National Association’s Board of Directors approved consolidation of five (5) Statements of Multiple Listing Policy on comparable and statistical information into a single Statement of MLS Policy (Statement 7.3 – Statistical Reports). This Statement of Multiple Listing Policy shown in the 2006 *Handbook on Multiple Listing Policy* as at Part Two: Policies, D. Data, Statistical Reports, Section 1 – Statistical Reports now provides that only MLS Participants are entitled to receive statistical reports, sold information, and other informational reports derived from the MLS. Associations may, at their discretion, make this information available to REALTORS® or others who do not participate in the MLS. Consequently, Article XVIII, Section 5 (for

an incorporated MLS), and Section 8 (for an MLS operated as a committee of the board) of the *Model Bylaws for Local Member Boards* have been deleted.

Section 6. Compensation.

Section 6.1 Rate of Compensation: The rate of compensation charged by the listing Participant shall be a matter of determination by the seller(s) or lessor(s) and the listing Participant and is in no way controlled or regulated by the Multiple Listing Service. The Service shall not disclose in any way the total compensation negotiated between the listing broker and the seller.

Section 6.2 Cooperative Compensation: The listing broker shall specify on each listing filed with the MLS the compensation offered to other Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of sale (or lease). The listing broker's obligation to compensate any cooperating broker as the procuring cause of sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at which point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

- (a) The compensation specified on listings published by the Service shall be shown as a percentage of the gross selling price or as a definite dollar amount.
- (b) The listing broker is not hereby precluded from offering any Participant compensation other than that as specified on his published listing, provided the listing broker informs the other Participant in writing in advance of their producing an offer to purchase, and the superseding offer of compensation shall be expressed either as a percentage of the gross sales price or as a definite dollar amount.

Section 6.3 Dual or Variable Rate Commission Arrangement: The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code, or symbol as required by the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease. (Amended 5/01)

Section 6.4 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 Service, that person shall disclose that interest when the listing is filed with the Service and such information shall be disseminated to all Participants and users.

Section 6.5 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.

Section 7. Service Charges:

The charges made for participation in and utilization of the Service shall be as determined and as specified in the bylaws of WRIST and in these or other rules, regulations or policies of the Service from time to time adopted by the Board of Directors.

The Service shall be operated in a cost-effective manner, with membership fees for Participants maintained at the lowest levels which are reasonably practicable. All reserves funded from the profits of the Service shall be used to operate the Service and shall not be utilized for any other purpose except to the extent other purposes proposed by the Corporation are approved by shareholders.

Section 7.1 Application: The initial fee for participation in WRIST shall be established by the Board of Directors, and shall be tendered to the service with the application for participation. The application of a former Participant who was expelled, who withdrew, or whose participation was otherwise terminated for any reason whatsoever shall not be accepted unless accompanied by payment in full of any and all accounts due as of the date of termination.

The form of application shall be as prescribed by the Board of Directors, and shall be accompanied by an initial participation fee of Two Hundred Dollars (\$200.00) for REALTOR Participants.

Section 7.2 Recurring Participation Fee: The Board of Directors of WRIST shall establish a recurring utilization fee to be paid by all Participants monthly in advance. The user's fees for each Participant shall be an amount equal to an amount set by the Board of Directors times each broker, salesperson affiliated with a participant, and licensed or certified appraiser who has access to the Service. User fees shall begin with the initiation of service, prorated on a daily basis from the date of licensure, but shall be assessed for the entire month in which service is discontinued.

Section 7.3 Lender On-Line Services: The Board of Directors of WRIST may make available a program to financial institutions for entering mortgage rate quote program information on-line. Associated costs for this service will be determined at the discretion of the Directors.

Section 8. Enforcement of Rules, or Disputes.

Section 8.1 Applicability of Rules: Participants are subject to the Bylaws and Rules and Regulations of WRIST in accordance with their prior agreement upon application to the Service and as stipulated in Section 1. (b) and Section 1. (b)(1) Of these Rules and Regulations. The Participant shall adhere to and abide by the professional standards system established by the shareholder Board/Association of which (s)he is a member and all applicable standards established by any local, state, or federal association or governmental office or agency.

Non-principal brokers, sales licensees, appraisers and others authorized to have access to information published by the Service are subject to these Rules and Regulations and may be disciplined for violations thereof provided that the User/Subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the Rules and Regulations.

Further, failure of any User/Subscriber to abide by the Rules and/or any sanction imposed for ~~m~~ violations thereof can subject the Participant to the same or other discipline. This provision does not eliminate the Participant's ultimate responsibility and accountability for all Users or subscribers affiliated with the Participant.

Section 8.2 Consideration of Alleged Violations: The Board of Directors shall give consideration to all written complaints from Participants having to do with violations of the Rules and Regulations of the Service.

Section 8.3 Violations of Rules and Regulations: Except as provided in Section 9. below, if the alleged offense is a violation of the Rules and Regulations of WRIST and does not involve a charge of alleged unethical conduct, a charge of alleged violation of one or more of the provisions of Sections 15 and 16 of these Rules and Regulations, or request for arbitration, it may be administratively considered and determined by the Board of Directors. If a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may, within twenty (20) days following receipt of the Directors' decision, appeal it to the Professional Standards Committee of the shareholder Board of which (s)he is a member or through which access to the Service is obtained. Sanctions under this section may include fines not to exceed \$1000.00 and suspensions not to exceed thirty (30) days.

Section 8.4 Complaints of Unethical Conduct: All other complaints alleging unethical conduct and requests for arbitration shall be referred by the Board of Directors of the Service to the proper Board/Association of REALTORS in accordance with the professional standards procedures of the Board/Association. The President of WRIST or his designee shall present the complaint(s) to the proper Board/Association.

Section 9. Penalties.

Section 9.1 Automatically Assessed: Notwithstanding the provisions of Article 8 above, the following penalties shall be automatically assessed for noncompliance with the Rules and Regulations as specified herein:

- (a) For failure to submit a listing within 72 hours as required herein by Sections 2.1 - \$25.00.
- (b) For failure to report status changes, including solds, within 48 hours as required herein by Sections 2.8, 4.6, and 4.7 - \$25.00.
- (c) For failure to submit listings in the proper property type classification(s) and/or geographic area(s) in violation of Section 3 (e) and 3.1. Herein - \$25.00
- (d) For extending a listing without authorization from the seller as required herein by Section 2.5 (d) and Section 2.15 - \$250.00.
- (e) For distribution of current copyrighted MLS compilations to persons other than Subscribers/Users licensed with a Participant and/or to members of the general public, as prescribed in Section 11. Herein - 250.00 for the first offense and \$500.00 for a second offense.

For any subsequent offense, the matter shall be referred to the Board of Directors as provided in Section 8, and specifically Sections 8.2 and 8.3 of these Rules.

- (f) If a property is listed by more than one agent (co-listing), both agents must be users of WRIST to have the property displayed in the WRIST system. If a listing is entered with only one agent being a WRIST user, the listing will be subject to a \$250.00 fine for unauthorized access and will immediately be deleted from the system. (11/99)
- (g) A Return check service fee for NSF is \$30.00 for the first offense and after the second offense in a calendar year; the Participant/Subscriber must pay by certified check, cashier check or money order.
- (h) Failure to submit documentation upon the audit/ request of WRIST staff, WRIST committees, and/or WRIST Board of Directors within the specified time will result in a \$25.00 fine. The Participant will be given notification by certified mail and will be given 10 days to comply with the audit/request and pay the fine. After the 10th day, the service will be suspended to the entire Agency. The suspended Participant shall be reinstated upon payment of all outstanding charges and a reinstatement processing fee in such amount as established by the Board of Directors, provided that full remittance is received by the Service within 30 days of the effective date of suspension.

Suspension for more than 30 days constitutes expulsion, and a new application for participation must be filed accompanied by payment of full initiation fees and any and all past due amounts in order to reinstate service.

- (i) You must notify in writing to WRIST when a listing exists, but the owner does not want it in the MLS. This will also result in a \$25.00 fine.
- (j) Improper use of the Message of the Day _____ **(this function will be available in a future release)**
- (k) The Broker must report a new licensee to the WRIST MLS and apply for membership within 15 days of licensing. \$25.00 fine per licensee. ***See example below***

(Example: Broker Jim Smith sends WRIST, Inc. MLS info sheets to sign on Agent Susie Jones December 1, 2000. WRIST, Inc. receives a copy of Agent Susie's license and sees that she received her license on October 1, 2000. The Broker will be fined \$25.00)

If the WRIST office discovers the offense, there will be a \$300.00 penalty to the Broker per licensee found in default.

(Example: WRIST, Inc. completes their audit and discovers Agent Susie Jones was licensed on October 1, 2000 with Broker Jim Smith and we have not been notified by Broker Jim Smith. The Broker will be fined \$300.00.)

Upon notification to the Broker and Agent that WRIST has discovered a licensee in default, the Broker will have 15 days from notification by certified letter to send appropriate membership application, the fees and the penalty. If all these requirements are not met by the 15th day, the MLS service to the entire Agency shall be suspended. The suspended Participant shall be reinstated upon payment of all outstanding charges and a reinstatement processing fee in such

amount as established by the Board of Directors, provided that full remittance is received by the Service within 30 days of the effective date of suspension.

Suspension for more than 30 days constitutes expulsion, and a new application for participation must be filed accompanied by payment of full initiation fees and any and all past due amounts in order to reinstate service.

- (l) Failure to accurately fill in all required fields as determined by the service, Section 2.5 (e) \$25.00 fine per violation.
- (m) Failure to comply with Section 2.5 (e) & (f) branding in the remarks and photo section \$25.00 fine per violation

Section 9.2 Penalty Noncompliance: Failure to make required changes within forty-eight (48) hours after receipt of a penalty shall be considered a second offense, and a second penalty shall be assessed for the infraction. Upon third notification of a specific violation, computer service to the violating office/Subscriber shall be suspended until the violation is corrected and the penalties are paid.

Section 9.3 Suspension and Expulsion: Participants who fail to maintain licensure and/or REALTOR membership in a shareholder or other Board/Association shall automatically cease participation in the Service.

Failure by any Participant to pay within thirty (30) days of the due date all dues, fees or assessments charged to his company by the Service shall result in suspension and all service shall immediately cease, provided that at least ten (10) days' notice has been given to Participant by certified mail, return receipt requested. The suspended Participant shall be reinstated upon payment of all outstanding charges and a reinstatement processing fee in such amount as established by the Board of Directors, provided that full remittance is received by the Service within (30) days of the effective date of suspension.

Suspension for more than thirty (30) days constitutes expulsion, and a new application for participation must be filed accompanied by payment ~~in~~ of full initiation fees and any and all past due amounts in order to reinstate service.

Section 9.4 Right of Appeal: Participants shall have the right to appeal any penalty imposed pursuant to Section 9.1 and Section 9.2 to the WRIST Board of Directors, provided that such appeal must be in writing and received by the Directors within fourteen (14) days of the Participant's receipt of penalty notice. All appeals will be initially reviewed by a committee of the WRIST Board whose conclusion and recommendation s will be presented to the Board of Directors for final determination.

The Decision of the Board of Directors shall be final, except that the sanctioned Participant may request a hearing before the Professional Standards Committee of his designated shareholder Board/Association, based solely on the grounds that the WRIST Board of Directors' affirmation of the penalty was an abuse of discretion. WRIST shall be represented at such hearing(s) by the President or his designee.

Section 10. Ownership of MLS Compilations* and Copyrights.

Section 10.1 By the act of submission of any property listing content to the MLS, the Participant represents that he has been authorized to grant and also thereby does grant authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report

on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

Section 10.2 All right, title, and interest in each copy of every Multiple Listing Service Compilation created and copyrighted by WRIST, and in the copyrights therein, shall at all times remain vested in the Western Regional Information Systems & Technology, Inc.

Section 10.3 Each Participant shall be entitled to lease from WRIST a number of copies of each MLS Compilation sufficient to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such Compilation. The Participant shall pay, for each such copy, the rental fee set by WRIST. **

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

*The term MLS Compilation, as used in Sections 10 and 11 herein, shall be construed to include any format in which property listing data is collected and disseminated to the Participants, including, but not limited to, bound book, loose-leaf binder, computer database, card file, or any other format whatever.

**This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee (or licensed or certified appraiser) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling or appraising real property, and who does not, at any time, have access to nor use of the MLS information or MLS facilities of the Western Regional Information Systems & Technology, Inc.

Section 11. Use of Copyrighted MLS Compilations.

Section 11.1 Distribution: Participants shall at all times maintain control over and responsibility for each copy of any MLS Compilation leased to them by WRIST, 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 or real property and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by WRIST 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 WRIST-where access to such information is prohibited by law. *

Section 11.2 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 11.3 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 MLS Compilation which relate to any properties in which the prospective purchasers are or may, in the judgment of the Participant or their affiliated licensees, be interested.

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

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, "sold" information, "comparable", or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that WRIST has deemed to be nonconfidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these Rules and Regulations.

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

Section 12. Limitations on Use of MLS Information.

Use of information from WRIST's compilation of current listing information, from a shareholder Board's "Statistical Report," or from any "sold" or "comparable" report of a shareholder Board/Association or of WRIST 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 a shareholder Board/Association or WRIST 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 Western Regional Information Systems & Technology, Inc., (alternatively, from the _____ Board/Association") for the period (date) through (date)."

Section 13. Changes in Rules and Regulations.

Section 13.1. Amendments to the Rules and Regulations of the Service shall be by consideration and approval of the Board of Directors of WRIST, in accordance with the provisions of the Code of Regulations of the Western Regional Information Systems & Technology, Inc.

Section 14. Employees.

Section 14.1 Operation: The Board of Directors of the Western Regional Information Systems & Technology, Inc. will be responsible for employing such entities or persons as are deemed necessary for the efficient operation of the Service.

Section 14.2 Direction: Such entities and employees shall serve at the direction of the Chief Executive Officer (CEO) of WRIST who shall be responsible for their activities, as authorized by the WRIST Board of Directors.

Section 15. Orientation.

Section 15.1 Participants and Users: Any applicant for MLS Participation and any licensee affiliated with an MLS Participant who desires access to MLS-generated information shall complete an orientation program of no more than two (2) 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 sixty (60) days after access has been provided. *If offered, off site orientation program will satisfy the classroom orientation requirement.* The participant shall be fined \$25.00 a month until the requirement is met.

Section 16. INTERNET DATA EXCHANGE (IDX)

Section 16.1 IDX Definitions:

Section 16.1.1 Internet Data Exchange (IDX): A reciprocal agreement between Brokers to allow them to display each other's listings on the Internet in accordance with Western Regional Information Systems and Technology Inc.'s Rules and Regulations and MLS Policies. Advertising permission is for Internet display ONLY and does not include other means of advertising such as newspapers and magazines.

Section 16.1.2 Internet Data Exchange Participant ("IDX Participant"): Any Broker that has not specifically declined ("opt-out") to allow his listings to be advertised by other Brokers over the Internet in accordance with Western Regional Information Systems and Technology, Inc. Multiple Listing Service Rules and Regulations for Internet Data Exchange.

Section 16.1.3 Internet Data Exchange Subscriber ("IDX Subscriber"): Any REALTOR® licensed with an MLS Participant and who has agreed to abide by the Western Regional Information Systems and Technology, Inc. Multiple Listing Service Rules and Regulations for Internet Data Exchange.

Section 16.1.4 Internet Data Exchange Database ("IDX Database or IDX Listings"): All of the data from the combined listings of the IDX Participants, except for those where the Seller has specifically refused to allow his property to be advertised over the Internet. This information will be updated

continuously as information is updated in the MLS. The only data that may be displayed is that data which is determined by the WRIST Board of Directors.

Section 16.1.5 Branding: Uniqueness to easily identify a specific entity, such things as logos, and catch phrases all add to a sites branding.

Section 16.1.6 Body: A rectangular space whose borders are delimited by the utmost extent in each direction of the listing text and photo data.

Section 16.1.7 Framing: Is placing another web page “within” your own web page, giving the impression of ownership rights.

Section 16.1.8 Scraping: The distribution of listings without the permission of the originating Broker.

Section 16.2 DETAILS ABOUT WRIST’S IDX PROGRAM

Section 16.2.1 Participants must notify the MLS of their intention to establish an IDX site and make their IDX site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 16.2.2 Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent “scraping” or other unauthorized accessing, reproduction or use of the MLS database.

Section 16.2.3 Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly accessible Web sites or VOWs) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers.

Section 16.2.4 Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography, or location (“uptown”, “downtown”, etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right to sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each Participant.

Section 16.2.5 Participants must refresh all MLS downloads and refresh all MLS data at least once every seven days.

Section 16.2.6 Except as provided elsewhere in this policy or elsewhere in an MLS’s rules and regulations, an IDX site or Participant operating an IDX site may not distribute, provide, or make any portion of the MLS database available to any person or entity.

Section 16.2.7 When displaying listing content, a Participant’s or User’s IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.

Section 16.2.8 Re-Publication of IDX Database on Internet Permitted: In compliance with the National Association of REALTORS® policy, an IDX Participant and/or IDX Subscriber may republish all of the IDX Database on the Internet in accordance with the following provisions and in keeping with any policies that the Western Regional Information Systems and Technology, Inc. MLS may adopt from

time to time. Unless expressly contravened by the provisions of this section, all other rules and regulations remain in full force and effect.

Section 16.3 Display: Display of listing information pursuant to IDX is subject to the following rules:

- a. Listing Brokers' consent for IDX display of their Exclusive Right to Sell listings is presumed unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit display on a blanket basis. In such a case, it is the Listing Broker's responsibility to ensure that such listings are designated with an "N" in the "IDX" field in the MLS. If a Participant refuses on a blanket basis to permit the display of that Participant's listings, then that Participant may not display IDX listings of other Participants. IDX Brokers consent to display all of their listings unless the seller has provided written instructions the listing is not to appear in the IDX database. In such a case, the Listing Broker must enter an "N" in the "IDX" field in the MLS. IDX Brokers and/or Agents are prohibited from displaying other IDX listings indicated with an "N" in the "IDX" field in the MLS.
- b. In order to be an IDX Broker, an MLS Participant must be actively engaged in providing real estate brokerage services to buyers and/or sellers and must be an active member of WRIST, Inc.
- c. In order to be an IDX Agent, a REALTOR® must be licensed with an MLS Participant who is an IDX Broker and must be an active member of WRIST, Inc. The IDX Broker in turn, must provide authorization for the Agent participation and written supervisory responsibility for the agent's web site.
- d. The IDX Broker and/or Agent has the option of purchasing an IDX "search" button which can be placed on the Agent's web page and/or third party web site. This "search" button will filter the IDX listings, which are displayed in the search.
- e. An IDX Broker and/or Agent may not modify or manipulate the data in IDX data fields relating to another IDX Broker's listing. Likewise, an IDX Broker and/or Agent may not modify the images related to another IDX Broker's listings other than to proportionately re-size such images for display. IDX listings must be displayed in a consistent format such that the IDX Broker's listings are no more prominent than any other listings. IDX Brokers and/or agents may use a logo or other type treatment to identify their own listings as long as such logo or type treatment is no more prominent than the MLS-approved IDX logo as described in (g) below.
- f. The MLS-approved logo and an explanation that those properties marked with the logo are provided courtesy of the Western Regional Information Systems and Technology, Inc. MLS IDX Database must appear on the first page where any listing data is displayed. In addition, IDX Brokers and/or Agents must indicate on their websites that the information being provided is for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.
- g. Any search result identifying another IDX Broker's listing in a brief or "thumbnail" format shall bear the MLS-approved logo immediately adjacent to the property information to identify the listing as an IDX listing. IDX Participants/Subscribers will be provided with the logo and use requirements. Contact information or identified branding of the IDX Participant/Subscriber who owns the web site or any of its agents may not be displayed within the body of another IDX Participants listings. A listing display may only include the

following text information about the listing, a photo of the property, the name of the listing Broker and the listing agent.

The following text needs to be included on all web pages:

(IDX LOGO) “The data relating to real estate for sale on this web site comes in part from the Internet Data Exchange Program of Western Regional Information Systems and Technology, Inc. Real estate listings held by brokerage firms other than this site owner are marked with the IDX logo. “WRIST, Inc. deems information reliable but not guaranteed.”

Verbiage below must be italicized:

Copyright XXXX of Western Regional Information Systems and Technology, Inc. All rights reserved. (XXXX to be current year).

Any search result producing a detailed display of another IDX Participant’s listing shall bear that IDX Participant’s name, the listing agent’s name, the WRIST approved IDX logo, and WRIST’s copyright notice (as seen above) immediately following the property information. The IDX Participant’s name, WRIST approved IDX Logo, and copyright notice shall be at least as large as the largest type size used to display the listing data.

- h. A thumbnail display of another IDX Broker’s listing may not include any contact information or branding of the IDX Broker and/or Agent who owns the web site, any of its agents, or any third party.
- i. A thumbnail display may only include the following: text data about the listing property, a photo of the listing property, the MLS-approved IDX logo, and “buttons” providing links for other information.
- j. A search result producing a detailed display of another IDX Broker’s listing shall bear that IDX Broker’s firm name, the listing agent’s name, the MLS-approved IDX logo, and the MLS’s copyright notice immediately following the property information. The IDX Broker’s firm name, the listing agent’s name, MLS-approved logo, and copyright notice shall be at least as large as the largest type size used to display the listing data.
- k. A detailed display of another IDX Broker’s listing may not include any contact information or branding of the IDX Broker and/or Agent who owns the web site, any of its agents, or any third party within the “body” of the listing data. The “body” is defined as the rectangular space whose borders are delimited by the utmost extent in each direction of the listing text and photo data.
- l. Any result or compilation of search results identifying another IDX Broker’s listing shall include the disclaimer “Information Deemed Reliable but Not Guaranteed.”
- m. Any Internet web site used for publication of the IDX Database or any portion thereof must be controlled by an IDX Broker and/or Agent and advertised as that IDX Broker and/or Agent’s Internet web site.
- n. Non-principal brokers and sales licensees affiliated with IDX Participants may display information available through IDX on their own web sites subject to their Participant’s consent and control and the requirements of state law and/or regulation.

- o. If an IDX Broker and/or Agent suspects “scraping” of the data or “framing” of the site has occurred, the suspicion and any evidence must be reported to the MLS immediately for investigation and action.
- p. An IDX Broker and/or Agent must make changes to an Internet site necessary to cure a violation of the MLS's Rules within three (3) business days of notice from the MLS of the violation.
- q. No portion of the IDX Database shall be used or provided to a third party for any purpose other than those expressly provided for in these rules.
- r. No portion of the IDX Database shall be co-mingled with any non-WRIST MLS listings on the IDX Broker and/or Agent’s Internet web site.
- s. Any IDX Broker and/or Agent using a third party to develop/design its web site will have a written agreement with that third party in the form prescribed by the MLS.
- t. Any IDX website must be under the control of a single IDX Broker and/or Agent.
- u. Participants and affiliated licensees must limit the number of Listings that can be downloaded per search to 100.
- v. IDX Listing data may be obtained either through a Data Link setup and maintained and distributed by Western Regional Information Systems and Technology, Inc. or a Smart Framed Internet solution, which is distributed via a hyperlink. IDX data may not be directly exported from MLXchange Professional, MLS Passport, NET.MLS or any other web based MLS Software.

Section 16.4 Service Fees and Charges: Service fees and charges for participation in IDX shall be as established annually by the Board of Directors of WRIST.

Section 16.5 IDX Fine Structure:

- a. Unauthorized Use – A fine of \$1,000 shall be imposed for each use of IDX Listings by a Broker who has not opted in as an IDX Participant.
- b. Violations of Rules in Section 16.3 – a fine of \$100 shall be imposed for each violation of the following:
 - (1) Display of fields other than those designated by the MLS.
 - (2) Modification or manipulation of information relating to other Participant’s Listings.
 - (3) Failure to display the name of the Listing Firm.
 - (4) Failure to display the name of the Listing Agent.
 - (5) Failure of Brokers to provide oversight to Agents who display IDX data on Agent Web sites.
 - (6) Failure to show the MLS of the Western Regional Information Systems and Technology, Inc. as the source of information.

- (7) Failure to refresh all IDX downloads and data at least once every seven (7) days.
- (8) Failure to limit to one hundred (100) the number of Listings that can be downloaded per search.
- (9) Failure to display the IDX Listings of Western Regional Information Systems and Technology, Inc. separately from those provided by Listings from another MLS.
- (10) Providing the IDX Database to a third party.
- (11) Failure to pay fees for participation in IDX.