

GULF COAST MULTIPLE LISTING SERVICE
Rules and Regulations

Any matter not specifically addressed in these Rules and Regulations shall be governed by the policies and procedures set forth by the National Association of REALTORS® as from time to time amended as well as the Policies and Procedures established by GULF COAST MULTIPLE LISTING SERVICE.

ARTICLE 1 - AUTHORITY, PURPOSE and MISSION STATEMENT

Section 1.1: Name - The Gulf Coast Multiple Listing Service, Inc., is a wholly owned corporation of the Mobile Area Association of REALTORS® (hereinafter referred to as the Association). GCMLS shall be subject to the MLS Bylaws and to these Rules and Regulations as same may be hereinafter amended.

Section 1.2: Purpose - Gulf Coast Multiple Listing Service is formed to promote, establish, foster, develop and preserve the highest standards of the real estate profession. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as single agents formerly buyer agents or in other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, 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).

Section 1.3: Mission Statement - To efficiently provide participants with innovative technology, accurate information, exceptional education, and superior support to facilitate consumers' real estate needs in a professional manner.

Section 1.4: Definition of MLS Participant - Any REALTOR® of a Shareholder Association/Board, any other Association/Board or any non-Realtor who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these rules, shall be eligible to participate in Gulf Coast Multiple Listing Service upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.** However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and offer or accept cooperation and compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.

There can be only one designated Participant per company or branch office. Gulf Coast Multiple Listing Service Participant is responsible for ensuring that all affiliated Subscribers, including registered staff, broker or agent assistants, comply with the rules, regulations and policies of the Service.

** Use of information developed by or published by Gulf Coast Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

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 ongoing basis during the operation of the Participant's real estate business. The 'actively" requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law.

The key is that the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates a Virtual Office Website (“VOW”) (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant “actively endeavors during the operation of its real estate business” to “offer or accept cooperation and compensation” only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants. *(Adopted by NAR 11/08)*

ARTICLE 2 - MEMBERSHIP QUALIFICATION

Section 2.1: REALTOR® Association Member Brokers - All persons who are a sole proprietor Broker or a Designated Broker member, or are a principal, partner, corporate officer, or branch manager acting on behalf of a principal, of any Association of REALTORS® shall automatically qualify for membership and participation in Gulf Coast Multiple Listing Service upon agreeing in writing to conform to the rules and regulations thereof and to pay the cost incidental thereto. There shall be no "waiting period" before a Participant is eligible to submit listings to the Multiple Listing Service.

Section 2.2: Non-REALTOR® Subscribing Brokers - A non-member applicant for participation who is a principal, partner, corporate officer or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to The MLS that they hold a current, valid real estate broker's license and is capable of offering and accepting compensation to and from other Participants agrees to complete an orientation program, the MLS Basic and MLS Compliance 101 Classes and to abide by the Rules and Regulations and pay the fees and dues, including any non-member fee differential, as from time to time established. There shall be no waiting period before such applicants are eligible to participate.

Section 2.3: Access and Reciprocity - Multiple Listing Service participatory rights are available to any REALTOR® (principal) or any firm comprised of REALTORS® (principals) irrespective of where they hold primary membership, subject only to their agreement to abide by Multiple Listing Service Rules & Regulations; to arbitrate contractual disputes with other participants; and to pay the same Multiple Listing Service dues, fees, and charges assessed to Participants holding membership with a Shareholder Board/Association.

Section 2.4: Withdrawal from Membership - Any MLS Participant may withdraw from the MLS by giving a 30 day written notice to the Service.

Section 2.5: Affiliate Membership - Affiliate Members of the Mobile Area Association of REALTORS, Inc., are eligible for Affiliate Membership in the Service with the only service available to them being access to the Comparable Sales and tax data.

ARTICLE 3 - ORIENTATION and TRAINING

Section 3.1: Orientation Program - Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within sixty (60) days after access has been provided.

- a. All Participants and Subscribers are required to take “MLS Basic” Class within 60 days of their application. Failure to take the required training will result in suspension of the MLS services. Gulf Coast Multiple Listing Service will monitor the 60 day requirement period.

Section 3.2: Additional Training - Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancement and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated orientation and additional training remotely.

ARTICLE 4 - RULES and REGULATIONS

Section 4.1: All Listings Subject to Rules and Regulations - Any listing is subject to the rules and regulations of the Gulf Coast Multiple Listing Service, and must be filed within three (3) business days (excluding weekends and Federal, State and Postal Holidays) with the Gulf Coast Multiple Listing Service, and has three (3) business days (excluding weekends and Federal, State and Postal Holidays) to correct a listing error upon the latter of a) the dated signature of the owner(s) of record or b) the beginning date on the Listing Agreement. In all cases other than those noted, actions required will be due within three (3) business days (excluding weekends and Federal, State and Postal Holidays).

Section 4.2: Required Signatures on Listings and Changes

- a. The signature(s) of all property owner(s) of record must be on the listing agreement and other required forms at the time the property is entered into the MLS. The penalty for non-compliance will result in an automatic fine of \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11 - Section 11.4 b)
- b. The signature(s) of all property owner(s) of record or person authorized to sign on the owner's behalf must be included on all changes in status, price changes, listing extensions and/or changes in terms. In lieu of the owner's signature(s), acceptable documentation would include a faxed authorization or an email authorization with an electronic signature from the owner(s). The penalty for non-compliance will result in an automatic fine of \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11 - Section 11.4 b)

Section 4.3: Listing Content and Virtual Tours

- a. At least one photo or rendering, aerial photo, or water view from the property (unit) must be loaded before a listing will be active. The front exterior photo or rendering must be entered in the 1st photo slot of the listing on all property types unless the 1st slot is an aerial photo or an exterior photo of a water view from the property (unit), in which case the front exterior photo must be in the 2nd slot.
 - (1) The sellers' have the ability to withhold photographs from the MLS after written authorization is provided to the listing Broker/Agent and then supplied to the GCMLS's administration department. A logo will be added when written authorization is received that states "Photo not available per seller's direction".
- b. The only exception is vacant land listings which must have a photo or an aerial photo, rendering, site plot or plat map in the listing's 1st photo slot. Photographs, images, virtual tours and/or renderings submitted by a Participant or Subscriber shall not be copied by other Participants or Subscribers for use in a subsequent listing of the same property without first obtaining a proper license from the owner of such photographs, virtual tour or renderings. Images not licensed or purchased by the listing broker/agent will result in an automatic fine of \$100 as outlined in the Automatic Fines Schedule, Level II (See Article 11 - Section 11.4 b).
- c. Front exterior photos must show a majority of the total home/building and the broker's yard signage may not be visible in the photo/image.
- d. Photos, images or virtual tours may not contain company or agent logos, agent photos, commissions, bonuses, contact information for the agent or office, text, or graphics of any kind with the exception of the Gulf Coast Multiple Listing Service watermark. Only photographs, site plot, property sketch, property line art or survey of the property can be entered in the virtual tour and all photo fields. All content including remarks, virtual tour photos and images must be owned, purchased or licensed by the listing broker/agent, from the content owner. Third-party virtual tour vendor's contact information (non-interactive) is the only contact information allowed on Virtual Tours. The virtual tour link must be a valid URL and may not contain any Participant/Subscriber names or links to any third party business or social networking sites. The penalty for non-compliance is \$100 as outlined in the Automatic Fines Schedule, Level II (See Article 11 - Section 11.4 b).
 - (1) Builders' names, whether or not said builder is a licensed Realtor/member of the MLS, are allowed in the Public Remarks and in the remarks under photos to promote their listings.

- e. The GCMLS, upon receipt of a Digital Millennium Copyright Act (DMCA) takedown notice for a violation on a website URL that is owned by the MLS Participant/Subscriber, MLS staff has the authority to remove the alleged infringing material outlined in the takedown notice from the MLS Listing Content within three (3) business days (excluding weekends and Federal, State and Postal Holidays). The listing agent and listing broker will be notified via the email address on file. The penalty for uploading content that causes another Participant/Subscriber to receive a DMCA takedown notification will receive an automatic fine of \$50 as outlined in the Automatic Fines Schedule, Level I. (See article 11 – Section 11.4b)

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

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

To qualify for this safe harbor, the OSP must:

- (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 4.4: Listing Remarks

- a. Rules relating to listing remarks vary by section: Public Remarks, Realtor Only Remarks and Additional remarks.
- b. Public Remarks must be about the listed property or the transaction.
- c. The Public Remarks shall not include any of the following:
 - (1) Contact, personal, or professional information about the Participant or User.
 - (2) Any reference to a lockbox agreement.
 - (3) Any websites or URLs.
 - (4) User or Company information.
 - (5) Vendor or third party service provider information.
 - (6) Owner(s) of record name or contact information.
 - (7) Showing Instructions.
 - (8) Open House information.
 - (9) Inappropriate information or language.
 - (10) For Sale by Owner.

Note: The penalty for non-compliance is \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11-Section 11.4b). Repeated or deliberate violations by the same subscriber will immediately be subject to the progressive fine schedule with no further notice.

- d. All listing remarks must be in compliance with State and Federal law in all matters relating to the advertisement and sale or lease of real property.

Section 4.5: Duplicate Listings - Gulf Coast Multiple Listing Service will accept only one listing per PPIN or Tax ID number per property type classification. Properties may not be listed more than one time, for example entered separately as a “three bedroom” listing and as a “four bedroom” listing or entered once in each of two different subdivisions, in more than one city, county, zip code, property style, etc. If appropriate, a property can be listed in more than one property type classification.

Section 4.6: Reporting Requirements - All duplicate listings must be maintained concurrently. If the property sells, the closing must be reported on only one ML#. Any additional listings must then be administratively cancelled by the broker. When cancelled, there must be a note made in agent remarks referring to the sold MLS ID number. Failure to do so will result in an automatic fine of \$100 as outlined in the Automatic Fines Schedule, Level II. (See Article 11 - Section 11.4b)

Section 4.7: Tax ID - Listings must have the correct Tax ID number and/or format.

Section 4.8 Map - The subject property’s location on the MLS map must be correct.

Section 4.9: Calling/Access Codes - For security purposes, the following information may only be published in the instructions section provided in the MLS: combination lockbox codes, security gate codes, security system alarm codes or any other codes for equipment or systems designed to ensure the security of the property.

Section 4.10: Listings Not Available for Showing - Coming Soon Listings

- a. Listings may not be entered as Active prior to being available for actual showings by all Participants/Subscribers or they must be placed into Coming Soon status. For example: Gulf Coast Multiple Listing Service will not accept listings with “No showings until MM-DD”.
- b. Active Listings that become temporarily unavailable for showing by other Participants for any reason whatsoever must be changed to “TOM” (Temporary Off Market/HOLD) status within three (3) business days (excluding weekends and Federal, State and Postal Holidays) and will expire automatically on the Expiration Date unless reactivated in the interim.
- c. Unless written permission is obtained from the listing agent/broker or included in the listing, a fine will be imposed to any Participant/User contacting owner(s) of record when the listing is in an on market (ACT, ACT w/FROR, or TOM) status. The penalty for non-compliance of A, B or C is \$100 as outlined in the Automatic Fines Schedule, Level II (See Article 11 - Section 11.4b).

Section 4.11: Driving Directions - Driving directions are required in the field provided and must be full narrative driving directions that include full street names, beginning and ending points and use standard directional designations such as north, south, east and west. Directions may not refer the user to an online electronic mapping service, e.g. MapQuest or GPS latitude and longitude coordinates, as a substitute for entering narrative directions. Driving directions shall not contain URLs, references to websites, contact information or any other verbiage not related to driving directions.

Section 4.12: Short Sales - Short Sales must be disclosed. Failure to disclose a short sale may result in a fine.

Section 4.13: Listing Manipulation/Days on Market - DAYS ON MARKET (DOM) and CUMULATIVE DAYS ON MARKET (CDOM) are calculated from the LIST DATE to the CURRENT DATE for Active listings.

A listing must remain off-market for 30 days before it can be re-listed by the same company and get a new MLS number. Once off market for 30 days, the DOM will restart at zero.

CDOM will still accumulate unless listed property is off market for over 60 days. The penalty for non-compliance is a \$50 as outlined in the Automatic Fines Schedule, Level 1 (See Article 11 - Section 11.4b)

DOM for new construction resets when it goes from To Be Built (Proposed) to Under Construction and then when property moves to New Complete; DOM begins again.

Coming Soon listings accrue Days on Market (DOM) until the listing status is changed to "Active" in the MLS System. DOM will reset once the listing status is changed to active and the listing date has been updated.

Office Exclusive Listings accrue Days on Market (DOM).

Section 4.14: Housing for Older Persons - Disclosure of qualified housing for older persons in the MLS database is possible. Any listing otherwise eligible for dissemination in the MLS database that is located within a community that is "qualified housing for older persons" under the Fair Housing Act, and thus may lawfully limit occupancy to such older persons (e.g. an "over - 55" or "over - 62" community).

Section 4.15: HUD Listings - HUD listings may be identified in the appropriate fields.

Section 4.16: REO/Bank Owned Disclosure - REO/Bank Owned/Foreclosure properties must be noted if right of redemption applies or may apply in applicable fields or remarks. If applicable, foreclosure deed date must be stated in remarks or appropriate fields. Foreclosure documents must be uploaded to the listing.

Section 4.17: Pre-Foreclosure - Before selecting Pre-Foreclosure in the Realtor Info Confidential field or noting in Remarks, it is highly recommended that the listing participant obtain written consent from the owner(s) of record.

- a. **Pre-Foreclosure Definition:** This refers to the period after the lender has filed the original complaint and filed a lis pendens on the property indicating the intent to foreclose.
- b. **Foreclosure Definition:** Legal proceeding initiated by a creditor to repossess the collateral for a lien that is in default, which may result in the forced sale of the real property pledges (OR pledged) as a security.

Section 4.18: To Be Built (Pre-Construction), Under Construction and New Construction - To Be Built (Pre-Construction) and Under Construction homes may be listed under the Residential Property Type under the following conditions:

- a. **To Be Built (Pre-Construction):** The listing is for a specific lot and an approved building plan(s), but construction has not yet begun.
 - (1) Construction Type must be set to "To Be Built"
 - (2) The Year Built Description is identified as "To Be Built"
 - (3) The first words in Public Remarks must say "To Be Built"
 - (4) The list price must include the price of the residential structure and lot
 - (5) Only one (1) "To Be Built" construction listing, per floor plan, can be entered. (e.g. If there are 6 floor plans which are available to be built on a particular lot, 6 "To Be Built" construction listings may be entered).
 - (6) A floorplan representing the finished structure is recommended to be uploaded as an image or attachment.
- b. **Under Construction Definition:** The listing is for the specific lot and structure where construction has begun but is not complete, and a Certificate of Occupancy has not been issued.
 - (1) Construction Type must be set to "Under Construction"
 - (2) The Year Built Description is identified as ""Under Construction"
 - (3) The first words in Public Remarks must say "Under Construction"
 - (4) The list price must include the price of the residential structure and lot
 - (5) Requires at least one photo/image/rendering
 - (6) A floorplan representing the finished structure is recommended to be uploaded as an attachment
 - (7) DOM will reset when changing from Pre Construction to Under Construction

- c. **New Complete/Never Occupied Definition:** The construction is complete but has never been occupied.
- (1) Construction Type must be set to "New Construction" after the Certificate of Occupancy is issued, but no later than the day listing is submitted to Closed/Sold status.
 - (2) The Year Built Description will be changed to the correct year built after the Certificate of Occupancy is issued, but no later than the day listing is submitted to Closed/Sold status.
 - (3) The first words in Public Remarks must say "New Construction"
 - (4) Requires at least one exterior front photo of the completed house
 - (5) DOM will reset when changing from Under Construction to New Complete/Never Occupied

Section 4.19: Attachments - Attachments to listings must be in compliance with MLS Rules and Regulations.

Section 4.20: Showing Instructions - Cooperating Participant/Subscribers must contact the Listing Participant to arrange appointments to show listed property, even if the property has a lockbox affixed to it unless the Listing Participant has given specific written permission to show the property without first contacting them.

Section 4.21: Unauthorized Access Prohibited - Unauthorized access to the System/services or distribution of MLS data is strictly prohibited. (Also see Section 11.5)

External: A Participant/Subscriber who shares a password with or distributes listing information to another individual, and that individual is not an authorized Participant/Subscriber, the Participant/Subscriber will receive an automatic fine of \$3,000 as outlined in the Automatic Fines Schedule, Prohibited Activities (See Article 11 - Section 11.4 b).

Section 4.22: Energy Efficiency Documentation - Entry and disclosure of energy efficient (green) property features in the MLS database is optional. However, if the listing agent selects an option from the Green Certifications field, documented proof of that feature or certification must be uploaded to the listing immediately following listing entry or update.

Note: Any violations of this will receive an automatic fine as outlined in the Automatic Fines Schedule, Level I (See Article 11 - Section 11.4 b).

Section 4.23: Expected Closing Date - When a closing date has changed, the "Expected Closing Date" must be updated to reflect the correct date. Failure to update within five (5) business days excluding weekends and federally recognized holidays after one (1) day warning notice, will result in an automatic fine of \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11 - Section 11.4 b).

Section 4.24: Submission of Requested Documents - When requesting documentation for purposes of auditing a listing, the documents must be received within two (2) days. Failure to comply by the deadline will result in an automatic fine of \$100 as outlined in the Automatic Fines Schedule, Level II. (See Article 11 - Section 11.4 b).

ARTICLE 5 - LISTING PROCEDURES

Section 5.1: Submission of Listings - Participant's listings of real property of the types shown below which are located in the counties of the MLS's service area shall be submitted to the MLS within three (3) business days (excluding weekends and Federal, State and Postal Holidays) upon the latter of a) the dated signatures of the owner(s) of record or b) the beginning date on the Listing Agreement. Listings of property located outside these counties will be accepted if submitted by a Participant but are not required by the MLS.

All properties which are to be sold or which may be sold separately must be listed individually except multiple lots in the same subdivision. When part of the listed property has been sold, that portion of the property shall be submitted to the Service as a separate comparable.

Section 5.2: Classes and Property Types that will be accepted - Below are the types of listings that will be accepted.

1. Residential - Single Family (Attached and Detached) include:

Sub-types:

- Condo
- Patio Home
- Town Home
- Proposed SFD
- Proposed Condo
- Proposed Patio Home
- Proposed Townhome
- Manufactured/Mobile Home (attached to land)
- Auctions
- Investment Property

2. Multi-Family/ Residential Income - Two (2) to four (4) units - include:

Sub-types:

- Duplex
- Triplex
- Quadraplex
- Auctions
- Investment Property

3. Rental / Lease - Residential Single Family Only (Attached and Detached) include:

Sub-types:

- Apartments
- Condo
- Patio Home
- Townhome
- Manufactured/Mobile Home (attached to land)

4. Lots and Land - Residential Only - For Sale and For Lease- include:

Sub-types:

- Land
- Lot
- Deeded RV Lot
- Auctions

5. Commercial - For Sale and For Lease - include:

Sub-types:

- Commercial Use Land
- Commercial Use Buildings

6. Other:

- Deeded Boat Slips that do not require owning property within the same development and Fractional-Ownership properties

Section 5.3: Commission Apportionment Disclosure

- a. Commission Apportionment Disclosure. If the listing broker elects not to disclose to a cooperating broker how any reduction in the gross commission will be apportioned between the brokers, then the listing broker will be obligated to pay the cooperating broker the compensation stated in the listing. Timely disclosure of the manner of apportionment of any commission reduction must be made by either placing the disclosure in the listing or providing the disclosure to the cooperating broker **prior** to the cooperating broker submitting an offer of purchase.
- b. 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 within 24 hours of notification from the lender. Commissions must be listed in the appropriate fields and NOT in remarks.

Section 5.4: Types of Listings Accepted - Participants in Gulf Coast Multiple Listing Service may submit the following types of listing(s) (Note: These listing agreements must include the owner(s) of record written authorization to submit the agreement to the Gulf Coast Multiple Listing Service):

- a. **Exclusive Right of Sale:** The Exclusive Right of Sale Listing in which the Listing Participant is authorized by the owner(s) of record to cooperate with and to compensate other brokers. It gives the Listing Participant the right to sell the property and to collect a commission if the property is sold by anyone, including the owner(s), within the listing period.
- b. **Exclusive Agency:** The Exclusive Agency Listing authorizes the Listing Participant, as exclusive agent, to offer cooperation and compensation on a blanket unilateral basis, but also reserves for the owner(s) of record the right to sell the property themselves and **not** be obligated to pay a commission.
- c. **Limited Service Listings:** Listing Participant is authorized to place listing in the MLS and will provide limited services and must be identified in the appropriate field in the MLS system. Please refer to Section 34-27-84(c) Code of Alabama: When accepting an agreement to list an owner's property for sale, the broker or his or her licensee shall, at a minimum, accept delivery of and present to the consumer all offers, counteroffers, and addenda to assist the consumer in negotiating offers, counteroffers, and addenda, and to answer the consumer's questions relating to the transaction.

MLSs may, as a matter of local discretion, categorize listings as limited service in instances where listing brokers, pursuant to their listing agreements, will not provide one or more of the following services:

- (1) Arrange appointments for cooperating brokers to show listed properties to potential purchaser(s) but instead give cooperating brokers authority to make such appointments directly with seller(s).
 - (2) Accept and present to seller(s) offers to purchase procured by cooperating brokers but instead give cooperating brokers authority to present offers directly to seller(s).
 - (3) Advise seller(s) as to the merits of offers to purchase.
 - (4) Assist seller(s) in developing, communicating, or presenting counter-offers.
 - (5) Participate on seller's(s') behalf in negotiations leading to the sale of the listed property.
- d. **Sold Data For Comparison Only:** These entries are optional; however, Participants must adhere to the following guidelines.
- (1) To enter a listing as a comp, participant must have a Transaction Broker listing agreement, enter the listing in the system within three (3) business days (excluding weekends and Federal, State and Postal Holidays) after the offer is accepted, change the listing to pending and then sold after the closing. Listings cannot be added by this process after the listing has closed.
 - (2) Days on Market will not apply for comp listings.

Section 5.5: Optional Listing Types - The following classifications of property may be placed with Gulf Coast Multiple Listing Service at the option of the Participant, however listing, if entered, must be in compliance with the Rules and Regulations:

- a. **Fractional Listing:** A Fractional listing, wherein the buyer(s) will receive a recorded deed may be submitted to the MLS by the Participant. Several types of legal restrictions can apply to fractional ownership: state real estate law, local real estate law, private deed restrictions and federal/state and securities law.

Rules upon Entry into MLS: If a Participant chooses to enter a Fractional Listing into the MLS:

- (1) "Fractional" under the "Ownership" field must be selected.
 - (2) "Public Remarks" must include the words "Fractional Ownership" and the number of shares included/total shares in the first line of remarks.
 - (3) Fractional listings must be entered on the Residential (RES) profile sheet.
- b. **Co-Brokered Listing:** When a Participant jointly lists a property with another Participant, the following rules apply:
 - (1) Only one Participant of the MLS may submit the listing to the MLS.
 - (2) The listing Participant is solely responsible for the terms and conditions of the listing, including but not limited to, the offer of compensation to cooperating Participants.
 - (3) The listing must be of a type permitted by the MLS and conform to all rules, regulations, and policies of the MLS.
 - (4) The agent who is listing the property in the MLS must have written authorization from the other listing broker permitting the listing to be placed in our MLS.
 - (5) The agent who is listing the property in the MLS must have written authorization from the seller authorizing the joint listing of the property. Both parties in the joint listing must be a member of the same MLS, and in the same company.

Section 5.6: Listing Types Not Accepted - Gulf Coast Multiple Listing Service does not accept the following types of listings:

- a. **Net Listings:** A Net Listing is an agreement to pay the owner(s) of record a "net" price for their property regardless of the sales price.
- b. **Open Listings:** An Open Listing is expressed or implied. Since it is not in writing, it does not include authorization to cooperate and compensate other brokers and offers a disincentive for cooperation.
- c. **Mobile/Manufactured Home without Real Property.**

Section 5.7: Other Listing Types - Gulf Coast Multiple Listing Service does not regulate the type of listings Participants may take, but it does not accept every type of listing. Participants of Gulf Coast Multiple Listing Service are free to accept other types of listings to be handled outside Gulf Coast Multiple Listing Service.

Section 5.8: Non-Participant Listings - Participants may enter information into the system solely for the Participants and Subscribers and may not input listings for non-participant brokerages.

Section 5.9: Named Prospects - Exclusive Right of Sale Listings, Exclusive Agency and Limited Service agreements with "named prospects" exempted must be clearly distinguished by indicating "Exclusion" in agent remarks.

Section 5.10: Agency Representation - Gulf Coast Multiple Listing Service accepts listings from Participants representing their customers as single agents, limited consensual dual agency, or transaction brokers.

Section 5.11: Teams or Co-Listings - Team or Co-listing agents may enter listings into the MLS system if the following criteria are met: (1) Each agent is a member of the Gulf Coast Multiple Listing Service and is paying monthly MLS fees. (2) Each team member is in the same FIRM.

Section 5.12: Use of MLS Data Entry Form - Participants shall utilize the current approved MLS data entry form, complete all required fields and obtain all required signatures.

Section 5.13: Refusal of Certain Forms of Listings - The MLS, through its legal counsel, may refuse to accept a listing form which (a) fails to adequately protect the interests of the public and the Participants, (b) established, directly or indirectly, any contractual relationship between the MLS and the client; and/or (c) fails to comply with these Rules. The listing agreement of a property filed with the MLS must expressly grant the listing Participant authority to advertise; file the listing with the MLS; provide timely notice of status changes of the listing to the MLS; provide sales information including selling price to the MLS upon sale of the property; designate the full gross listing price; and bear a definitive and final termination time and date as negotiated between the listing Participant or Subscriber and the seller(s).

Section 5.14: The full gross listing price shall be stated in the contract. It is a violation to change the list price once the property has been placed in Pending status with a resulting automatic fine of \$100 as outlined in the Automatic Fines Schedule, Level II. (See Article 11 - Section 11.4 b).

Section 5.15: Exempt Listings - If the owner(s) of record refuses to permit the listing to be disseminated by Gulf Coast Multiple Listing Service, the broker may then take the listing ("office exclusive") and such listing shall be filed with Gulf Coast Multiple Listing Service but not disseminated to the Participants. Filing of the listing must be accompanied by the Owner's Waiver of MLS Entry acknowledgement (or another like form), signed by the listing broker and owner(s) of record affirming that they do not desire the listing to be disseminated by Gulf Coast Multiple Listing Service.

Failure to submit the required Owner's Waiver of MLS Entry form within three (3) business days (excluding weekends and Federal, State and Postal Holidays) upon the latter of the dated signature of the owner(s) of record or their designee shall result in a fine of \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11 - Section 11.4b).

Section 5.16: Change of Terms and Status of a Listing

- a. **Change in Terms:** Any price change or change in the terms and conditions from the original listing agreement shall be made only when authorized in writing by the owner(s) of record and shall be filed with Gulf Coast Multiple Listing Service within three (3) business days (excluding weekends and Federal, State and Postal Holidays) after the signed authorization is received by the Listing Participant. The "Pending Status" on any listing overrides the expiration date. The penalty for non-compliance is \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11 - Section 11.4b).
- b. **Change in Status:**
 - (1) Any change in status to "pending" shall be filed with Gulf Coast Multiple Listing Service within three (3) business days (excluding weekends and Federal, State and Postal Holidays) of effective date of contract. The penalty for non-compliance is \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11 -Section 11.4b).
 - (2) Any change in status to "sold" shall be filed with Gulf Coast Multiple Listing Service within three (3) business days (excluding weekends and Federal, State and Postal Holidays) of close date of contract. The penalty for non-compliance is \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11- Section 11.4b).
 - (3) All other change in status shall be filed with Gulf Coast Multiple Listing Service within three (3) business days (excluding weekends and Federal, State and Postal Holidays) after the signed authorization is received by the Listing Participant. The penalty for non-compliance is \$50 as outlined in the Automatic Fines Schedule, Level I (See Article 11 - Section 11.4b).
- c. **Status Definitions:**

- (1) **Active:** A current listing contract exists between a property owner and a broker. The owner(s) have entered into a legally binding contract with an effective date. The property is available for showing and/or submission of offers to purchase or lease. Properties in Active Status are calculated for Days on Market. Active Listings are included in IDX/VOW feeds and are syndicated to third party sites as directed by brokers.
- (2) **Active/First Right of Refusal:** An offer has been accepted, but it is contingent upon the sale of another property. If a second offer is received for the property, the possibility exists for the second offer to take the first position and take precedence over the original offer. The listing is still included in IDX/VOW feeds and syndicated to third party sites. Days on Market continue to accrue.

To be used only for cases where a Contingent on Sale contingency is in effect. The GCMLS Contingency on Sale form, with buyer name redacted, must be uploaded into the MLS listing Associated Documents “Contingent on Sale” folder when a second buyer may be placed in first position. Once this specific contingency is satisfied, but standard contingencies remain, the listing must be switched to Pending. Listings in this status will continue to syndicate by default.

- (3) **Pending:** A real estate transaction status where the buyer and seller have entered into a legally binding contract with an effective date, however the property has not yet transferred ownership. Days on Market accrual is discontinued.
- (4) **Coming Soon:** A Coming Soon listing is intended for a property that has a signed listing agreement and needs staging, photos, repairs, etc. must be listed in the MLS under coming soon status within three (3) business days (excluding weekends and Federal, State and Postal Holidays) of signed listing agreement. If seller elects not to sign the Coming Soon waiver then no Coming Soon sign, rider or advertising on the property, representing Coming Soon, or any variation thereof, can take place until the home is Active in the Multiple Listing Service. Coming Soon properties cannot be shown by any licensee, (including the listing agent) until the listing status is changed to “Active” in the MLS. The “Coming Soon” status requires an “Expected On-Market Date”. This date cannot exceed 30 days from the date the listing is submitted. If the property is ready and available prior to the expected-on market date, the status of the listing can be updated to “Active” in the MLS. *If no action is taken on a Coming Soon listing, the system will automatically update the listing status to “Temporarily Off Market (TOM)” on day 31.* Coming Soon listings do not accrue Days on Market (DOM) until the listing status is changed to “Active” in the Gulf Coast MLS System. Coming Soon listings must have one photo added within three (3) business days (excluding weekends and Federal, State and Postal Holidays) of submission and will be automatically notated as “Coming Soon” in the Gulf Coast MLS database and public remarks. No offers can be accepted until the property is updated to active.

Coming soon listings CAN BE advertised by the listing agent as Coming Soon. They CANNOT be shown until active in the system. **A listing broker may not re-list a property in COMING SOON status unless:**

- **The listing has been in EXPIRED or WITHDRAWN status for over 90 days, or**
- **The property is listed with a new brokerage firm, or**
- **The property has been sold or rented.**
- **Listings may not be transferred from any other status to COMING SOON.**

Coming Soon listings can be promoted on MLS Public Website, MLS-contracted Apps, and Broker and Agent websites. Agents may also display a yard sign and may advertise coming soon listings on social media. Coming soon listings will be excluded from distribution to third party sites.

A \$1000 fine will be charged to the listing agent if the home is shown prior to being made active. (See Automatic Fines Schedule, Prohibited Activities (Article 11- Section 11.4).

- (5) **Office Exclusive:** A listing to be promoted and sold only through an individual brokerage office. An office exclusive listing will not be included with other similar properties when MLS members perform a search for available inventory in the area and price range where the listing is available. The property may

not be included and may not be automatically updated on national and/or local Broker websites. The broker may or may not offer compensation to cooperate with other real estate brokerages in the marketing or sale of this property.

- (6) **Expired:** The listing contract has passed its termination date.
- (7) **Temporarily Off Market:** A current listing contract exists between a property owner and a broker. The property is not available for showing and/or submission of offers to purchase or lease. This status is to be used when the property cannot be shown.
- (8) **Cancelled:** Seller and Broker/listing agent mutually agree in writing that the property will be removed from the MLS and the listing agreement terminated prior to the expiration date within the executed listing agreement. Only Brokers and Office Admins may change a listing to Cancelled status.
- (9) **Closed/Sold:** Property has been closed and transferred ownership.

Section 5.17: Definition of Selling Office/Agent: For sold transactions, the selling office/agent are defined as the office/agent compensated as the buyer's brokerage. Accurate reporting of the selling office/agent ID is required.

Section 5.18: Commission and Division of Commission - Under the long-established policy of the MLS and the National and Alabama Association of REALTORS®, the Participant's compensation for services rendered in respect to any listing is solely a matter of negotiation between the Participant and the owner(s) of record and is not fixed, controlled, recommended, or maintained by any person not a party to the listing agreement. Gulf Coast Multiple Listing Service does not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the MLS does not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and Non-Participants.

All commissions offered must be entered into the appropriate fields in the MLS system and CANNOT be placed in Agent Notes.

There will be ONE (1) "Commission Field" with a drop down to allow for a \$ or % to be selected and ONE (1) Bonus Field.

Section 5.19 Expiration, Extension, and Renewal of Listings - Any listing filed with Gulf Coast Multiple Listing Service automatically expires on the date specified in the agreement unless renewed in writing by the owner(s) of record and by the listing broker and a notice of that renewal or extension is updated in the Gulf Coast Multiple Listing Service database. Any extension or renewal of a listing must be signed by the parties to the original listing contract. Expired listings can be changed from expired status to active status in the MLS database for up to thirty days after the expiration date provided the signed renewal or extension is received and dated within 30 days of the expiration date.

Section 5.20: Listings of Suspended Participants - When a Participant is suspended from the MLS for failing to abide by a membership duty (i.e., a violation of the Code Of Ethics, Bylaws, the MLS Rules and Regulations, or other membership obligations), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the MLS until sold, 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 their primary Association or the MLS (or both) for failure to pay appropriate dues, fees or charges the suspended Participant's listings in the MLS will be cancelled. The suspended Participant will be advised in writing of the intended removal so that the suspended Participant may advise the owner(s) of record.

Section 5.21: Listings of Expelled/Inactive Participants - When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e., violations of the Code of Ethics, Board bylaws, MLS bylaws, MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS shall, at the expelled Participant's option, be retained in the Service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a Participant has been expelled from the Board (except where MLS participation without Board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, a

Board MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised, in writing, of the intended removal so that the expelled Participant may advise their customers.

Section 5.22: Listings of Resigned Participants - When a Participant resigns, Gulf Coast Multiple Listing Service is not obligated to provide services or include the resigned Participant's listings in Gulf Coast Multiple Listing Service. Prior to any removal of resigned Participant's listings from Gulf Coast Multiple Listing Service, the resigned Participant will be advised in writing of the intended removal so that the resigned Participant may advise the owner(s) of record.

Section 5.23: Lockbox Authorization - Gulf Coast Multiple Listing Service requires written authorization from the property owners to the Listing Participant prior to placement of a lockbox on the property. This authorization may be selected by the owner(s) of record in the Exclusive Right of Sale or Exclusive Agency Listing Contract.

Section 5.24: Track Price Change Information - Allow the display of price change history of listings in advertising including (but not limited to) IDX, in accordance with NAR's Section 16 of the MLS Handbook.

Section 5.25: Track Time on Market Information - Allow the display of market time on listings in advertising including (but not limited to) IDX, in accordance with NAR's Section 17 of the MLS Handbook.

ARTICLE 6 - SELLING PROCEDURES

Section 6.1: Showing and Negotiations -All dealings concerning property exclusively listed, or with buyers/tenants, who are exclusively represented, shall be carried on with the Listing Participant/ Subscriber, and not with the customer, except with the consent of the Listing Participant/User or when such dealings are initiated by the customers. Appointments for showing and negotiations with the owner(s) of record for the purchase of listed property filed with the MLS shall be conducted through the Listing Participant except under the following circumstances:

- a. The listing broker gives the cooperating broker specific written authority to show and/or negotiate directly, or;
- b. If after reasonable effort, the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers.
- c. For purposes of this section, anything in writing which is transmitted or delivered by hand, facsimile or electronic means shall be deemed binding and sufficient.

Section 6.2: 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. Upon written request from the cooperating broker, the listing broker will provide written documentation that the offer was presented. The listing broker shall submit to the owner(s) of record all offers until closing unless agreed otherwise in writing between the owner(s) of record and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the owner(s) of record obtain the advice of legal counsel prior to acceptance of the subsequent offer.

Section 6.3: Right of Cooperating Participant in Presentation of Offer - The cooperating Participant /User shall have the right to be present when an offer they secure is presented by the listing Participant /User. The cooperating Participant/User has the right to participate in the presentation to the owner(s) of record or lessor of any offer they secure to purchase or lease. They do not have the right to be present at any discussion or evaluation of that offer by the owner(s) of record or lessor and the Listing Participant / User. However, if the owner(s) of record or lessor gives written instructions to the Listing Participant that the cooperating Participant/User not be present when an offer is presented, the cooperating Participant has the right to a copy of the owner(s) of record written instructions. None of the foregoing diminishes the Listing Participant /Subscriber's right to control the establishment of appointments for such presentations.

Section 6.4: Right of Listing Participant in Presentation of Counter-Offers - The Listing Participant /User has the right to participate in the presentation of any counter-offer made by the owner(s) of record or lessor. They do not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee. However, if the purchaser

or lessee gives written instructions to the cooperating Participant that the Listing Participant / User not be present when a counter-offer is presented, the Listing Participant has the right to a copy of the purchaser's or lessee's written instructions.

Section 6.5: Reporting Sales to the Service - Status changes, including final closing of sales and sales prices, shall be reported to the MLS by the listing broker within three (3) business days (excluding weekends and Federal, State and Postal Holidays) after they have occurred. If negotiations were carried on under Section 6.1 a. or b. hereof, the cooperating broker shall report accepted offers and prices to the listing broker within three (3) business days (excluding weekends and Federal, State and Postal Holidays) after occurrence and the listing broker shall report them to the MLS within three (3) business days (excluding weekends and Federal, State and Postal Holidays) after receiving notice from the cooperating broker.

Note 1: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the MLS; to provide timely notice of status changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the MLS to its participants.

Note 2: In disclosure states, if the sale price of a listed property is recorded, the reporting of the sale price may be required by the MLS.

In states where the actual sale prices of completed transactions are not publicly accessible, failure to report sale prices can result in disciplinary action only if the MLS:

- (1) categorizes sale price information as confidential and
- (2) limits use of sale price information to participants and subscribers in providing real estate services, including appraisals and other valuations, to customers and clients; and to governmental bodies and third-party entities only as provided below.

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property) and to confirm the accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing services to participants and subscribers. In any instance where a governmental body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices.

Note 3: As established in the Virtual Office Website ("VOW") policy, sale prices can only be categorized as confidential in states where the actual sale prices of completed transactions are not accessible from public records.

Section 6.6: Advertising of Listing Filed with Gulf Coast Multiple Service - A listing shall not be advertised by any other Participant without the prior written consent of the Listing Participant. Use of information from Gulf Coast Multiple Listing Service compilation of current listing information, from the Association's "Statistical Report" or from any "sold" or "comparable" report of an Association or the MLS for public mass-media advertising by a Participant or in other public representations may not be prohibited. However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the Associations or its Gulf Coast Multiple Listing Service must include the following notice:

"Based on information from Gulf Coast Multiple Listing Service for the period (date) through (date). This information may or may not including all listed, expired, withdrawn, pending or sold properties of one or more members of Gulf Coast Multiple Listing Service.

Section 6.7: Reporting Cancellation of Pending and Contingent Pending Sales - The Listing Participant shall report to the MLS the cancellation of a pending sale and the listing shall be reinstated to active status within three (3) business days (excluding weekends and Federal, State and Postal Holidays), if applicable.

ARTICLE 7 - REFUSAL TO SELL

If the owner(s) of record of any listed property filed with Gulf Coast Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact should be transmitted immediately to Gulf Coast Multiple Listing Service and to all Participants by changing the status to Temporarily Off Market or Cancelled.

ARTICLE 8 - PROHIBITIONS

Section 8.1: Information for Participants Only - Any listing filed with Gulf Coast Multiple Listing Service shall not be made available to any broker or firm not a member of Gulf Coast Multiple Listing Service without the prior written consent of the Listing Participant. Automatic Fines Schedule, Level II (Article 11 - Section 11.4b)..

Only customer copies, no agent reports/copies can be disseminated to customers in any form.

Section 8.2: "For Sale" Signs - Only "For Sale" signs authorized by the Listing Participant may be placed on a property. If the Listing Participant authorizes any sign other than the company sign, this must be disclosed in the Realtor Only Remarks (Agent Notes) section of the MLS data form.

Section 8.3: "Sold"/"Sale Pending" Signs - Only Participants/Subscribers who participated in the transaction as the Listing Participant or cooperating Participant may claim to have "sold" the property. Prior to closing, a cooperating Participant may post a "sold" sign only with the consent of the Listing Participant.

Section 8.4: Solicitation of Listing Filed with Gulf Coast Multiple Listing Service - Participants shall not solicit a listing on property filed with Gulf Coast Multiple Listing Service unless such solicitation is consistent with Article 16 of the REALTOR® Code of Ethics and its Standards of Practice. This section is intended to encourage owner(s) of record to permit their properties to be filed with Gulf Coast Multiple Listing Service by protecting them from being solicited prior to expiration of the listing by Participants/Subscribers seeking the listing upon its expiration.

Section 8.5: On-Line Recruiting - The Gulf Coast Multiple Listing Service shall not be utilized for recruiting purposes. Messages, advertisements or e-mails indicating an offer of employment shall be deleted.

Section 8.6: 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 8.7: PRE-CONDITIONS - A pre-condition requiring, but not limited to pre-qualification, mortgage, title, insurance, etc. from a specific company shall not be allowed in Public Remarks.

Section 8.9: NOT ALLOWING A LISTING TO BE SHOWN - A listing can only be on the market for 7 calendar days without allowing to be shown. If the listing is on the market longer than 7 calendar days without allowing to be shown, a fine will be assessed as outlined in the Automatic Fines Schedule, Level II. (See Article 11 - Section 11.4 b).

ARTICLE 9 - COMPENSATION

Section 9.1: Division of Commissions - 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.* The listing broker retains the right to determine the amount of compensation offered to other participants.

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.

Note 1: The multiple listing service shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the association multiple listing service shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The association multiple listing service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

Note 2: The listing broker may, from time to time, adjust the compensation offered to other multiple listing service participants for their services with respect to any listing by advance published notice to the service so that all participants will be advised.

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

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

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

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

must be communicated through dedicated fields or confidential “remarks” available only to participants and subscribers.

Section 9.2: Seller Concessions Definition -Points paid by seller on behalf of buyer, seller-paid buyer closing costs, cash or cash allowances not escrowed, down payment assistance, additions or alterations not considered deferred maintenance, and personal property not usual and customary to such transactions conveyed from seller to buyer having an agreed upon monetary value.

Section 9.3: Compensation Required - Gulf Coast Multiple Listing Service does not publish listings that do not include an offer of compensation nor does it include general invitations by Listing Participants to other Participants to discuss terms and conditions of possible cooperative relationships. 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 in the appropriate required fields:

- a. By showing a percentage of the gross selling price
- OR**
- b. By showing a definite dollar amount

If a bonus is being offered in addition to the compensation offered, the separate bonus field should be used to outline the bonus offered.

Section 9.4: Participant as Principal - If a Participant or User has an ownership interest in a property, the listing of which is to be disseminated through Gulf Coast Multiple Listing Service, the person shall disclose that interest in the appropriate field identified in the MLS.

Section 9.5: Participant as Purchaser - If a Participant or User wishes to acquire an interest in a property listed in Gulf Coast Multiple Listing Service, such contemplated interest shall be disclosed, in writing, to the Listing Participant not later than the time an offer to purchase is submitted.

Section 9.6: Dual or Variable Rate Commission Arrangements - The existence of a dual or variable rate commission arrangement (i.e., one in which the owner(s) of record/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 owner (s) of record/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 an owner(s) of record/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 owner(s) of record/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their customers before the customers makes an offer to purchase or lease.

Section 9.7: Commission Adjustment - An offer of compensation to cooperating brokers in a potential short sale circumstance which states that it may be adjusted by a third party after execution of a contract for sale and purchase, is an allowed exception to the general rule that offers of compensation must be unconditional. See Article 5.3 and Article 9 for requirements.

ARTICLE 10 - FEES AND SERVICE CHARGES

Fees are set by the Gulf Coast Multiple Listing Service Board of Directors to offset the annual costs of operating the service and are subject to change from time to time. “On-time payment” is defined as "having been received by the close of business on the Due Date and time at the regional service center or a local service center." **MLS fees are not**

refundable. All fees are set by the Gulf Coast Multiple Listing Service Board of Directors and reviewed annually. This information can be obtained from GCMLS staff.

- a. **Participant/User Application Fee:** An Application Fee of \$25 will be charged to any member Broker and Subscriber or licensed or certified appraiser as determined by the Board of Directors.
- b. **Participant/User Reinstatement Fee:** A Reinstatement Fee of \$50 to the Participant/User will be charged upon re-application to any Participant/User suspended or terminated for non-payment of fees or charges or who is not in good standing with Gulf Coast Multiple Listing Service. A re-instatement fee on all past due invoices must be brought current before re-instatement will be considered.
- c. **Non-Member Application Fee:** There is a one-time MLS Application Fee for new non-member brokers and agents joining the MLS System of \$500.00 each.
- d. **Licensed Assistant Fees:** Upon submission of the required application form for broker, office or agent personal assistant, there will be an Application Fee of \$25 for and/or an annual renewal fee. Licensed assistants are subject to the MLS rules and regulations.
- e. **Unlicensed Assistant Fees:** Upon submission of the required application form for broker, office or agent personal assistant, there may be an Application Fee for and/or an Annual Renewal Fee. Unlicensed assistants are subject to the MLS Rules and Regulations.
- f. **Annual Participation Fee:** An annual Participation Fee is assessed to Participants and non-member (“Thompson broker”) Participants based on the number of licensed salespersons, licensed or certified appraisers and broker salespersons who have access to and use of the Service, whether licensed as a broker, salesperson or a licensed or certified appraiser, and who are employed by, or affiliated as an independent contractor with, the Participant.

However, Gulf Coast Multiple Listing Service must provide Participants the option of a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS where the principal broker participates. GCMLS may, at its discretion, require waiver recipients and their participants to sign a certification for non-use of its MLS services, which can include penalties and termination of the waiver if violated.

- (1) **Direct User Billing:** As a courtesy to Participants, Subscribers licensed with them are billed directly for that portion of the Participant’s Annual Participation Fee attributable to them. **However, Participants are ultimately responsible for payment of the total fee.**
- (2) **Due Date:** Quarterly Participation Fees are due by close of business on the last day of each quarter. Participants or Subscribers whose payments are received after this date will incur a late fee of \$50 for payments received after the due date. Any payments received after close of business on the last day of each quarter, will incur an additional Reactivation Fee, and MLS and services related to the MLS will be suspended after the last day of each quarter until all required payments and late fees, if applicable, are paid.
- (3) **Suspension of Service to Participants/Subscribers:** Participants and/or their Subscribers who fail to pay by 5:00 p.m. on the close of business on the last day of each quarter will have their individual services suspended. The account will remain suspended until their portion of the Participation Fees and Reactivation Fees of \$50 are paid.
- (4) **Termination of Participant:** Failure of the Participant to ensure payment of the total Participation Fee and any Late Fees within 45 days after the due date will result in termination of the Participant’s membership and the immediate termination of service for the Participant and all Subscribers in the Participant’s firm, including the Participant and any Subscribers who may have paid their individual portion of the total fee. Participants terminated for non-payment may regain membership by settling any outstanding fees or charges and paying the Reinstatement Fee.

- (5) **Miscellaneous Fees:** These are any charges other than Annual Participation Fees such as fines, account activation fees, personal assistant access fees, ancillary service fees, late payment surcharges or any other fees charged to a Participant or User as set by the Board of Directors.
- (6) **Late Payment Penalties:** Failure to pay miscellaneous charges by the due date shall result in a late fee as determined by the Gulf Coast Multiple Listing Service Board of Directors annual review and suspension of the individual's service once the account is past-due.
- (7) **Termination for Non-Payment:** Failure of the Participant to ensure payment of the original miscellaneous fee invoices and/or surcharges within 45 days of the due date shall result in the Participant and all Subscribers in Participant's firm being terminated. **The Participant is responsible for payment of all fees for subscribers in their firm.**
- (8) **Ancillary Service Fees:** Fees and charges for additional, optional or ancillary MLS services are determined by the Board of Directors and billed to the Participant or User at the periodic payment interval established by the Board of Directors. There will be a reinstatement fee for those that have not been a member of Gulf Coast Multiple Listing Service for at least 90 days.

ARTICLE 11 – COMPLIANCE WITH RULES

Section 11.1: 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. Gulf Coast Multiple Listing Service 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: 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.

Section 11.2: Action for Non-Compliance with Rules -In addition to those noted above, the following action may be taken for failure to pay any service charge or fee:

- a. For failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days' notice has been given, the service shall be suspended until service charges or fees are paid in full.
- b. For failure to comply with any other rule, the provisions in Section 11.4 of this Article shall apply.

Section 11.3 Applicability of Rules to Participants 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 provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can

subject the participant to the same or other discipline. This provision does not eliminate the participant's ultimate responsibility and accountability for all subscribers or subscribers affiliated with the participant.

Section 11.4: Penalties for Inaccurate or Incomplete Data - The intent of these Rules and Regulations is to ensure Participants/Subscribers provide the buying and selling public the best possible information and to facilitate cooperation between Participants/Subscribers. The listing office will be notified in writing or by electronic means if there is a violation of the Rules and Regulations.

- a. **Courtesy Warning Notice:** The Service will automatically issue a courtesy warning notification prior to any fine being issued, except for any violation resulting in an automatic fine as defined in these Rules and Regulations. If the violation is corrected within the grace period of three (3) business days (excluding weekends and Federal, State and Postal Holidays) unless noted otherwise, there will be no fine assessed; if the violation has not been corrected within the grace period specified after notification, the Participant or Subscriber shall automatically be assessed a fine. Repeated or deliberate violation of the same rule by the same subscriber will immediately be subject to the progressive fine schedule with no further notice.
- b. **Automatic Fines Schedule:** For violations that are more serious in nature, the following fines categories have been established by the Board of Directors. The fine schedule is per-agent per-offense and any Rule violation is counted as an offense - one calendar year for all. The term "within a one calendar-year period" is defined as occurring from January 1st to December 31st. Fines are billed to the Agent. The Participant is ultimately responsible.

Level I:

- 1st and 2nd Offenses - \$50 Fine
- 3rd Offense - \$100 fine + 3 hour mandatory MLS class (non-CE) within 30 days of violation notice
- 4th Offense: Agent and Broker appearance before MLS Board with discipline to be determined in accordance with GCMLS Rules and Regulations.

Level II:

- 1st and 2nd Offenses - \$100
- 3rd Offense - \$250
- 4th Offense: Agent and Broker appearance before MLS Board with discipline to be determined in accordance with GCMLS Rules and Regulations.

Prohibited Activities:

- Sharing your MLS login and password \$2,000 to Agent / \$1000 to Broker
- Violation of Lockbox Keyholder Agreement \$2,500
- Coming Soon - Showing a property that is set as Coming Soon \$1,000 to Agent (Section 5.13 c4)
- Disseminating information from the MLS to non-member agents unless it is listings from own company. (Section 8.1: Information for Participants Only)

- d. **Failure to correct listing after a fine has been issued.** The following non-compliance fees will be assessed after a fine has been issued but the listing is not corrected:
 - (1) \$100 if listing not corrected at the end of 3 business days after the fine was issued.
 - (2) Additional \$100 if listing is not corrected 6 business days after the fine was issued.
 - (3) Failure to correct the listing and pay fines within 6 days after the original fine was issued will result in suspension of the individual Participant/Subscriber until all fines are brought current and listing is corrected.
 - (4) Any Reactivation Fees will also apply if the individual Participant/Subscriber has been suspended.

Section 11.5: Security of Internet Based MLS - With the Internet based MLS system, an agent may access the system through any computer. To avoid security risks and maintain the integrity of the MLS, the following fines will be placed on any agent or broker who gives their private ID (password) and/or access to any other person:

Fines for an MLS Member sharing their Private ID and/or access to the MLS:

First Offense: \$1,000.00 Fine to Agent's Broker
\$2,000.00 Fine to Agent
Six (6) Month agent suspension from MLS.

Second Offense: To be determined on each case by the Board of Directors.

Section 11.6: Any violation of the Lockbox Keyholder Agreement, to include lending the key to any non-member person or sharing a 1-day code with a member of the public, will result in sanction and an automatic fine of a minimum of \$2,500 to the agent and/or the broker. Broker discretion is authorized to lend the Broker's Key in an emergency situation and may be lent to that Broker's licensed MLS Member Agent on a case by case basis.

Section 11.7: Affiliate Home Inspectors who are members of the Mobile Area Association of Realtors may obtain a key per individual, to be used by that person only, and will be bound by the Lockbox Keyholder Agreement.

ARTICLE 12 - ENFORCEMENT of RULES or DISPUTES

Section 12.1: Consideration of Alleged Violations - Gulf Coast Multiple Listing Service Board of Directors shall give consideration to all written complaints having to do with violations of Gulf Coast Multiple Listing Service Rules and Regulations.

Section 12.2: Violation of Rules and Regulations - If the alleged offense is a violation of Gulf Coast Multiple Listing Service Rules and Regulations and does not involve a charge of an alleged violation of one or more provisions of Article 18 of the Gulf Coast Multiple Listing Service Rules and Regulations or request for arbitration, it may be administratively considered and determined by the Board of Directors. If a violation is determined, Gulf Coast Multiple Listing Service Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before a Hearing Panel appointed in accordance with current Gulf Coast Multiple Listing Service policy within twenty days following receipt of the imposed sanction. All Hearings shall be conducted in accordance with the National Association of REALTORS *Code of Ethics and Arbitration Manual*. Decisions of the panel will be final; appeals based on due-process grounds will be heard and decided by the Executive Committee of Gulf Coast Multiple Listing Service Board of Directors.

Section 12.3: The Use of Fines as Part of Rules Enforcement - The imposition of moderate fines are considered sufficient to constitute a deterrent to violation of the Gulf Coast Multiple Listing Service Rules and Regulations. Suspension or termination is a sanction to be used in cases of extreme violations or repeated violations of the Gulf Coast Multiple Listing Service Rules and Regulations.

Section 12.4: Complaints of Professional Misconduct - All other complaints of unethical conduct shall be referred by the Gulf Coast Multiple Listing Service Board of Directors to the local Grievance Committee for appropriate action in accordance with the Code of Ethics and Arbitration Manual of the National Association of REALTORS®.

ARTICLE 13 - CONFIDENTIALITY of GULF COAST MULTIPLE LISTING SERVICE INFORMATION

Section 13.1: Official Information of Gulf Coast Multiple Listing Service - Any information provided to the Participants shall be considered official information of Gulf Coast Multiple Listing Service. Such information shall be considered confidential and exclusively for the use of Participants and Subscribers 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 13.2: Gulf Coast Multiple Listing Service Not Responsible for Accuracy of Information - The information published and disseminated by Gulf Coast Multiple Listing Service is communicated verbatim as filed with Gulf Coast Multiple Listing Service by the Participant. Gulf Coast Multiple Listing Service does not verify such information and disclaims any responsibility for inaccuracy. Each Participant agrees to hold Gulf Coast Multiple Listing Service, and their respective staff members harmless against inaccuracy or inadequacy of the information.

Section 13.3: Access To Comparable And Statistical Information: Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not

participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in these Rules and Regulations.

ARTICLE 14 - OWNERSHIP of GULF COAST MULTIPLE LISTING SERVICE COMPILATIONS and COPYRIGHTS

Section 14.1: Submittal of Listing - By the act of submitting any property listing content to the MLS, the Participant represents that Participant has been authorized to license and also thereby does license authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparable properties. 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.

Section 14.2: Copyright - All right, title, and interest in each copy of every compilation created and copyrighted by the member Association or Gulf Coast Multiple Listing Service and in the copyrights therein, shall at all times remain vested in the member Association or Gulf Coast Multiple Listing Service. Participants and their authorized licensees shall at all times maintain control over and responsibility for each copy of any Gulf Coast Multiple Listing Service Compilation provided them 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 Gulf Coast Multiple Listing Service. Use of information developed by or published by Gulf Coast 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 forgoing is intended to convey "Participation", or "Membership" or any right of access to information developed by or published by Gulf Coast Multiple Listing Service where access to such information is prohibited by law.

Section 14.3: MLS Compilation - Each participant shall be entitled to lease from Gulf Coast Multiple Listing Service a number of electronic and/or printed 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 Gulf Coast Multiple Listing Service.

Participants shall acquire by such lease only the right to use the MLS compilation in accordance with these rules. The term MLS compilation, as used in Sections 14 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, data warehouse, card file, or any other format whatsoever.

Section 14.4: Deletion/Removal of MLS Data - Once a listing is active, all subsequent listing history is to remain intact and cannot be removed at the request of any 3rd party, homeowner or Participant/Subscriber. In addition, at least one photo must remain once a listing closes as outlined in Article 4.3.

ARTICLE 15 - USE of GULF COAST MULTIPLE LISTING SERVICE INFORMATION

Section 15.1: Limitations on Use of Gulf Coast Multiple Listing Service Information - Use of information from the Gulf Coast Multiple Listing Service Compilation Data from the Association's "Statistical Report", or from any "sold" or "comparable" report of the member Association or Gulf Coast Multiple Listing Service for public mass-media advertising by an Gulf Coast Multiple Listing Service Participant or in other public representations is not prohibited. However, any advertising or other forms of public representations based in whole or in part on information supplied by the member Association or Gulf Coast Multiple Listing Service must clearly demonstrate the period of time over which such claims are based and must include the following Notice:

NOTE: "Based on information from Gulf Coast Multiple Listing Service for the period (date through date)."

Section 15.2: Access of the Gulf Coast Multiple Listing Service Database - Unauthorized access of the Gulf Coast Multiple Listing Service database shall be viewed as a violation of Gulf Coast Multiple Listing Service membership duties and responsibilities and shall cause a Participant to be subject to disciplinary action by the Gulf Coast Multiple Listing Service Board of Directors.

Section 15.3: Purpose and Use of the Gulf Coast Multiple Listing Service Database - In recognition that the purpose of the Gulf Coast Multiple Listing Service is to market properties and offer cooperation and compensation to other Participants and Subscribers for the sole purpose of selling the property, and that owner(s) of record of properties filed with Gulf Coast Multiple Listing Service have not given permission to disseminate, sell, or exchange the information for any other purpose. Participants and Subscribers are expressly prohibited from using Compilation Data for any purpose other than to market property or to support market evaluations or appraisals as specifically set forth herein. Nothing herein shall limit the Gulf Coast Multiple Listing Service from entering into licensing agreements with third parties to use this information.

Section 15.4: Use of Contact Information from the MLS

- a. Contact Information Defined. Contact information is defined as member name, office affiliation, email address, phone number(s), fax number(s) and, Website URLs and any other contact or identifying information.
- b. For Internal Use Only. Contact information in the MLS system is intended for use between members for communication purposes only.
- c. Violations. Members who provide contact information to any party for other than member/member communication will be subject to an automatic fine as outlined in the Automatic Fines Schedule, Level II (Article 11 - Section 11.4b).

**ARTICLE 16 - REPRODUCTION USE of COPYRIGHTED GULF COAST
MULTIPLE LISTING SERVICE COMPILATIONS**

Section 16.1: Distribution - Participants shall at all times maintain control over and responsibility for any Gulf Coast Multiple Listing Service compilation available to them and shall not distribute this data to persons other than those affiliated with Participants as Subscribers or licensees or those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by Gulf Coast Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by Gulf Coast Multiple Listing Service where access to such information is prohibited by law.

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

Section 16.2: Display - Participants and Subscribers shall be permitted to display the Gulf Coast Multiple Listing Service compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing and able buyers for the properties listed in Gulf Coast Multiple Listing Service. Gulf Coast Multiple Listing Service Participants and their authorized licensees shall be permitted to display Gulf Coast Multiple Listing Service compilation only in conjunction with their ordinary business activities, provided Gulf Coast Multiple Listing Service compilations are always in the actual possession of the Participant or their authorized licensees. "Authorized licensees" in the previous sentence does not include licensees subject to fee waiver under Policy 7.43.

Section 16.3: Reproduction - Participants or Subscribers shall not reproduce any listing compilation or any portion thereof except in the following circumstances: Participants or Subscribers may reproduce from the Gulf Coast Multiple Listing Service compilation and distribute to prospective purchasers a reasonable number of single copies of property listing data contained in the Gulf Coast Multiple Listing Service compilation which relates to any properties in which the prospective purchasers are, or may, in the judgment of the Participants or Subscribers be interested. However, nothing contained herein shall be construed to preclude the Listing Participant from utilizing, displaying, distributing, or reproducing property listing flyers or other compilations of data pertaining exclusively to properties currently listed for sale with them. Gulf Coast Multiple Listing Service. Participants or their authorized licensees shall not reproduce any Gulf Coast Multiple Listing Service Compilation or any portion thereof except in the following limited circumstances: Section 1 and 2 above.

ARTICLE 17 - ARBITRATION of DISPUTES

Section 17.1: Arbitration of Disputes - By becoming and remaining a Participant in Gulf Coast Multiple Listing Service, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the Code of Ethics with MLS Participants in different firms arising out of their relationships as MLS Participants, subject to the following qualifications.

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

ARTICLE 18 - STANDARDS of CONDUCT for MLS PARTICIPANT

Standard 18.1

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

Standard 18.2

Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the owner(s) of record/landlord.

Standard 18.3

MLS participants acting as transactional or buyer/tenant representatives or brokers shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker.

Standard 18.4

MLS participants shall not solicit a listing currently listed exclusively with another broker. However, if the listing broker, when asked by the MLS participant, refuses to disclose the expiration date and nature of such listing (i.e., an exclusive right-to-sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client) the MLS participant may contact the owner(s) to secure such information and may discuss the terms upon which the MLS participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing.

Standard 18.5

MLS participants shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by an MLS participant, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the MLS participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the MLS participant might enter into a future buyer/tenant

agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement.

Standard 18.6

MLS participants shall not use information obtained from listing brokers through offers to cooperate made through multiple listing services or through other offers of cooperation to refer listing brokers' clients to other brokers or to create buyer/tenant relationships with listing brokers' clients, unless such use is authorized by listing brokers.

Standard 18.7

The fact that an agreement has been entered into with an MLS participant shall not preclude or inhibit any other MLS participant from entering into a similar agreement after the expiration of the prior agreement.

Standard 18.8

The fact that a prospect has retained an MLS participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other MLS participants from seeking such prospect's future business.

Standard 18.9

MLS participants are free to enter into contractual relationships or to negotiate with owner(s) of record/landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent.

Standard 18.10

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

Standard 18.11

In cooperative transactions, MLS participants shall compensate cooperating MLS participants (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other MLS participants without the prior express knowledge and consent of the cooperating broker.

Standard 18.12

MLS participants are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another MLS participant. A general telephone canvass, general mailing, or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, or organization, or other classification or group is deemed general for purposes of this rule.

The following types of solicitations are prohibited:

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

Standard 18.13

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

Standard 18.14

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

Standard 18.15

On unlisted property, MLS participants acting as buyer/tenant representatives or brokers shall disclose that relationship to the owner(s) of record/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the owner(s) of record/landlord not later than execution of any purchase or lease agreement.

MLS participants shall make any request for anticipated compensation from the owner(s) of record/ landlord at first contact.

Standard 18.16

MLS participants, acting as representatives or brokers of owner(s) of record/landlords or as sub-agents of listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable, and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement.

Standard 18.17

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

Standard 18.18

MLS participants, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer/tenant representatives or brokers, or make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation.

Standard 18.19

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

Standard 18.20

Participants and subscribers, prior to or after their relationship with their current firm is terminated, shall not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude participants from establishing agreements with their associated licensees governing assignability of exclusive agreements. *(Updated 6/2011)*

Standard 18.21

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

Standard 18.22

MLS participants shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices.

Standard 18.23

MLS participants' firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner.

Websites of licensees affiliated with a participant's firm shall disclose the firm's name and the licensee's state(s) of licensure in a reasonable and readily apparent manner. *(Adopted 11/2007)*

Standard 18.24

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 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 attributions or without permission; or
- e. otherwise misleading consumers, including use of misleading images.

Standard 18.25

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

MLS participants shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth. *(Adopted 6/2011)*

ARTICLE 19 - GULF COAST MULTIPLE LISTING SERVICE IDX RULES and REGULATIONS

Internet Data Exchange (IDX)

Section 19: IDX Defined - IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants via the following authorized mediums under the participant's control: websites, mobile apps, and audio devices. As used throughout these rules, "display" includes "delivery" of such listing. *(Amended 5/17)*

Section 19.1: Authorization - Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display*. *(Amended 05/12)*

**Even where participants have given blanket authority for other participants to display their listings through IDX, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display or other electronic forms of display or distribution. (Amended 05/17)*

Section 19.2: Participation - Participation in IDX is available to all MLS participants engaged in real estate brokerage who consent to display of their listings by other participants. *(Amended 11/09)*

Section 19.2.1: Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. *(Amended 05/12)*

Section 19.2.2: MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. *(Amended 05/12)*

Section 19.2.3: Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs) or other electronic forms of display or distribution. *(Amended 05/17)*

Section 19.2.4: Participants may select the listings they choose to display through IDX based only on objective criteria including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right-to-sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed through IDX must be independently made by each participant. *(Amended 5/17)*

Section 19.2.5: Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every twelve (12) hours. *(Amended 11/14)*

Section 19.2.6: Except as provided in the IDX policy and these rules, an IDX site or a participant or user operating an IDX site or displaying IDX information as otherwise permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity. *(Amended 05/12)*

Section 19.2.7: Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, "control" means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules. *(Amended 05/12)*

Section 19.2.8: Any IDX display controlled by a participant or subscriber that

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

Either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants. Except for the foregoing and subject to Section 19.2.9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. *(Adopted 05/12)*

Section 19.2.9: Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to

remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. *(Amended 05/12)*

Section 19.2.10: An MLS participant (or where permitted locally, an MLS subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS participant (or MLS subscriber) holds participatory rights in those MLSs. As used in this policy, “co-mingling” means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that participants may display listings from each IDX feed on a single webpage or display. *(Adopted 11/14)*

Section 19.2.11: Participants shall not modify or manipulate information relating to other participants listings. MLS participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields. *(Adopted 05/15)*

Section 19.2.12: All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location above the details and in a readily visible color and typeface not smaller than the majority used in the display of listing data.* *(Amended 05/17)*

*Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device’s application. *(Amended 5/17)*

Section 19.3: Display Display of listing information pursuant to IDX is subject to the following rules:

Section 19.3.1: Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS participants and users (e.g., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed. *(Amended 05/12)*

Section 19.3.1.1: The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed.

Section 19.3.2: *Deleted May 2015.*

Section 19.3.3: *Deleted May 2017; moved to 18.2.12 May 2017”*

Section 19.3.4: All listings displayed pursuant to IDX shall identify the listing agent.

Section 19.3.5: Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own websites subject to their participant’s consent and control and the requirements of state law and/or regulation.

Section 19.3.6: *Deleted November 2006.*

Section 19.3.7: All listings displayed pursuant to IDX shall show the MLS as the source of the information and must be located directly following the listing detail. *(Amended 05/17)*

Section 19.3.8: Must display that:

- IDX information is provided exclusively for consumers’ personal, non-commercial use,

- That it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and
- That the data is deemed reliable but is not guaranteed accurate by the MLS.

The above disclosure should be located on the bottom of every page that includes any listing information.

*Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device’s application. *(Amended 05/17)*

Section 19.3.9: The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance shall be limited to fewer than five hundred (500) listings or fifty percent (50%) of the listings available for IDX display, whichever is fewer. *(Amended 11/17)*

Section 19.3.10: The right to display other participants’ listings pursuant to IDX shall be limited to a participant’s office(s) holding participatory rights in this MLS.

Section 19.3.11: Listings obtained through IDX feeds from Realtor® Association MLSs where the MLS participant holds participatory rights must be displayed separately from listings obtained from other sources. Listings obtained from other sources (e.g., from other MLSs, from non-participating brokers, etc.) must display the source from which each such listing was obtained. Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. *(Amended 11/14)*

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

*Displays of minimal information (e.g., “thumbnails”, text messages, “tweets”, etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device’s application. *(Amended 05/17)*

Section 19.3.12: Display of expired, withdrawn, active under contract, pending or sold listings are available if requested.

Section 19.3.13: Display of seller(s’) and/or occupant(s’) name(s), phone number(s), and e-mail address(es) is prohibited.

Note: The following Sections 19.3.14 and 19.3.15 may be adopted by MLSs that provide participants with a “persistent” download (i.e., where the MLS database resides on participants’ servers) of the MLS database.

Section 19.3.14: Participants are required to employ appropriate security protection such as firewalls on their websites and displays, provided that any security measures required may not be greater than those employed by the MLS. *(Amended 05/12)*

Section 19.3.15: Participants must maintain an audit trail of consumer activity on their website.

- IP Address

- Search Criteria
- Individual listing view
- Username (if applicable)
- Logins/logouts (if applicable)
- Date/Time of each request

Search Criteria is useful when figuring out that someone is scraping a state by incrementing the price range to avoid the maximum listings returned per inquiry.

Section 19.3.16: Advertising (including co-branding) on pages displaying IDX-provided listings is prohibited.

Section 19.4: Service Fees and Charges - Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. (*Adopted 11/01, Amended 5/05*)

Standard 19.5: Violation Policy - Failure to follow procedures as outlined in Article 19 is categorized as a “minor” MLS compliance violation and subject to a \$50 minimum fine as outlined in Automatic Fines Schedule, Level I (Article 11 - Section 11.4b).

ARTICLE 20 - VIRTUAL OFFICE WEBSITE (VOWs) and REGULATIONS

Section 20.1: VOW Defined

- a. A “Virtual Office Website” (VOW) is a participant’s Internet website, or a feature of a participant’s website, through which the participant is capable of providing real estate brokerage services to consumers with whom the participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS listing information, subject to the participant’s oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a participant may, with his or her participant’s consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the participant’s oversight, supervision, and accountability.
- b. As used in Section 19 of these rules, the term “participant” includes a participant’s affiliated non-principal brokers and sales licensees—except when the term is used in the phrases “participant’s consent” and “participant’s oversight, supervision, and accountability”. References to “VOW” and “VOWs” include all Virtual Office Websites, whether operated by a participant, by a non-principal broker or sales licensee, or by an “Affiliated VOW Partner” (AVP) on behalf of a participant.
- c. “Affiliated VOW Partner” (AVP) refers to an entity or person designated by a participant to operate a VOW on behalf of the participant, subject to the participant’s supervision, accountability, and compliance with the VOW policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a participant. No AVP has the right to use MLS listing information, except in connection with operation of a VOW on behalf of one or more participants. Access by an AVP to MLS listing information is derivative of the rights of the participant on whose behalf the AVP operates a VOW.
- d. As used in Section 19 of these rules, the term “MLS listing information” refers to active listing information and sold data provided by participants to the MLS and aggregated and distributed by the MLS to participants.

Section 20.2:

- a. The right of a participant’s VOW to display MLS listing information is limited to that supplied by the MLS(s) in which the participant has participatory rights. However, a participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.
- b. Subject to the provisions of the VOW policy and these rules, a participant’s VOW, including any VOW operated on behalf of a participant by an AVP, may provide other features, information, or functions, e.g., “Internet Data Exchange” (IDX).

- c. Except as otherwise provided in the VOW policy or in these rules, a participant need not obtain separate permission from other MLS participants whose listings will be displayed on the participant's VOW.

Section 20.3: Before permitting any consumer to search for or retrieve any MLS listing information on his or her VOW, the participant must take each of the following steps:

- a. The participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter, "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.
- b. The participant must obtain the name of and a valid e-mail address for each Registrant. The participant must send an e-mail to the address provided by the Registrant confirming that the Registrant has agreed to the terms of use (described in Subsection d., below). The participant must verify that the e-mail address provided by the Registrant is valid and that the Registrant has agreed to the terms of use.
- c. The participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The participant must also assure that any e-mail address is associated with only one user name and password.
- d. The participant must assure that each Registrant's password expires on a date certain, but may provide for renewal of the password. The participant must at all times maintain a record of the name, e-mail address, user name, and current password of each Registrant. The participant must keep such records for not less than one hundred eighty (180) days after the expiration of the validity of the Registrant's password.
- e. If the MLS has reason to believe that a participant's VOW has caused or permitted a breach in the security of MLS listing information or a violation of MLS rules, the participant shall, upon request of the MLS, provide the name, e-mail address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.
- f. The participant shall require each Registrant to review and affirmatively to express agreement (by mouse click or otherwise) to a terms of use provision that provides at least the following:
 - (1) that the Registrant acknowledges entering into a lawful consumer-broker relationship with the participant.
 - (2) that all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use.
 - (3) that the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW.
 - (4) that the Registrant will not copy, redistribute, or retransmit any of the information provided, except in connection with the Registrant's consideration of the purchase or sale of an individual property.
 - (5) that the Registrant acknowledges the MLS' ownership of and the validity of the MLS' copyright in the MLS database.
- g. The terms of use agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the participant. Any agreement entered into at any

time between the participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the participant must be established separately from the terms of use, must be prominently labeled as such, and may not be accepted solely by mouse click.

- h. The terms of use agreement shall also expressly authorize the MLS and other MLS participants or their duly authorized representatives to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of participants' listings by the VOW. The agreement may also include such other provisions as may be agreed to between the participant and the Registrant.

Section 20.4: A participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the participant to ask questions or get more information about any property displayed on the VOW. The participant or a non-principal broker or sales licensee licensed with the participant must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that participant and displayed on the VOW.

Section 20.5: A participant's VOW must employ reasonable efforts to monitor for and prevent misappropriation, scraping, and other unauthorized uses of MLS listing information. A participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

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

Section 20.6:

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

Seller Opt-out Form

1. Check one.

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

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

Initials of Seller

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

Section 20.7: Third Party Comments (VOW)

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

Section 20.8: Accuracy of Data (VOW) - A participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The participant shall correct or remove any false information relating to a specific property within forty-eight (48) hours following receipt of a communication from the listing broker explaining why the data or information is false. The participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 20.9: Refresh of Data - A participant shall cause the MLS listing information available on its VOW to be refreshed at least once every 12 hours.

Section 20.10: No Distribution Allowed - Except as provided in these rules, in the NATIONAL ASSOCIATION OF REALTORS®' VOW policy, or in any other applicable MLS rules or policies, no participant shall distribute, provide, or make accessible any portion of the MLS listing information to any person or entity.

Section 20.11: Terms of Use (VOW) - A participant's VOW must display the participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 20.12: Excluded Listings Criteria (VOW) - A participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 20.13: MLS Access to VOW Site - A participant who intends to operate a VOW to display MLS listing information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS participants for purposes of verifying compliance with these rules, the VOW policy, and any other applicable MLS rules or policies.

Section 20.14: Accountability of Participant (VOW) - A participant may operate more than one VOW himself or herself or through an AVP. A participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a participant by an AVP is subject to the supervision and accountability of the participant.

Section 20.15: Search and Display - A participant's VOW may not make available for search by or display to Registrants any of the following information:

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

Section 20.16 : Source of Data - A participant shall not change the content of any MLS listing information that is displayed on a VOW from the content as it is provided in the MLS. The participant may, however, augment MLS listing information with additional information not otherwise prohibited by these rules or by other applicable MLS rules or policies, as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS listing information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields.

Section 20.17 : Reliability of Information - A participant shall cause to be placed on his or her VOW a notice indicating that the MLS listing information displayed on the VOW is deemed reliable, but is not guaranteed accurate by the MLS. A participant's VOW may include other appropriate disclaimers necessary to protect the participant and/or the MLS from liability.

Section 20.18 : Name of Listing Firm Required - A participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

Section 20.19: Number of Listings limited - A participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 current listings and not more than 100 sold listings in response to any inquiry.

Note: The number of listings that may be viewed, retrieved, or downloaded should be specified by the MLS in the context of this rule, but may not be fewer than one hundred (100) listings or five percent (5%) of the listings in the MLS, whichever is less.

Note: Adoption of Sections 19.20 through 19.25 is at the discretion of the MLS. It is not required that equivalent requirements be established related to other delivery mechanisms.

Section 20.20: Passwords to VOW - A participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

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

Section 20.21: Co-Branding - A participant may display advertising and the identification of other entities ("co-branding") on any VOW the participant operates or that is operated on his or her behalf. However, a participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this section, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information (or that of at least one participant, in the case of a VOW established and operated on behalf of more than one participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

Section 20.22: Information from Other Sources - A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

Section 20.23: Searching other MLS listings - A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.

Section 20.24: AVP - Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 20.25: Withhold from Listing Display - Where a seller affirmatively directs his or her listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within forty-eight (48) hours. *(Adopted 8/2014)*

ARTICLE 21 – CHANGES in RULES and REGULATIONS

Section 21.1: Amendment - Amendments to the Rules and Regulations of Gulf Coast Multiple Listing Service shall be by majority vote of the members of the Board of Directors.

Section 21.2: Revision Date - The last revision to the Gulf Coast Multiple Listing Service Rules and Regulations was revised on November 3, 2019.