MARIS

RULES AND REGULATIONS FOR

PARTICIPANTS AND SUBSCRIBERS OF

MID AMERICA REGIONAL INFORMATION SYSTEMS, INC.

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The Mid America Regional Information Systems, Inc., is a wholly owned Corporation of the St. Louis REALTORS®, the St. Charles REALTORS® , the Southern Gateway Association of REALTORS®, the Franklin County Board of REALTORS®, the East Central Board of REALTORS®, the South Central Board of REALTORS®, the Pulaski County Board of REALTORS®, the Lebanon Board of REALTORS®, the Mineral Area Board of REALTORS®, the Southwestern Illinois Board of REALTORS®, Southeast Missouri REALTORS®, Mark Twain Association of REALTORS®, the Three Rivers Board of REALTORS®, and the Bootheel Regional Board of REALTORS®.

All questions on policy or procedures should be directed to the office of the Mid America Regional Information Systems, Inc.

MLS Rules and Regulations

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SECTION 1 LISTING PROCEDURES

Listings of real or personal property in conformity with one of the following categories, which are listed subject to a real estate broker's license and located within the Service Area **(see Interpretative Policies – II. Definitions, R. Service Area)** of the Service shall be delivered to the Service or loaded directly into the Service's computer within the time specified in the Interpretative Policies **Section 1. Submission & Status Change Timeframe.**

a. Single family homes for sale or lease;
b. Condominium, Townhouse, Villa for sale or lease;
c. Two-family, three-family or four family residential buildings for sale or lease;
d. Hobby farm with residence thereon for sale or lease;
e. New construction in the appropriate category no later than when the property is ready for trimming. Builder models and floor plans, as well as structures being built but which have not reached the trimming stage, may at the Participant's option, be listed in the category designated by the Service for "models" and "to be built";
f. Lots and Land for sale or lease; or
g. Farms

The Service may require the use of a Property Data Form as approved by the Service. The Service shall not dictate the form of the listing agreement between the Participant and the seller except that:

1. The listing agreement must adequately protect the interest of the public and the Participants.
2. The listing agreement must not establish, directly or indirectly, any contractual relationship between the Service and the client (buyer or seller).
3. The listing agreement must include the seller's written authorization to submit the agreement to the Service.

The Service shall accept listings subject to exclusive right to sell contracts and exclusive agency contracts, and other forms of agreement which make it possible for the listing broker to offer cooperation and compensation to the other Participants of the Service acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law.

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 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 the means provided by the Service 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.

For listings subject to Auction see Interpretative Policies –Section 1 Auctions

For New Participants see Interpretative Policies – Section 1 New Participants Submission Compliance

Section 1.01 - Clear Cooperation

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

[SECTION 1.1 – Intentionally Blank]

Section 1.1.1 - Listings Subject to Rules and Regulations of the Service
Any listing taken on a contract to be filed with the multiple listing service is subject to the rules and regulations of the service upon signature of the seller(s).

Section 1.2 - Detail on Listings Filed with the Service
A listing agreement or property data form, when filed with the multiple listing service by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form. For photo and video requirements **see Interpretative Policies – Section 1 Photo & Video Standards**

Section 1.2.0. Accuracy of Listing Data
Participants and Subscribers are required to submit accurate listing data and required to correct any known errors. **See Interpretative Policies – Section 1- Tax ID, Exceptions, Bedrooms, Square Footage, Basement Finish, Modular v. Manufactured, Garages, To Be Built v. Under Construction.**

Section 1.2.1 - Limited-Service Listings
Limited-Service Listings, as defined in **Interpretive Policies – II. Definitions, I. Limited-Service Listing**, will be identified with an appropriate code or symbol (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 1.2.2 - Property Addresses
At the time of filing a listing, Participants and Subscribers must include a property address available to other Participants and Subscribers, and if an address doesn't exist a parcel identification number can be used. Where an address or parcel identification number are unavailable, the information filed with the MLS must include a legal description of the property sufficient to describe its location. See Interpretive Policies- Section 1.2.1 Addresses for To Be Built vs. Under Construction.

Section 1.3 - Withheld Listings
If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing and such listing shall be filed with the Service (under the Withheld status), but not disseminated to the Participants. A Certification to Withhold Property Listing form must be completed no later than five (5) business days following the contract's execution date. The completed form must be maintained with all other listing documents related to the property. Upon request from MARIS, this form must be provided within one (1) business day.

Section 1.4 - Change of Status of Listing
Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with the service within three (3) business days (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing broker **(see Interpretative Policies – Section 1-Submission and Status Change Timeframe).**

Section 1.5 - 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, provided notice is filed with the service, including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal.

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

Section 1.6 - Contingencies Applicable to Listings
Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants.

Section 1.7 - Listing Price Specified
The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings unless the property is subject to auction.

Section 1.8 - Listing Multiple Unit Properties
All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the multiple listing service.

Section 1.9 - No Control of Commission Rates or Fees Charged by Participants
The multiple listing service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the multiple listing service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and nonparticipants.

Section 1.10 - Expiration of Listings
Listings filed with the multiple listing service will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed.

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

Section 1.11 - Termination Date on Listings
Listings filed with the service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.

Section 1.12 – Mandatory Listing Area
Only listings of the designated types of property located within the Mandatory Listing Area, as defined in the Interpretative Policies, of the MLS are required to be submitted to the service. Listings of property located outside the MLS's Mandatory Listing Area will be accepted if submitted voluntarily by a Participant but cannot be required by the service. Any listing that is submitted voluntarily shall be subject to these Rules and Regulations. **See Interpretative Policies – Section 1- Mandatory Listing Area Defined.**

Section 1.13 - Listings of Suspended Participants
When a Participant of the service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, 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 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 1.14 - Listings of Expelled Participants
When a Participant of the service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, 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/her clients**. See Interpretive Policies – Section 1.14 -Reinstatement Fee.**

Section 1.15 - Listings of Resigned Participants
When a Participant resigns from the Service, the Service is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the MLS Compilation of current listing information.

SECTION 2. SELLING PROCEDURES

Showings and Negotiations
Appointments for showings and negotiations with the seller for the purchase of listed property filed with the multiple listing service shall be conducted through the listing broker, except under the following circumstances:

a. the listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
b. after reasonable effort, the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his/her option, may preclude such direct negotiations by cooperating brokers. Any determination of "reasonable effort" and any contact with the seller(s) shall be made only through the cooperating broker, sales manager, partner, or office and not the sales associate. **See Interpretive Policies-Section 2-Reasonable Effort.**

Section 2.1 - Presentation of Offers
The listing broker must make arrangements to present the offer as soon as possible or give the cooperating broker a satisfactory reason for not doing so.

Section 2.2 - Submission of Written Offers and Counteroffers
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 counteroffers until acceptance and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated.

Section 2.3 - 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 or lessor's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

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

Section 2.4 - 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 when 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.

Section 2.5 - Reporting Sales to the Service
Status changes, including final closing of sales and sales prices, shall be reported to the multiple listing service by the listing broker within three (3) business days after they have occurred. If negotiations were carried on under Section 2 a. or b. hereof, the cooperating broker shall report accepted offers and prices to the listing broker within twenty-four (24) hours after occurrence and the listing broker shall report them to the MLS within twenty-four (24) hours after receiving notice from the cooperating broker.

Section 2.6 - Reporting Resolutions of Contingencies
The existence of a contingent sale that allows the property to remain on the active market must be disclosed without revealing price or terms in the designated contingency field. The listing broker shall report to the Service twenty-four (24) hours that a contingency on file with the Service has been fulfilled or renewed, or the agreement cancelled.

Section 2.7 - Advertising of Listings Filed with the Service
A listing shall not be advertised by any Participant other than the listing broker without the prior consent of the listing broker.

Section 2.8 - Reporting Cancellation of Pending Sale
The listing broker shall report to the Service the cancellation of any sale and the listing shall be immediately, if the listing agreement has not expired.

[SECTION 3 – Intentionally Blank.]

SECTION 4. PROHIBITIONS

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 Service without the prior consent of the listing broker. A Participant with licensees who are subject to a fee waiver may not make available to those licensees' listings of other brokers in the MLS. The preceding sentence does not prohibit a licensee from accessing listing records from another MLS or from any other source lawfully available to the licensee.

Section 4.1 - For Sale Signs
Only the "For Sale/For Rent" signs of the listing broker may be placed on a property.

Section 4.2 - Sold Signs
Prior to closing, only the sold 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 4.3 - Solicitation of Listing Filed with the Service
Participants shall not solicit a listing on a property filed with the Service unless such solicitation is consistent with Article 16 of the REALTORS® Code of Ethics, its Standards of Practice and its Case Interpretations. The prohibition in the previous sentence applies to licensees affiliated with a Participant who are subject to a fee waiver.

Section 4.4 - Use of the Terms MLS and Multiple Listing Service
No MLS Participant, Subscriber, or licensee affiliated with any Participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants, Subscribers and licensees affiliated with Participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to Participants and Subscribers. This does not prohibit Participants and Subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise.

Section 4.5 – Use of MARIS Trademarks Prohibited
Members and Subscribers shall not use the copyrights, trademarks, entity names, or derivatives thereof of this MLS or any other MLS that participates in the Common Data Platform, in member names, domain names, web addresses or uniform resource locators ("URLs").

Section 4.6 - Services Advertised as "Free"
MLS participants and subscribers must not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the participant or subscriber will receive no financial compensation from any source for those services.

Section 4.7 - Non-filtering of Listings
Participants and subscribers must not filter out or restrict MLS listings that are searchable by and displayed to consumers based on the level of compensation offered to the cooperating broker or the name of a brokerage or agent.

SECTION 5. DIVISION OF COMMISSIONS

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

In filing a property with the multiple listing service of an association of REALTORS®, the Participant of the service is making blanket unilateral offers of compensation to the other MLS Participants and shall therefore specify on each listing filed with the service, the compensation being offered to the other MLS Participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.[1]

MARIS allows 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.

The listing broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law) which may be the same or different.

This shall not preclude the listing broker from offering any MLS Participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of submitting an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other Participants in the service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount. **See Interpretive Policies- Section 5 Compensation Obligations as Applied to Fee-Waived Selling Salesperson.**

Section 5.0.1 - Disclosing Potential Short Sales
Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing Participants.

[1] 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

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

MLSs that adopt the discretionary provision shown immediately above may, but are not required to, adopt the following rule: Where Participants 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 the listing and cooperating Participants, listing Participants shall disclose to cooperating Participants in writing the total reduction in the gross commission and the amount by which the compensation payable to the cooperating broker will be reduced according to the terms based in the contract, but will make efforts to provide timely communication after receipt of notification from the lender.

Section 5.1 - Participant as Principal
If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through the multiple listing service, that person shall disclose that interest when the listing is filed with the multiple listing service and such information shall be disseminated to all multiple listing service Participants. **See Interpretive Polices Section -5.1 & 5.2 Participants and Principal Interest.**

Section 5.2 - 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. **See Interpretive Policies Section- 5.1 & 5.2 Participants and Principal Interest.**

Section 5.3 - Dual or Variable Rate Commission Arrangements
The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code, or symbol as required by the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

Section 5.4 Display of Listing Broker's Offer of Compensation
Participants and subscribers who share the listing broker's offer of compensation for an active listing must display the following disclaimer or something similar. The listing broker's offer of compensation is made only to participants of the MLS where the listing is filed.

SECTION 6. SERVICE FEES & CHARGES

MLS's service charges are described in the Interpretive Policies Section- 6.1- Service Fees and Charges.
Fees and Charges:

- User Fee
- Data Entry Fee
- Other Membership Categories
- Late Fees

Section 6.2 – Waiver Policies
MLS's waiver policies are described in the Interpretive Policies, see Section 6.2 Waiver Policies:

- Subscriber Fee Waivers
- Administrative Waiver

SECTION 7. COMPLIANCE WITH RULES

Compliance with Rules—Authority to Impose Discipline

By becoming and remaining a Participant or Subscriber in this MLS, each Participant and Subscriber agrees to be subject to the rules and regulations and any other MLS governance provision, including the National Association of REALTORS® Code of Ethics **(see Interpretive Policies Section 7- Code of Ethics).** 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. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
f. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

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

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

Section 7.1 - Compliance with Rules

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

a. for failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days' notice has been given, the Subscriber's 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 Sections 9 and 9.1 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.

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

Non-principal brokers, sales licensees, appraisers and others authorized to have access to information published by the MLS are subject to these Rules and Regulations and may be disciplined for violations thereof. Further, failure of any user or Subscriber to abide by the Rules and/or any sanction imposed for violations thereof shall 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. All rules herein are subject to state law.

Section 7.3 Compliance Enforcement Procedure
See Appendix B – MARIS Compliance Enforcement Procedure for information on reporting violations, processing violations, hearing requests, and appeals.

All MLS Rules and Regulations are subject to the following Escalation Process for repeat violations of the same rule by the same Participant/Subscriber, unless otherwise noted:

1. **Educational Notice**
2. **Educational Warning Notice**
3. **Fine Notice** - MLS will issue a minimum of $100 fine. In addition, the violating Participant/Subscriber will receive a warning of escalated fine amount and potential suspension/termination of access.
4. **Additional Fine Notice**- MLS will issue a minimum of $250 fine. In addition, the violating Participant/Subscriber will receive a minimum suspension of service for a minimum of 7 calendar days. Note: In the event the Participant is the broker of record with Subscribers that rely upon MLS service the MLS will provide the suspension in the form of Probation.
5. **Suspension Notice**- MLS will issue a minimum of $1000 fine and minimum of 30-day suspension. Note: If the violating Participants is also the Designated REALTOR® on record all listings under the supervision of the Participant will be modified to Terminated Status by the MLS Service.

[SECTION 8 – Intentionally Blank.]

SECTION 9. ENFORCEMENT OF RULES OR DISPUTES

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

When requested by a complainant, the MLS will process a compliant without revealing the complainant's identity. If a complaint is subsequently forwarded to a hearing, and the original complainant does not consent to participating in the process, the MLS will appoint a representative to serve as the complainant.

Section 9.1 - Violations of Rules and Regulations
If the alleged offense is a violation of the rules and regulations of the service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined pursuant to the MARIS MLS Compliance Enforcement Procedure **(see Addendum B).**

Alleged violations involving unethical conduct shall be referred to the professional standards committee of the association of REALTORS® with which the Participant or Subscriber, as appropriate, holds primary REALTOR® membership for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the association of REALTORS® with which the Participant holds REALTOR® membership.

Section 9.2 – Complaints of Unethical Conduct
All complaints of unethical conduct or requests for arbitration shall be referred to the association/board with which the Participant holds REALTOR® membership.

Section 9.3 – 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 9.3 of the MLS rules.

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

If the Service determines that the use of the content was unauthorized, the Service may issue a sanction pursuant to the MARIS MLS Compliance Enforcement Procedure **(see Addendum B),** 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 Service's determination the alleged violation remains uncured (i.e., the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law.

Section 9.4 – MLS Rules Violations
MLS Participants may not take legal action against another Participant for alleged rules violation(s) unless the complaining Participant has first exhausted the remedies provided in these rules.

SECTION 10. CONFIDENTIALITY OF MLS INFORMATION

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 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 10.1 – MLS Not Responsible for Accuracy of Information
The information published and disseminated by the Service is communicated, without change by the Service, as filed with the Service or directly placed into the computer by the Participant. (The Service may correct the form of listing addresses to comply with applicable standards.) The Service does not verify such information 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. Each Participant is responsible for the accuracy of listing data. In the case of errors in listing data, the Participant shall immediately make the correction in the MLS system or submit a change form to the MLS office so that the error can be corrected. A listing broker/agent/office staff person may not make changes to MLS listing data so that it is misleading to other MLS Participants.

Section 10.2 - Access to Comparable and Statistical Information
A REALTOR® a member of a MARIS shareholder, who is actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who does not participate in the Service, may be eligible to purchase or lease information other than current listing information that is generated wholly or in part by the Service, including "comparable" information, "sold" information, and statistical reports, subject to execution of a MARIS standard license agreement and payment of applicable fees, if any. Any information provided under this paragraph may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm, except as otherwise authorized in the MLS rules and regulations and the license agreement.

SECTION 11. OWNERSHIP OF MLS COMPILATION[2] AND COPYRIGHT

Participant Warranty
By the act of submitting 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.

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

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.

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

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

To qualify for this safe harbor, the OSP must:

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

Full compliance with these DMCA safe harbor criteria will mitigate an OSP's copyright infringement liability. For more information see 17 U.S.C. §512.

Section 11.1 - Compilation Copyright
All right, title, and interest in each copy of every multiple listing compilation created and copyrighted by MARIS and in the copyrights therein, shall at all times remain vested in MARIS.

Section 11.2 - Display
Each Participant shall be entitled to lease from the Service a number of copies of each MLS compilation sufficient to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such compilation. The Participant shall pay for each such copy the rental fee set by the association.[3]

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

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

SECTION 12. USE OF COPYRIGHTED MLS COMPILATION

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 an association multiple listing service is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed or published by an association multiple listing service where access to such information is prohibited by law.

Section 12.1 – Display

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

Section 12.2 – Reproduction

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

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

b. Participants who are a REALTOR® actively engaged in listing properties for sale and/or assisting and negotiating on behalf of buyers of real estate, or their affiliated licensees, may reproduce from the MLS Compilation, and distribute to prospective customers, verbally or in printed or email format, a reasonable number of single copies of sold property data listings contained in the MLS Compilation which relate to any properties in which the prospective customer(s) are or may, in the judgment of the Participant or their affiliated licensees, be interested. A republication of sold listing property data under this section shall display the following disclosure on each page containing sold listing property data in at least 10-point font:

Copyright [or ©] nnnn [current year] MARIS. All Rights Reserved. Information deemed reliable but not guaranteed. Property data presented reflect information otherwise available from public records. The REALTOR® providing this information may not have represented the buyer or seller in some or all of the transactions.

The property data from the MLS Compilation may not be modified or manipulated. (This is not a limitation on the design of the communication but refers to the actual data.) Unless expressly contravened by the provisions of this section, all other rules and regulations remain in full force and effect.

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

d. Any MLS information, whether provided in written or printed form, electronically, or 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 other individual, office or firm.

e. 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 using 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. Any other use of such information is unauthorized and prohibited by these Rules and Regulations.

Note: It is intended that the Participant be permitted to provide prospective purchasers/renters with listing data relating to properties which the prospective purchaser/renter has a bona fide interest in purchasing/renting or in which the Participant is seeking to promote interest. The term "reasonable," as used herein permits only limited reproduction of property listing data intended to facilitate the prospective purchaser's/renter's decision-making process in the consideration of a purchase/lease. 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/renter's expressed desires and ability to purchase, 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/renter.

SECTION 13. USE OF MLS INFORMATION

Limitations on 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 except that in counties where the disclosure of sale price is not required, the information from any sold or comparable report may only be used by MLS Participants as the basis for aggregated demonstrations of market share or comparisons of firms in public mass-media advertising or in other public representations. In counties where the disclosure of sale price is not required this authority does not convey the right to include in any such advertising or representations information about specific properties which were sold by other Participants (as either listing broker or cooperating broker).

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 Service must clearly demonstrate the period of time over which such claims are based and must include the following:

Based on information from Mid America Regional Information Systems, Inc. for the period (date) through (date).

SECTION 14. CHANGES IN RULES AND REGULATIONS

Amendments to the rules and regulations of the service shall be as described in the **Interpretive Policies Section 14- Rules and Policy Amendments.**

[SECTION 15 - Intentionally Blank.]

SECTION 16. STANDARDS OF CONDUCT FOR MLS PARTICIPANTS

[Standard 16.1 - Standard 16.23 – Intentionally Blank]

Standard 16.24 - Representations to the Public

MLS Participants shall present a true picture in their advertising and representations to the public, including Internet content, images, and the URLs and domain names they use, and Participants may not:

a. engage in deceptive or unauthorized framing of real estate brokerage websites;

b. manipulate (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result;

c. deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic;

d. present content developed by others without either attribution or without permission; or

e. otherwise mislead consumers, including use of misleading images.

SECTION 17. 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 at least one (1) hour and no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided.

Participants and Subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twenty-four (24) month period when deemed necessary by the MLS to familiarize Participants and Subscribers with system changes or enhancements and/or changes to MLS rules or policies. Participants and Subscribers must be given the opportunity to complete any mandated additional training remotely.

SECTION 18. INTERNET DATA EXCHANGE (IDX)

IDX Defined and Administered by MLS Grid

The Service retains the professional services of MLS Technology Platform, LLC dba MLS Grid ("MLS Grid") to administer and manage the MARIS IDX program, which affords Participants the ability to authorize limited electronic display of their listings by other Participants on authorized mediums under the Participant's control.

Section 18.1 - IDX Policies

MLS Grid will adopt, implement, and maintain rules, policies, and procedures as necessary for the operation of the MARIS IDX program and that are consistent with the policies of the National Association of REALTORS® MLS policies. IDX rules and license agreements can be obtained at: https://www.mlsgrid.com/s/MLS-Grid-IDX-Rules.pdf

SECTION 19. VIRTUAL OFFICE WEBSITES (VOWS)

VOW Defined

The Service retains the professional services of MLS Technology Platform, LLC dba MLS Grid ("MLS Grid") to administer and manage the MARIS Virtual Office Website or "VOW" program, which 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 Database, subject to the Participant's oversight, supervision, and accountability.

Section 19.1 - VOW Policies

MLS Grid will adopt, implement, and maintain rules, policies, and procedures as necessary for the operation of the MARIS VOW program and that are consistent with the policies of the National Association of REALTORS® MLS policies. VOW rules and license agreements can be obtained at: https://www.mlsgrid.com/s/MLS-Grid-VOW-Rules.pdf

ADDENDUM A

MARIS INTERPRETIVE POLICIES FOR

MID AMERICA REGIONAL INFORMATION SYSTEMS, INC.

The purpose of multiple listing is the orderly correlation and dissemination of listing information to participants so they may better serve the buying and selling public. The MARIS MLS rules are subject to these MARIS Interpretive Policies, as well as applicable statutes, ordinances, and governmental regulations, to agreements entered into by the Service, and an agency of government, and to final decrees of courts or administrative agencies. It is the duty and responsibility of the Service to ensure that all bylaws, rules, regulations, and other governance provisions comply with all mandatory multiple listing policies of the National Association of Realtors®.

I. MLS PURPOSE

A "Multiple Listing Service" is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants; (acting either as subagents, buyers 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, 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).

II. DEFINITIONS

For purposes of the MLS Rules and Regulations, the following terms shall have the meanings set forth below.

A. AGREEMENT TYPE: Every data input form that is currently used in the MLS system has a field labeled "Agreement Type". This field is used to inform other members that the property in question has at least one of the following items that pertain to the listing:

1. **Exclusive Right to Sell Listing** - This listing allows the owner to appoint one real estate broker as his/her exclusive agent for a designated period of time, to sell the property on the owner's stated terms, for a commission.
2. **Exclusive Agency** - This listing allows the owner to appoint one real estate broker as his/her exclusive agent for a designated period of time, to sell the property on the owner's stated terms, for a commission. However, the owner reserves the right to sell without paying anyone a commission if he/she sells to a prospect who has not been introduced or claimed by the broker.
3. **Purchaser Exemption(s)** - This Exclusive Right to Sell Listing has buyer exclusions. (Prior potential purchasers that have negotiated with the seller exclusively concerning their property.)
4. **Variable Rate** - This listing allows variable commission rates for different selling circumstances. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in a cooperative transaction or alternatively, in a sale that results through the efforts of the seller.
5. **Transaction Brokerage** – brokers acting as transaction brokers do not represent the buyer or seller in a transaction but act to facilitate the transaction. Transaction Brokers must abide by law and ethical standards.

B. BROKER LOAD: The term "Broker-Load" or "Broker-Load Office" shall mean the capability to submit information directly to the Service through a computer leased or owned by the Participant.

C. BROKER RECIPROCITY: See IDX ("Internet Data Exchange") **in Rules Section 18.**

D. BUSINESS DAYS: The term "business days" shall mean any day of the year except Saturdays, Sundays and national holidays.

E. EXPLANATION OF STATUS:

1. **Active.** For properties that are offered for sale and have no accepted contract.
2. **Active Under Contract.** For properties that have an accepted contract, and the seller has instructed their agent to keep marketing and showing the property in an effort to obtain a backup offer.
   - **With Kick-out.** For properties that have an accepted contract with a contingency that may allow the seller to terminate the current contract in favor of a backup contract.
   - **Without Kick-out.** For properties that have an accepted contract, and the seller has instructed the listing broker to keep marketing the property in effort to secure a backup contract, regardless of their ability to terminate the current contract.
3. **Coming Soon.** For properties that are preparing for full marketing exposure as an Active status listing.
4. **Withheld.** For properties that have privacy concerns or no intention of receiving full marketing exposure. These listings are only visible to the listing brokerage and MLS staff. Public marketing is not permitted.
5. **Pending.** For properties that have an accepted contract, and the seller has instructed their agent to cease marketing and/or showing the property. This property may still have normal contractual conditions (i.e., inspections, financing, etc.).
6. **Closed**. For properties that have sold/leased. For the purposes of updating MLS status, 'closed' references the legal transfer of property and is not dependent on broker compensation being received.
7. **Hold**. For properties that are not being marketed for a period but are still subject to a brokerage agreement.
8. **Withdrawn.** For properties withdrawn from the system prior to accepted sales contract and prior to expiration, but still subject to some listing broker rights. Listings will remain in this status until they move to the expired status. All public marketing must cease when a listing enters the Withdrawn status.
9. **Expired**. For properties for which the listing period has expired.
10. **Cancelled.** For properties that have been withdrawn from the MLS and the listing agreement has been terminated. These listings will not expire.

F. FILED: The act of submitting or inputting a listing into the MLS.

G. INTERNET DATA EXCHANGE (IDX): Is a means by which each Participant subscribing to IDX, permits the electronic display and delivery of their listings currently appearing in MARIS's MLS by another IDX Participant or Subscriber, via the following authorized mediums under the participant's control: websites, mobile apps and audio devices. Please refer to the IDX Rules and Regulations for detailed information on the IDX.

H. INVESTMENT PROPERTY: Any residential property which consists of five (5) or more units within a common structure and sharing a common tax identification; any package, combination, or bundle of separate parcels or structures intended to be marketed an sold together as a whole; or any property managed on behalf of an owner by a property manager.

I. LIMITED-SERVICE LISTINGS: Listing agreements under which the listing broker will not provide one, or more, of the following services:

1. 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);
2. 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);
3. Advise the seller(s) as to the merits of offers to purchase;
4. Assist the seller(s) in developing, communicating or presenting counteroffers; or
5. Participate on the seller(s) behalf in negotiations leading to the sale of the listed property

J. LISTING TYPES:

1. 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.

2. The **EXCLUSIVE AGENCY** listing authorizes the listing broker, as exclusive agent, to offer 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 should be clearly distinguished by a simple designation.

K. MANDATORY LISTING AREA: The Mandatory Listing Area of the Mid America Regional Information Systems, Inc. is the sum of the territorial jurisdictions of all MARIS' shareholder boards and association of REALTORS®, **see Interpretive Policies-Section 1.12 Mandatory Listing Area.**

L. MLS COMPILATION: The term "MLS Compilation" shall be construed to include any format in which property listing content is collected and disseminated to Participants and Subscribers.

M. MLS VENDOR: The term "MLS Vendor" shall mean the company with which MLS has contracted to provide publication and computer services to the Participants.

N. NEW CONSTRUCTION: Any property newly constructed or complete gut renovation, either completed or in the process of being completed, that is available to contract for purchase.

O. PARTICIPANT: Participant with regards to a party, means the principal, partner, corporate officer, or trustee, of a real-estate brokerage or appraisal firm, and the real estate brokerage firm and appraisal firm entity, permitted to have access to that party's MLS Content by virtue of its participation in that party's multiple listing service. "Participants" includes the Participants of Other CDP Entities. An entity with access to a party's MLS Content solely by virtue of the Common Data Platform Agreement is not a Participant of that party.

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

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.

2. 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 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.

P. PROPERY TYPE: A listing must be entered into the property type consistent with the following definitions:

1. **Single Family Residential.** A single dwelling including condominiums, town homes, twin homes, hobby farms, etc.
2. **Multi-Family Residential**. A dwelling with two, three or four living units within.
3. **Lots & Land**. Real property without a building used for dwelling or commercial purposes.
4. **Commercial / Mixed Use**. Property of commercial, residential, or mixed commercial and residential use.
5. **Residential Rental**. Residential properties available for rent including single family residences, condos, duplexes, triplexes, apartment buildings, mobile homes, retirement communities, etc.
6. **Farm**. Income producing property with or without a livable structure.

Q. SERVICE OR MARIS: The Mid America Regional Information Systems, Inc.

R. SERVICE AREA: The Service Area of Mid America Regional Information Systems, Inc. is the states of Missouri and Illinois.

S. SINGLE FAMILY HOME: Any property, regardless of acreage or size of lot, upon which, exists a habitable dwelling designed for occupancy by one family.

T. SUBSCRIBER: All non-principal broker, sales licensee, licensed leasing agent and licensed and certified real estate appraiser, except those subject to fee waiver under the MLS's policies, affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers provided that any such individual is under the direct supervision of a Participant or the Participant's licensed designee.

U. VIRTUAL OFFICE WEBSITES (VOWS): 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. References to "VOW" and "VOWS" include all VOW's, whether operated by a Participant, by a non-principal broker or licensee or by an AVP on behalf of a Participant.

I. POLICIES AND SUPPLEMENTAL RULES

MLS Rules and Regulation Reference	Title	Policy
Section 1 – Listing Procedures	**Submission & Status Change Timeframe**	Timeframe for **submission: within five (5) business days** after all necessary signatures of seller(s) have been obtained. Timeframe for **Status Change** to Active Under Contract, Pending and Closed: **within three (3) business days** after all necessary signatures have been obtained.
Section 1 – Listing Procedures	**Auctions**	THE MLS WILL ACCEPT LISTINGS THAT MAY BE SOLD AT AUCTION SUBJECT TO THE FOLLOWING CONDITIONS: 1. The possibility of an auction sale must be disclosed in special listing conditions. 2. An auction listing may appear in the sale transaction type as long as a contract may be presented, negotiated and fully executed prior to the auction. 3. Once a contract may no longer be presented, negotiated and accepted and the sale may only occur by auction, transaction type must be revised to auction. 4. That a sale was a result of an auction must be disclosed at the time the listing is moved to the closed status.
Section 1 – Listing Procedures	**Photo/Video Standards**	A minimum of one photo or rendering of front exterior or vacant lot representing current condition of property must be included within three (3) business days of entry into MLS, except where sellers expressly direct that photographs of their property not appear in the MLS compilations. All photos submitted into MLS shall comply with the following standards: • Photos/videos entered the MLS must at all times accurately represent the listed property; or otherwise indicated that the photo/video has been visually altered. Virtually staged photos/videos or modifications to chattel are not required to disclose virtual staging to the property. • Photos/videos that have been visually altered must be submitted with the non-altered original photo/video in succession during photo upload or video playback. • The photo or rendering of front exterior or vacant lot must always be included within the photos of the listing. • Photos/videos of listed property should not include people or pets. Wildlife and harvested game photos are permitted in properties exceeding one (1) acre. o An exception is made for lifestyle videos when shot from an overhead view. In this instance no person should be identifiable, and pets may appear within the view. • Photos/Videos should not include copyrighted material without having the necessary license/permissions. • Photos/Videos may not be copied from other listings; except that Brokers/Agents may copy photos from their own listings. • Photos/Videos of views other than the listed property must be clearly identified in the picture description. • Photographs of listed property on the Service shall depict the property for sale and shall not include any added text regardless of message, or any marketing or promotional messages made on

MLS Rules and Regulation Reference	Title	Policy
		behalf of the listing broker or seller. Photographs of an inappropriate nature are prohibited. • No personal, company promotion, showing instructions, websites or other commercial information is permitted within the client viewable body of the listings. The client viewable body would include all pictures, virtual media, remarks and directions. Personal or company promotions would include phone numbers, websites or pictures referencing agent or company.
Section 1 – Listing Procedures	**Tax ID Exceptions**	No two active listings should have the same Tax identification number with the following exceptions: • In a new development where Tax ID numbers have not yet been assigned multiple properties may be entered with the same Tax ID number. • If the property owner has granted written permission for property showing to the seller of the equitable interest, both listings may appear. • If a Single-Family Residential property is available with optional amounts of land, it may be listed twice with different amounts of acreage. If more than 2 optional amounts of land are available, the additional amounts should be described in remarks.
Section 1- Listing Procedures	**Swimming Pools**	For indoor, in ground or above ground pools to be described as private the pool must be on the property. Note: cannot include subdivision pools, etc.
Section 1 – **Listing Procedures**	**Bedrooms**	Code compliant where applicable. Most bedrooms require reasonable room size, ceiling height, closets (exception for historical properties), egress/ingress, permanent heat source, and cannot be tandem (if tandem only one of the two rooms can be counted as a bedroom).
Section 1- Listing Procedures	**Styles**	It is recommended that Villas are entered under the Condo Property type. If, for marketing purposes, a Broker wants a listing in both Condo and Residential, appropriate duplicate listing fees would apply.
Section 1 – Listing Procedures	**Square Footage**	The MLS has provided fields to reference the source. • Must be above grade to be counted • The Total Living Area field can include Finished Lower-Level square footage
Section 1- Listing Procedures	**Recorded Agent**	Buyer/Broker may assign any representative desired on the buy side of the MLS recorded representation. Listing Broker may assign any representative desired on the sell side of the MLS recorded representation. This may happen at any time during the listing period and/or up to 90 days after the closing status change.
Section 1 – Listing Procedures	**Basement Finish**	Floor, walls and ceiling must have cover/finish. Partially Finished must have at least part of the basement with all of the above.
Section 1 – Listing Procedures	**Modular v. Manufactured**	• **Modular** – built in modules at a factory, conforms to all state, local, or regional codes at the home's destination, modules are transported to the home site on truck beds- then joined. • **Manufactured** – formerly called mobile home, built in a factory, conforms to a Federal building code (HUD), rather than to building codes at the home's destination, built on a non-removable steel chassis, sections are transported to the home site on their own wheels.
Section 1 – Listing Procedures	**Garages**	Tandem must be marked if the garage is tandem.

MLS Rules and Regulation Reference	Title	Policy
Section 1 – Listing Procedures	**New Participants Submission Compliance**	Upon becoming a Participant in the Mid America Regional Information Systems, Inc., a Participant shall have 30 business days to enter all required listings into the service.
Section 1.01 – Clear Cooperation	**Cessation of Public Marketing**	The removal or cessation of public marketing after the fact does not eliminate the obligation to enter a publicly marketed listing into the MLS.
Section 1.2.2 – Property Addresses	**Addresses for To Be Built v. Under Construction**	• TBB is required in the address field for properties that are To Be Built. • UC is required in the address field for properties that are Under Construction, permitted but not complete. Only properties that are completed and ready for occupancy can have just the address
Section 1.12 – Mandatory Listing Area	**Mandatory Listing Area Defined**	The MARIS MANDATORY LISTING AREA is the sum total of the jurisdictional boundaries of the Mid America Regional Information Systems shareholder service areas. MARIS Shareholder jurisdiction areas include those of: 1. St. Louis REALTORS® 2. St. Charles REALTORS® 3. Southern Gateway Association of REALTORS® 4. Franklin County Board of REALTORS® 5. East Central Board of REALTORS® 6. South Central Board of REALTORS® 7. Pulaski County Board of REALTORS® 8. Lebanon Board of REALTORS® 9. Mineral Area Board of REALTORS® 10. Greater Gateway Association of REALTORS® 11. REALTOR® Association of Southwestern Illinois 12. Southeast Missouri REALTORS® 13. Mark Twain Association of REALTORS® 14. Three Rivers Board of REALTORS®
Section 1.14 – Listings of Expelled Participants	**Reinstatement Fee**	REINSTATEMENT OF AN **EXPELLED PARTICIPANT**- All Participants will be required to pay the Participation Fee of $250 upon reinstatement.
Section 2 – Showings and Negotiations	**Reasonable Effort**	Any determination of "reasonable effort" and any contact with the seller(s) shall be made only through the cooperating broker, sales manager, partner, or office and **not** the sales associate.
Section 5 – Compensation Specified on Each Listing	**Compensation Obligations As Applied To Fee-Waived Selling Salesperson**	The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) shall be excused if it is determined through arbitration that the selling salesperson affiliated with the cooperating broker was subject to fee waiver under MARIS's Waiver Policy at any time between the offer to purchase and the closing of the sale.
Section 5.1 – Participant as Principal, 5.2 - Participant as Purchaser	**Participants and Principal Interest**	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.

MLS Rules and Regulation Reference	Title	Policy
Section 6.1 – Service Fees and Charges	**Data Entry Fee**	Participants who do not wish to or are unable to enter new listings or changes into the system, will be required to pay a Data Entry Fee to MARIS for each listing or change entered by MARIS on their behalf. A $25.00 fee must accompany the data input or change form.
Section 6.1– Service Fees and Charges	**Duplicate Entry Fee**	The fee to enter a listing in a second property type is $50.
Section 6 .1– Service Fees and Charges	**Other Membership Categories**	**OFFICE STAFF** - shall be exempt from quarterly fees when the Service receives and approves the Office Assistant/Office Administrator application. • **Office Administrator** - works for the broker as a clerical employee only. Does not list, show or sell property. Uses the MLS system to input data, revise data and research data on a particular broker's behalf. Must renew yearly. Yearly renewal fee will be $100. broker accepts responsibility for the Office Administrator to use the system and follow the restrictions in this paragraph. broker and Office Administrator must sign the Office Administrator form prior to ID's being assigned. Upon request by MARIS, broker agrees to provide proof of employment for said office administrator employee. • **Personal Assistant** - works for agent as a clerical employee only. Does not list, show or sell property. Uses the MLS system to input data, revise data and research data on a particular agent's behalf. Must renew yearly. Yearly renewal fee will be $100. broker of office and agent accepts responsibility for the Personal Assistant and are responsible for Personal Assistant's compliance with the restrictions in this paragraph. broker and agent must sign the Personal Assistant form prior to ID's being assigned. Upon request by MARIS, broker agrees to provide proof of employment for said personal assistant members. Any Office Administrator and/or Personal Assistants that does not meet the above guidelines will not be assigned an Administrator or Assistant code. They will be entered into the system as a full-fledged member of the MLS and be required to pay the regular member fees. **Other Members:** • Comparable Only Members - for REALTOR® members of Shareholder, Boards or Associations who are actively engaged in the real estate business as defined in Article III, Constitution, and National Association of Realtors. This status permits the 'comp only' member to search the MLS database for sold properties only (does not include tax data). The fee for 'comp only' membership is $150 per year.
Section 6.1 – Service Fees and Charges	**Late Fees**	1. A late payment charge will be assessed to Participant/Subscriber if payment is not received within seven (7) days of the due date. 2. Fifteen (15) days from due date of invoice, if payment in full is not received in the MLS office, said Participant/Subscriber shall be suspended from all MLS services and a reconnection fee will be assessed. 3. Broker/Office Manager will be notified and will have 30 days to bring account to good standing with the service.
Section 6.2 – Service Fees and Charges	**Subscriber Fee Waivers**	MLS provides participants the option of a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser in a participating office who can demonstrate subscription to a different MLS where the principal broker for the office also participates. MLS requires the

MLS Rules and Regulation Reference	Title	Policy
		participant of waiver recipients to sign a certification for nonuse of MLS services, which includes penalties and termination of the waiver if violated. Normally, any per-subscriber fee is calculated based on each salesperson and licensed or certified appraiser affiliated with a participating office. The effect of fee waiver is that the number of subscribers in a participating office for purposes of any recurring per-subscriber fees paid by a participant, shall be reduced by the number of licensees and certified appraisers who are subject to waiver. For purposes of this policy and all rule provisions referring to it, "licensee" refers to non-principal salespersons and licensed and certified appraisers. **1. Conditions for Waiver:** Fee waivers are available for non-principal broker and non-principal appraiser licensees in offices participating in MLS, provided the participant and any fee-waived licensee(s) meet all the following requirements: a. Any fee-waived licensee must be a subscriber in another multiple listing service that has adopted a policy, in this MLS's reasonable judgment, substantially similar to the waiver policy of this MLS and that will certify this information to this MLS on the frequency established by this MLS. b. During any period for which a licensee's fees are waived, the licensee shall refrain from using any of the following services of this MLS: 1. Using this MLS's systems, databases, etc. This does not include accessing listing information of the licensee's own broker or of other brokers through the participant's IDX site or elsewhere. It does include accessing such information on the participant's VOW (which is for consumers' personal use). 2. Being identified as a listing agent on an active or pending property listing in this MLS. 3. Working as the selling agent on a property listed in this MLS by a firm other than participant's, unless the listing appears in an MLS to which the selling agent is a subscriber. This does not apply to the fee-waived participant's own listings, because the participant is free to share them within its firm (and anywhere else) without MLS consent or involvement. 4. Use of any data feed from this MLS (except one that includes listings only of the licensee's broker). 5. Using this MLS's data on an IDX or VOW website identified as the fee-waived subscriber's site or page. 6. Using MLS's data in an automated valuation product or tool in any product or service identified as coming from the fee-waived subscriber. **2. Process For Obtaining and Maintaining Waivers:** The participant must at all times provide to MLS up-to-date information on all licensees, whether they are subscribers or fee-waived licensees, in each participating office. The participant must identify which licensees are subject to fee waivers and for each waived licensee the other MLS in which he/she is a subscriber on the waiver certification form. In order to obtain a waiver for any licensee in the participant's office, the participant must execute the MLS's form for listing fee-waived licensees

MLS Rules and Regulation Reference	Title	Policy
		and the certification on it. In order to maintain a waiver for any licensee, the participant and licensee must continue to satisfy the requirements listed herein and must recertify (and obtain from the other MLS re-certifications) of the matters addressed in this Section with the frequency set by this MLS. **3. Revocation of Waiver:** The fee waiver for a licensee may be revoked under various circumstances, and the consequences of the revocation vary depending on its circumstances, as provided in this section. a. The participant or fee-waived licensee may revoke the waiver at any time upon notice to this MLS by submitting a completed *Cancel Waiver* form. In that case, the fee-waived licensee immediately becomes a subscriber and any fees due to MLS under its normal fee schedule for the current period for the subscriber (including pro-rata fees for any partial service period and any application fees if none have previously been paid for the subscriber) shall immediately become due and payable. In the event a fee-waived licensee appears as a listing agent on an active or pending listing in this MLS, the participant and fee-waived licensee shall be deemed to have revoked the waiver under this subsection (a). b. If this MLS determines that the fee-waived licensee has used any of the services of this MLS listed in the Conditions for Waiver section during a fee-waiver period, MLS may terminate the fee waiver upon notice to the participant and subscriber. In this case, the consequences of subsection (a) apply, and in addition to them, MLS may recover from participant or subscriber all the fees MLS would have collected had the fee-waived licensee been a subscriber during the previous 12 months of the waiver, and a fine of **$500** will be charged to the participant. After six months, the participant and subscriber can re-certify the subscriber to be a fee-waived licensee. **4. Consequences of Repeated Violations** A pattern of repeated violations of this policy exists when a participant allows any combination of three or more violations of this policy, whether the participant is aware of the violations and whether committed by one fee-waived licensee or more; or when a subscriber commits three or more violations of this policy. In the event that a participant or subscriber exhibits a pattern of repeated violations of this policy, subject to the MARIS Compliance Enforcement Procedure, MLS may suspend all fee waivers for the participant or subscriber (or both) for a period of up to three years. If, after such a period of suspension, a participant or subscriber again exhibits a pattern of repeated violations, MLS may permanently terminate fee waivers for the participant or subscriber (or both). In the event a participant or subscriber subject to suspension or termination of waivers moves to a new office as a participant, that office shall be ineligible for waivers during the pendency of its participant's suspension or termination. In the event a participant or subscriber subject to suspension or termination of waivers moves to a new office as a non-principal licensee, that non-principal licensee shall be ineligible for waivers during the pendency of his or her suspension or termination.

MLS Rules and Regulation Reference	Title	Policy
Section 6 – Service Fees and Charges	**Administrative Waiver**	A waiver form may be filed with the Service for any licensed member who is not actively listing, showing, or selling property (see back of waiver form for a complete list of allowable activities). An administrative waiver may be filed with the Service for any individual, who is a member of the Association/Board, employed by a Participant in a secretarial or administrative capacity exclusively and only utilizes the Service to input listings, make changes to listings, and maintain the Participant's office records. All waivered individuals are required to submit an annual waiver fee of $25. This fee will be billed each year during the month of December to the Waivered Member with a follow-up copy to the broker/Office Manager. Payment is due 30 days from the invoice date. Payment will be deemed delinquent 15 days after due date, at which time the waivered individual will be reactivated into the service. The waiver form, signed by the agent/administrator and Participant, eliminates the person from paying the monthly user fee, however, if the person is found to be using the system while on waiver, a penalty of **$500** will be charged to the Participant (broker). 1. **TO GO ON WAIVER:** Fill out the waiver form and return the form to the Service with a check for $75 ($50 administration fee and $25 annual fee) by the 25th of the prior month in which the member wishes to be waived from the service. 2. **TRANSFER:** Any member on waiver who transfers to another company must pay the $50 administration fee and have a new waiver signed by the new broker. 3. Without a new waiver form, the agent will be returned to active status and billed regular user fees through the new company. 4. **ELIGIBILITY:** Examples of eligible persons; staff secretary, office assistants or personal assistants who hold a real estate license. 5. **TO COME OFF WAIVER:** Fill out the Cancellation of Waiver form (form must be signed by the Participant and subscriber) and return the form to the Service.
Section 7 Compliance with Rules	**Code of Ethics**	The REALTOR® Code of Ethics adopted by the National Association of REALTORS® shall govern all actions of members of this Service, and further supplement these Rules and Regulations. All members participating in this Service shall uphold the Spirit as well as the Letter of the rules contained herein.
Section 14 - Changes in Rules and Regulations	**Rules and Policy Amendments**	Amendments to the Rules and Regulations of the Service shall be by majority vote of members of the Mid America Regional Information Systems, Inc. Board of Directors in accordance with the provisions of the Bylaws of the MLS.

ADDENDUM B

MARIS COMPLIANCE ENFORCEMENT PROCEDURE FOR MID AMERICA REGIONAL INFORMATION SYSTEMS, INC.

Overview

Mid America Regional Information Systems, Inc. (MARIS) has the responsibility of fostering awareness, understanding, and appreciation for the duties and responsibilities of MLS participants and subscribers, and of resolving complaints alleging violations of the MLS rules and regulations. MARIS considers all complaints having to do with violations of the MARIS MLS Rules and Regulations in accordance with these procedures and subject to Section 7 – Compliance with Rules and Section 9 – Enforcement of Rules or Disputes.

MARIS refers all complaints of unethical conduct or requests for arbitration to the professional standards committee of the association of REALTORS® with which the Participant or Subscriber, as applicable holds primary REALTOR® membership for processing. MARIS separates (i.e., bifurcates) any complaint that encompasses a violation of the rules and regulations and unethical conduct or requests for arbitration into two issues with each handled by the appropriate adjudicator.

The following is a summary of MARIS's compliance enforcement procedure. Complaints may be reported by a person, or identified by MARIS's data checking software against a Participant or Subscriber. MARIS staff assesses the complaint and determines if there has been a rule violation. If staff determine a rule violation, then the Participant or Subscriber will receive notice of the violation and assessment of the appropriate discipline in accordance with the Enforcement Schedule. The Participant or Subscriber may comply with the assessed discipline (e.g., pay the fine) or request a hearing before the MARIS Compliance Panel. If the Compliance Panel finds for the Participant or Subscriber, then there is no fine or violation; if the Compliance Panel finds against the Participant or Subscriber, then the original discipline stands, and the Participant or Subscriber may appeal that determination to the MARIS Board of Directors. The MARIS Board of Directors will make a final determination on the disposition of the alleged violation.

1. Complaints of violations

Complaints of violations of the MARIS MLS Rules and Regulations may be reported by any MARIS Participant or Subscriber, any CDP Participant or Subscriber, any MARIS staff member, or member of the public. MARIS may also identify rule violations via its data checking software and related tools.

All complaints must be submitted in writing. For MARIS Participants or Subscribers, alleged violations can be submitted via the Matrix report-it button; complaints may also be submitted via a complaint form available on the MARISmls.com website. MARIS reserves the right to request additional information regarding any submitted compliant.

2. Processing and notice of violations

MARIS compliance staff will review and process all complaints and decide if there has been a rule violation. If applicable, MARIS will provide confirmation to the individual that submitted the complaint that it is being processed. In the event of a violation, MARIS staff will provide written notice via email to the Participant and/or Subscriber (if applicable, notice shall also be sent to Participant's broker admin if directed by the Participant) of the violation and the corresponding discipline, including the timeframe for completion of such discipline ("Notice of Noncompliance"). MARIS staff reserve the right to refer complaints directly to the Compliance Panel for consideration.

3. Completion of discipline or hearing request

Upon receipt of a Notice of Noncompliance, the Participant and/or Subscriber may comply with the disciplinary measure as indicated on the violation notice or make a written request for a hearing on the complaint via MARIS's Request for Hearing form and submitting it to compliance@marismls.com within 10 days of the date of the Notice of Noncompliance. Failure to submit a request for hearing within the time specified will result in Participant and/or Subscriber losing the ability to contest any assessed violation.

4. Hearing Process

a. *Scheduling* – Within 10 days after receipt of a Request for Hearing Form, MARIS staff shall send Participant and/or Subscriber two proposed hearing dates and time windows (e.g., May 8, 2 – 4 pm CT and May 15, 1 – 3pm CT). Participant and/or Subscriber must notify MARIS staff within 5 days of the preferred date. MARIS may treat failure of Participant and/or Subscriber to respond as a failure to appear and the Participant and/or Subscriber will forfeit the right to challenge the assessed violation. If Participant and/or Subscriber will be represented by legal counsel at the hearing, advanced notice must be provided to MARIS in writing no less than 5 days prior to the hearing. If Participant and/or Subscriber fail to appear at the hearing, MARIS may assess a non-appearance fine in addition to the violation fine. Hearings will be conducted at MARIS's headquarters or via electronic means where all individuals can see and hear each other (e.g., via video conferencing or similar technology).

b. *Compliance Council* – The "Compliance Council" shall be comprised of the individuals appointed by the MARIS Shareholders to serve on the Compliance Council as provided in this Compliance Enforcement Procedure. Each Shareholder will appoint one councilperson, except that Shareholders with over 1,500 members will appoint two councilpersons. Councilpersons (i) may be a Participant or Subscriber, and (ii) must have some experience related to conflict resolution, mediation, served as an ombudsman, or on a professional standards committee, and (iii) have completed professional standards training, and (iv) must not have any prior MARIS Rules and Regulations violations in the past one (1) year. Compliance Councilpersons serve at the pleasure of the appointing Shareholder until resignation, death, or removal. In the event of any vacancy, the Shareholder who appointed the councilperson who has vacated the seat will appoint a successor. The Compliance Council will select a chair amongst themselves that will serve for a one (1) year term ("Compliance Council Chair.")

c. *Compliance Panel* – The hearing tribunal (the "Compliance Panel") shall be compromised of three (3) members from the Compliance Council, plus the Compliance Council Chair, who shall also serve as the "Compliance Panel Chair". Staff will select the members based on a rotating schedule; however, no member of the Compliance Panel may be from the same brokerage or franchise as the Participant or Subscriber whose alleged violation is being considered by the Compliance Panel or otherwise have a conflict of interest, and only one person from a Shareholder Association shall serve on the Compliance Panel at the same time.

d. *Panel Objections* – Staff will provide the Participant or Subscriber with a list of the names of the Compliance Panel during the scheduling process as described in paragraph 4(a), and if the Participant or Subscriber believes they have good cause, then they may object to up to three (3) of the Compliance Panel members and request their replacement (except that no objection can be made to the Compliance Panel Chair); such objections must be within the same timeframe for coordinating the schedule. In the event of an objection, staff will replace the objected member(s) with an alternate(s) from Compliance Council. Participant or Subscriber has no right to object to the alternate(s). MARIS reserves the right to replace scheduled Compliance Panel members with alternates to fill a last minute emergency absence.

e. *Procedure* – The Compliance Panel Chair will ensure that the hearing procedures are followed. Hearings will be conducted in accordance with MARIS's hearing procedures promulgated by MARIS and the MARIS Rules and Regulations. The Compliance Panel shall not be bound by the rules of evidence applicable in courts of law, but shall endeavor to afford the Participant or Subscriber a reasonable opportunity to be heard. MARIS staff will be present at the hearing in an administrative capacity to take notes, document the outcome, and perform other necessary administrative tasks.

f. *Documentation* – The Request for Hearing Form must be accompanied by all relevant documentation that Participant and/or Subscriber wish to submit for consideration by the Compliance Panel. The Compliance Panel may also request other documents relevant to the hearing that have not been provided via MARIS staff. The Participant and/or Subscriber will have the opportunity to verbally present their position to the Compliance Panel and answer questions asked by the Compliance Panel.

g. *Decision making* – The Compliance Panel, in an executive session of tribunal members only, will deliberate and make its determination based upon information and documents available to it and by majority vote of the Compliance Panel members, except the Compliance Panel Chair will not cast a vote. Factors that the Compliance Panel consider in its decision making include, but are not necessarily limited to:

    i. The nature of the violation

    ii. Harm caused by the violation. Was the violation a minor mistake causing little or no harm or, alternatively, was a client, customer, member of the public, or another participant harmed?

    iii. Was the violation inadvertent or unintentional or, conversely, was it the result of knowing disregard for the obligations of MLS participants and subscribers?

    iv. How much real estate experience did the violator have? Did he/she, or should he/she, have known better?

    v. Has the violator been found in violation of the rules previously? How often? How recently? Is the current violation related or similar to earlier violations?

    vi. Are there mitigating or extenuating circumstances that should be considered in determining appropriate discipline?

    vii. Did the violator acknowledge the violation? Did the violator express remorse or contrition?

    viii. Are there other factors that ought to be considered?

h. *Outcomes* – The following resolutions of the hearing are possible:

    i. Upon the Compliance Panel's determination that the Participant or Subscriber has not violated the rules and regulations, MARIS will revoke the notice of violation, void the disciplinary measure, and close the file for the matter.

ii. Upon the Compliance Panel's determination that the Participant or Subscriber has violated the rules, the Compliance Panel shall affirm the assessed violation and corresponding disciplinary measure.

The Compliance Panel will issue their determination in writing to the Participant and/or Subscriber.

5. Appeal to MARIS Board of Directors

Within 10 days after the Compliance Panel's decision, the Participant or Subscriber may give written notice demanding appeal of the Compliance Panel's determination that the Participant or Subscriber violated the MLS rules and regulations to the MARIS Board of Directors via email to compliance@marismls.com. Failure to submit written notice of appeal within the time specified will result in Participant and/or Subscriber losing the ability to appeal the Compliance Panel's decision.

The MARIS Board of Directors will review the violation, disciplinary measure, Request for Hearing Form, all documentation submitted by the Participant or Subscriber, the hearing notes as prepared by staff, and the Compliance Panel's determination. The appealing Participant and/or Subscriber has no right to attend the MARIS Board of Directors meeting, however the MARIS Board of Directors may, at their option, extend an invitation to attend the meeting to the Participant and/or Subscriber.

If the MARIS Board of Directors finds for the Participant and/or Subscriber, there is no fine or violation; MARIS will revoke the notice of violation, void the disciplinary measure and close the file for the matter. If the MARIS Board of Directors MLS finds against the Participant and/or Subscriber, the violation and assessed discipline stands, and the Participant and/or Subscriber must comply with the disciplinary measure as stated in the original notice, failure to comply may result in suspension or termination of MLS subscription. Determinations by the MARIS Board of Directors are final.

In the event that a member of the MARIS Board of Directors or any of their salespersons or employees is the subject of the violation/appeal, then that Board of Directors member will voluntarily recuse himself or herself from participating in any aspect of the appeal.

6. Confidentiality

Participant and Subscriber's disciplinary records are generally confidential (MARIS will share a Subscriber's disciplinary records with their supervising broker). A Participant or Subscriber may request a copy of their disciplinary record from MARIS. Hearings and appeals are confidential matters and the result of such proceedings are only disclosed to the individuals involved in the matters.

7. Enforcement Schedule

MARIS uses a progressive discipline approach for enforcement of MLS rules. This disciplinary approach emphasizes education for first time violations, and more serious forms of discipline for subsequent and repeated violations. The following enforcement measures will be assessed to the Subscriber or Participant, as applicable, for violation and/or noncompliance with the MLS rules, subject to the Compliance Enforcement Procedure. MLS rule violations are tracked on a calendar basis and reset every January 1; in the event a Participant or Subscriber moves to a new office during a calendar year, their disciplinary record will transfer and not reset.

A. OPPORTUNITY TO CORRECT

When a Participant or Subscriber receives a Notice of Noncompliance, the notice will state whether the violation can be corrected and the time period in which the correction must be made. If the correction is not made in that time frame, then the Participant or Subscriber will be issued the discipline described below. If the violation cannot be corrected, then the Participant or Subscriber will be issued the discipline described below.

B. CATEGORIZATION OF VIOLATIONS

Rule violations are in three categories: (1) Listing Violations; (2) Data Display Violations; and (3) Conduct Violations. While specific rules are listed in each of the categories below, the lists are not meant to be exhaustive of every MLS rule or policy. Violations of rules not listed below will be considered by MARIS in accordance with its Sections 7 and 9 of the MLS Rules, and the Compliance Procedures.

Category 1 Listing Violations – Category 1 violation means a rule violation relating to listing information provided by a Participant, Subscriber, or his/her affiliated staff person (e.g., administrative assistant). Category 1 violations are generally correctable.

Category 1 rules:
Section 1.2.1 – Limited Service Listings
Section 1.2 – Detail on Listings Filed with the Service
Section 1.11 – Termination Date
Section 1.4 – Change of Status of Listing
Section 1.5 – Withdrawal of Listing Prior to Expiration
Section 1.6 – Contingencies Applicable to Listings
Section 1.7 – Listing Price Specified
Section 2.5 – Reporting Sales to the Service
Section 2.6 – Reporting Resolutions of Contingencies,
Section 2.8 – Reporting Cancellation of Pending Sale
Section 17 – Orientation

Administrative sanctions process for Category 1:

- Upon identification of a Category 1 rule violation, Subscriber will be issued a notice of violation and provided with two (2) business days to correct the violation.
- If the correction is made within the time period, then there is no further action, and no offense will be registered against the Subscriber. If the violation is not corrected within the time period, then a fine will be assessed:
  - First Sanction - $100
  - Second Sanction - $1000
  - Third Sanction - automatic hearing before Compliance Panel where discipline will be determined.
- Category 1 violations are aggregated on a total category basis for the calendar year.

Category 2 Data Display Violations – Category 2 violation means a rule violation relating to the display of MLS data. Category 2 violations are generally correctable.

Category 2 rules:
Section 4.4 – Use of Terms MLS and Multiple Listing Service
Section 18 – Internet Data Exchange (IDX)
Section 19 – Virtual Office Websites (VOWS)

Administrative sanctions process for Category 2:

- Upon identification of a Category 2 rule violation, Participant, Subscriber (if applicable), and vendor will receive a notice of violation and provided with seven (7) business days to correct the violation.

- If the correction is made within the time period, then there is no further action. If the violation is not corrected within the time period, then the data feed will be terminated in accordance with the terms of the license agreement.

Category 3 Disclosure Violations – Category 3 violation means a rule violation relating to proper disclosure of information in the MLS. Category 3 violations are correctable but carry automatic penalties.

Category 3 rules:
Section 5 – Compensation Specified on Each Listing
Section 5.0.1 – Disclosing Potential Short Sales (known prior to acceptable of contract)
Section 5.1 – Participant as Principal
Section 5.2 – Participant as Purchaser

Administrative sanctions process for Category 3:
- Upon identification of a Category 3 rule violation, Subscriber will be issued a notice of violation and provided with two (2) business days to correct the violation, the offense will be registered against the Subscriber, and the following fine will be automatically assessed:
  - First Sanction - $100
  - Second Sanction - $1000
  - Third Sanction – automatic hearing before Compliance Panel where discipline will be determined.
- Failure to correct the violation will result in a second sanction.
- Category 3 violations are considered on a per listing basis.

Category 4 Submission, Signs, and Distribution Violations – Category 4 violation means a rule violation relating to mandatory submission of listings to the service, display of signs, and MLS data distribution/display. Category 4 violations are correctable but carry automatic penalties.

Category 4 rules:
Section 1 – Listing Procedures
Section 1.3 – Withheld Listings
Section 1.12 – Mandatory Listing Area
Section 4 – Information for Participants Only
Section 4.1 – For Sale Signs
Section 4.2 – Sold Signs
Section 4.3 – Solicitation of Listing Filed with the Service
Section 12 – Distribution
Section 12.1 – Display
Section 12.2 – Reproduction
Section 13 – Limitations on Use of MLS Information

Administrative sanctions process for Category 4:
- Upon identification of a Category 4 rule violation, Subscriber will be issued a notice of violation and provided with two (2) business days to correct the violation, the offense will be registered against the Subscriber, and the following fine will be automatically assessed:
  - First Sanction - $100
  - Second Sanction - $1000
  - Third Sanction – automatic hearing before Compliance Panel where discipline will be determined.
- Failure to correct the violation will result in a second sanction.
- Category 4 violations aggregated on a total category basis for the calendar year.

Category 5 Conduct and Confidentiality Violations – Category 5 violation means a rule violation relating to cooperation with a fellow participant or subscriber and confidentiality obligations. Category 5 violations are not correctable and carry automatic penalties.

Category 5 rules:
Section 1.01 – Clear Cooperation
Section 10 – Confidentiality of MLS Information (including password sharing)

Administrative sanctions process for Category 5:

- Upon identification of a Category 5 rule violation, Subscriber will be automatically issued a fine:
  - First Sanction - $1000*
    **The first offense fine may be reduced to $250 if Subscriber completes an MLS rules and regulations education course withing 30 days of the date of the rule violation notice.*
  - Second Sanction - $2000
  - Third Sanction - automatic hearing before Compliance Panel where discipline will be determined.
- Category 5 violations aggregated on a total category basis for the calendar year.

C. FAILURE TO PAY FINES OR COMPLY WITH DISCIPLINARY MEASURES

Fines for violations are due within 30 days. In the event that fines are unpaid for more than 30 days from the date of the invoice then a second sanction will be issued. In the event of continued failure to pay fines, MARIS may suspend all MLS services for the Subscriber until the account is brought into good standing.

Failure to comply with other disciplinary measures (e.g., completing an educational course) within the time provided for in the notice violation may result in suspension of all MLS services for the Subscriber until the disciplinary measure is completed.

Repeated failure to pay fines or comply with disciplinary measures may result in a hearing before the Compliance Panel.