

**RULES AND REGULATIONS
FOR
THE GREATER LA CROSSE MLS CORPORATION**

LISTING PROCEDURES

Section 1. LISTING PROCEDURES: Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, and are located within the territorial jurisdiction of the Multiple Listing Service, and are taken by Participants on State Approved forms and shall be delivered to the Multiple Listing Service within 72 hours after all necessary signatures of sellers have been obtained:

- (a) Single-family homes or condominiums for sale or exchange
- (b) vacant lots and acreage up to ten (10) acres for sale or exchange
- (c) two-family, three-family and four-family residential buildings for sale or exchange

Note 1: The Multiple Listing Service shall not require a Participant to submit listings on a form other than the form the Participant individually chooses to utilize provided the listing is of a type accepted by the Service, although a property data form may be required as approved by the Multiple Listing Service. However, the Multiple Listing Service, through its legal counsel:

- 1. may reserve the right to refuse to accept form which fails to adequately protect the interests of the public and the Participants.
- 2. assure that no listing form filed with the Multiple Listing Service establishes, directly or indirectly, any contractual relationship between the Multiple Listing Service and the client (buyer or seller)

The Multiple Listing Service shall accept exclusive right to sell and exclusive agency listing contracts and may accept other forms of agreements under which the listing broker may offer cooperation and compensation to other Participants. Exclusive agency listings and exclusive right to sell listings with named prospects exempted shall be designated as such in Multiple Listing Service materials made available to Participants. Exclusive agency listings and exclusive right to sell listings with named prospects exempted shall be designated as such in Multiple Listing Service materials made available to Participants. All listings delivered to the Multiple Listing Service shall be on State-approved forms, if required, and shall include seller's written authorization for the property to be processed through the Multiple Listing Service. Photos of listed properties shall be included in accordance with policies adopted by the Board of Directors.

TYPES OF PROPERTIES: The following are some types of properties that may be published through the Service, including types described in the preceding paragraph that are required to be filed with the Service and other types that may be filed with the Service at the Participant's option provided, however, that any listing submitted is entered into within the scope of the Participant's licensure as a real estate broker: (Amended 11/91)

- 1. Residential
- 2. Residential Income
- 3. Subdivided Vacant Lot
- 4. Land, Ranch & Farm
- 5. Business Opportunity
- 6. Motel-Hotel
- 7. Mobile Homes
- 8. Mobile Home Parks
- 9. Commercial Income
- 10. Industrial

Section 1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE: Any listing taken on a contract to be filed with the Multiple Listing Service is subject to the rules and regulations of the service upon signature of the seller(s).

Section 1.2 DETAIL ON LISTINGS FILED WITH THE SERVICE: A listing Agreement or Property Data Form, when filed with the Multiple Listing Service by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form.

Section 1.2.1 LIMITED SERVICE LISTINGS

“The Limited/Unserviced Listings” are defined as listing agreements under which the listing broker will NOT provide one or more of the following services:

- (a) arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s);
- (b) accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s);
- (c) advise the seller(s) as to the merits of offers to purchase;
- (d) assist the seller(s) in developing, communicating, or presenting counter-offers;
- (e) participate on the seller(s) behalf in negotiations leading to the sale of the listed property.
- (f) Schedule and coordinate the closing and order a title insurance policy;
- (g) Accept and hold earnest money.

“Limited/Unserviced Listings” will be identified by the code “LS” in the flex MLS system, database and on reports. Potential cooperating brokers will then be aware of the extent of the services the listing broker will provide to the seller, and any potential for cooperating brokers being asked to provide some or all of these services to the listing broker’s clients, prior to initiating efforts to show or sell the property.

Section 1.3 EXEMPTED LISTINGS: If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing “office exclusive.” The listing should include certification by the seller that he does not desire the listing to be disseminated by the Service. The participant shall maintain all such listings at his office and make them available to the Multiple Listing Service for periodic audit.

Section 1.4 AMENDMENTS TO LISTINGS: Any amendments to the original listing agreement shall be made on State-approved forms, if required, and shall be signed by or on behalf of both the seller and the broker. The listing broker shall submit the MLS change form and a copy of the amendment to the Service within forty-eight (48) hours (excepting weekends, holidays and postal holidays) after the amendment is received by the listing broker.” *(Amended 09/08)*

Section 1.5 WITHDRAWAL OF LISTING PRIOR TO EXPIRATION: Listings of property may be withdrawn from the Multiple Listing Service by the listing broker before the expiration date of the listing agreement; Participant shall maintain all agreements between seller and listing broker authorizing such withdrawal at his office and make available to the Multiple Listing Service for periodic audit.

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

Section 1.6 CONTINGENCIES APPLICABLE TO LISTINGS: Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants.

Section 1.7 LISTING PRICE SPECIFIED: The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings, unless the property is subject to auction.

Section 1.8 LISTING MULTIPLE UNIT PROPERTIES: All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the Multiple Listing Service.

Section 1.9 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS: The Multiple Listing Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Multiple Listing Service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-participants.

Section 1.10 EXPIRATION OF LISTINGS: Listings filed with the Multiple Listing Service will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed.

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

Section 1.11 TERMINATION DATE ON LISTINGS: Listings filed with the Service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.

Section 1.12 JURISDICTION: Only listings of the designated types of property located in Buffalo, Clark, Crawford, Jackson, La Crosse, Monroe, Richland, Trempealeau and Vernon Counties and Houston & Winona Counties in Minnesota are required to be submitted to the Service. Listings of property located outside the named areas will be accepted if submitted voluntarily by a Participant, but cannot be required by the service.

Section 1.13 LISTINGS OF SUSPENDED PARTICIPANTS: When a Participant of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Association Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the Association (except where MLS participation without Association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing information. Prior to any removal of a suspended Participant's listings from the MLS, the suspended Participant should be advised in writing of the intended removal so that the suspended Participant may advise his clients.

Section 1.14 LISTING OF EXPELLED PARTICIPANTS: When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the code of Ethics, Board Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listing 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 his clients.

Section 1.15 LISTINGS OF RESIGNED PARTICIPANTS: When a Participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of a resigned Participant's listings from the MLS, the resigned Participant should be advised in writing of the intended removal so the resigned Participant may advise his clients.

SELLING PROCEDURES

Section 2. SHOWINGS AND NEGOTIATIONS: Appointments for showings and negotiations with the seller for the purchase of listed property filed with the Multiple Listing Service shall be conducted through the listing broker except under the following circumstances:

- (a) the listing broker gives cooperating broker specific authority to show and/or negotiate directly, or
- (b) after reasonable effort, 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.

Section 2.1 PRESENTATION OF OFFERS: The listing broker must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so.

Section 2.2 SUBMISSION OF WRITTEN OFFERS: The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer.

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

Section 2.3 RIGHT OF COOPERATING BROKER IN PRESENTATION OF OFFER: The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

Section 2.4 RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER-OFFER: The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 2.5 REPORTING SALES TO THE SERVICE: Status changes, including final closing of sales, shall be reported to the multiple listing service by the listing broker within 24 hours after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating broker shall report the status changes to the listing broker within 24 hours after occurrence and the listing broker shall report them to the MLS within 24 hours after receiving notice from the cooperating broker. (*Amended 5/07*)

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

Section 2.6 REPORTING SALES TO NAMED EXCEPTIONS: A listing which is sold and closed to a buyer protected (named exceptions) under an expired contract, must be reported to the Service. Listing protection continues for six months after the expiration of a listing. The listings should be changed to back-on-market and extended to the date of closing. All sold data must be reported consistent with Section 2.5.

Section 2.7 OPTIONAL REPORTING OF SALES OF UNLISTED PROPERTIES: A property which is sold by a Participant but is not listed with a Participant may be reported to the Service at the option of the Participant. A completed property profile sheet and sales data shall be submitted along with written permission from the buyer, authorizing the Participant to submit the data for publication.

Section 2.8 REPORTING RESOLUTIONS OF CONTINGENCIES: The listing broker shall report to the Multiple Listing Service within 24 hours that a contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the agreement cancelled.

Section 2.9 ADVERTISING OR LISTING FILED WITH THE SERVICE: A listing shall not be advertised by any Participant other than the listing broker without the prior consent of the listing broker.

Section 2.10 REPORTING CANCELLATION OF PENDING SALE: The listing broker shall report immediately to the Multiple Listing Service the cancellation of any pending sale, and the listing shall be reinstated immediately.

REFUSAL TO SELL

Section 3. REFUSAL TO SELL: If the seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the service and to all Participants.

PROHIBITIONS

Section 4. INFORMATION FOR PARTICIPANTS ONLY: Any listing filed with the Service shall not be made available to any broker or firm not a member of MLS, without the prior consent of the listing broker.

Section 4.1 “FOR SALE” SIGNS: Only the “For Sale” sign of the listing broker may be placed on the property.

Section 4.2 “SOLD” SIGNS: Prior to closing, only the “Sold” sign of the listing broker may be placed on a property unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

Section 4.3 SOLICITATION OF LISTING FILED WITH THE SERVICE: Participants shall not solicit a listing on property filed with the Service unless such solicitation is consistent with Article 16 of the REALTORS' Code of Ethics, its Standards of Practice and its Case Interpretations.

Note: This section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4. This section is intended to encourage sellers to permit their properties to be filed with the service by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration.

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

This section is also intended to encourage brokers to participate in the service by assuring them that other participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by this section, listing brokers would be most reluctant to generally disclose the identity of the seller or the availability of the property to other brokers.

This section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of the Code of Ethics.

Section 4.4 USE OF THE TERMS MLS AND MULTIPLE LISTING SERVICE: No MLS participant, subscriber, or licensee affiliated with any participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise. (*Adopted 11/07*)

DIVISION OF COMMISSIONS

Section 5. COMPENSATION SPECIFIED ON EACH LISTING: The listing broker shall specify, on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided by 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.

Note: The offer of compensation made by the listing broker on listings filed with the Greater La Crosse MLS Corporation is further extended to all Participants of Multiple Listing Services which are part of and/or sharing data through the Wisconsin Real Estate Exchange (WIREX).

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 his producing an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

1. by showing a percentage of the gross selling price
2. by showing a definite dollar amount

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

This shall not preclude the listing broker from offering any MLS participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of his producing an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among any or all participants in the service. Any superceding 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 produce 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 must also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales must be communicated through dedicated fields or confidential “remarks” available only to participants and subscribers.

Section 5.0.1 DISCLOSING POTENTIAL SHORT SALES: Participants may, but are not required to, disclose potential short sales to other participants and subscribers. When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing contract, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants.

Section 5.1 PARTICIPANT AS PRINCIPAL: If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through the Multiple Listing Service, the person shall disclose that interest in the remarks when the listing is filed with the Multiple Listing Service and such information shall be disseminated to all Multiple Listing Service Participants.

Section 5.2 PARTICIPANT AS PURCHASER: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listing with another Participant, such contemplated interest shall be disclosed, in writing, to the listing broker no later than the time an offer to purchase is submitted to the listing broker.

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

SERVICE CHARGES

Section 6. SERVICE FEES AND CHARGES: The following service charges for operation of the Multiple Listing Service are in effect to defray the costs of the Service and are subject to change from time to time in the manner prescribed:

(a) Initial Participation Fee: An applicant for participation in the Service shall pay an application fee approved

by the Board of Directors and subject to change from time to time. Such fee must accompany the application. Said fee is not transferable.

(b) Recurring Participation Fee: The annual participation fee of each Participant shall be: 1. an amount per year approved by the Board of Directors and subject to change from time to time for the Participant and 2. an amount per year approved by the Board of Directors and subject to change from time to time multiplied by each salesperson and licensed or certified appraiser who has access to and use of the Service, whether licensed as a broker, sales licensee or licensed or certified appraiser, who is employed by or affiliated as an independent contractor with such Participant. Fees shall be prorated on a monthly basis.

(c) Listing Fee: A Participant shall pay a monthly listing fee in an amount equal to the number of listings he had filed with the Service during the previous month multiplied by an amount approved by the Board of Directors and subject to change from time to time.

(d) Subscription Fees: Listing Book Subscription Fees. Sets of MLS Books may be ordered at cost. Costs and procedures for ordering books will be established by the Board of Directors.

(e) Back on Market Fee: A Participant shall pay a fee, approved by the Board of Directors and subject to change from time to time, for each listing that has expired and must be brought Back on Market.

COMPLIANCE WITH RULES

Section 7 COMPLIANCE WITH RULES – AUTHORITY TO IMPOSE DISCIPLINE: By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- a. letter of warning
- b. letter of reprimand
- c. attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location, and duration
- d. appropriate, reasonable fine not to exceed \$15,000
- e. probation for a stated period of time not less than thirty (30) days nor more than one (1) year
- f. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- g. termination of MLS rights, privileges, and services with no right to reapply for specified period not to exceed three (3) years. (*Adopted 11/07*)

Section 7.1 COMPLIANCE WITH RULES: The following action may be taken for noncompliance with the rules:

(a) Billings are issued by the MLS Office on or before the 10th of each month. MLS Fees are paid in advance. The MLS bill must be paid in full by the 10th of the following month, or a fee of 10% of the outstanding balance or \$25.00, whichever is greater, will be imposed. Provided a 10-day notice is given, the Service shall be suspended until service charges and fees are paid in full.

For failure to pay any service charges, fees, or dues by the 10th of the second month following billing and provided 10-days notice has been given, the membership in the Service shall be terminated.

A reinstatement fee of \$100 in addition to all unpaid services, charges, and fees must be paid prior to reinstatement. Members shall also be charged all reasonable costs of collection including actual attorney fees.

If the 10th of the month falls on a Saturday, Sunday or Holiday that the La Crosse Area REALTORS Association office is closed, it will be considered due at the end of the next business day.

Dispute over fees shall be submitted in writing to the Board of Directors to request consideration. Partial payment and NSF checks will be considered non-payment and subject to late fees and penalties outlined above.

If NSF payments by an Office occur repeatedly, payment may be required by cashier's check, money order or cash.

(b) For failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply.

APPLICATION AND DISCONTINUANCE

Section 8. APPLICATION: Application for participation shall be made in such manner and form as prescribed by the Board of Directors and any person qualified to become a participant may apply. The application form shall include a signed statement agreeing to abide by the Bylaws, Rules and Regulations of the Service.

Section 8.1 DISCONTINUANCE: A participant may voluntarily discontinue the Service by giving the Service not less than 30 days written notice effective as of the end of a monthly billing period. A participant who has voluntarily discontinued the Service may reinstate the Service at any time up to 90 days following discontinuance by providing written notice to the Service at least 30 days before the date of reinstatement including any supplementary information requested by the Service. A participant who has voluntarily discontinued the Service and has not reinstated within 90 days shall be deemed a new applicant. A participant who has been involuntarily discontinued by suspension or otherwise shall be automatically reinstated if so provided in the action causing the involuntary discontinuance, or readmission to the Service is subject to the participant paying in full all unpaid amounts owing to the Service relating to the period prior to discontinuance.

ENFORCEMENT OF RULES OR DISPUTES

Section 9. CONSIDERATION OF ALLEGED VIOLATIONS: The Board of Directors shall give consideration to all written complaints from Participants having to do with violations of the rules and regulations.

Section 9.1. VIOLATIONS OF RULES AND REGULATIONS: If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the Board of Directors of the Service, and if a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the bylaws and rules and regulations of the Association of REALTORS® within twenty (20) days following receipt of the Directors' decision.

If, rather than conducting an administrative review, the MLS has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the board of directors of the MLS within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the professional standards committee of the Association of REALTORS® for processing in accordance with the professional standards procedures of the Association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the Association of REALTORS®.

Section 9.2 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by the Board of Directors of the Service to the Association for appropriate action in accordance with the professional standards procedures established in the Association's Bylaws.

CONFIDENTIALITY OF MLS INFORMATION

Section 10. CONFIDENTIALITY OF MLS INFORMATION: Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and real estate licensees affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants.

Section 10.1 MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. The Service does not verify the information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

Section 10.2 ACCESS TO COMPARABLE AND STATISTICAL INFORMATION: REALTORS® who are actively engaged in real estate brokerage, management, 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 these members and individuals affiliated with these members who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office, or firm, except as otherwise provided in these rules and regulations.

OWNERSHIP OF MLS COMPILATIONS AND COPYRIGHTS

Section 11. By the act of submission of any property listing content to the MLS the Participant represents that he has been authorized to grant and also thereby does grant authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

Section 11.1 All right, title, and interest in each copy of every MLS Compilation created and copyrighted by the La Crosse Area REALTORS Association, and in the copyrights therein, shall at all times remain vested in the La Crosse Area REALTORS Association.

Section 11.2 Each Participant shall be entitled to lease from the La Crosse Area REALTORS Association a number of copies of each MLS Compilation sufficient to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such compilation. The Participant shall pay, for each such copy, the rental fee set by the Association.

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

USE OF COPYRIGHTED MLS COMPILATIONS

Section 12. DISTRIBUTION: Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them by the Association and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, or those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation", or "Membership" or any right of access to information developed by or published by an Association Multiple Listing Service where access to such information is prohibited by law.

Section 12.1 DISPLAY: Participants, and those persons affiliated as licensees with such Participants, shall be permitted to display the MLS compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said MLS Compilation.

Section 12.2 REPRODUCTION: Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof except in the following limited circumstances:

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

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

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

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

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

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

such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

SECTION 12.3 REPUBLICATION OF ACTIVE DATABASE ON INTERNET: A Participant may republish all or a portion of the MLS active listing database on the Internet on a Participant's public web site in accordance with the following provisions and in keeping with any policies or procedures that the MLS may adopt from time to time. Active listings includes the "active with offer" status.

IDX Defined: IDX affords MLS participants the option of authorizing display of their active listings on other participants' Internet Web sites.

- a) An Internet republication of another Participant's listings shall not contain more (but may contain less) information than is contained in the MLS Broker Reciprocity data set definition.
- b) Participants must notify the MLS of their intention to establish an IDX site and must make their site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.
- c) The information on the site shall be updated daily.
- d) A Participant may not modify or manipulate another Participant's listing data in any manner.
- e) Any search result identifying another Participant's listing in a brief or "thumbnail" listing format shall identify the listing company name immediately adjacent to the property information. The type shall be at least as large as the type used to describe the property.

Any search result producing a detailed display of another Participant's listing shall bear the listing company's name immediately following or adjacent to the property photo. The size and type shall be at least as large as the type used for the listing information displayed.

When displaying listing content, a participant's or user's IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.

Any search result identifying another Participant's listing shall include a disclaimer disclaiming liability for inaccuracies in the data. The disclaimer shall be in a form approved in writing by the MLS. The following disclaimer has been approved— *"Information is supplied by seller and other third parties and has not been verified."*

The following copyright statement must appear at the bottom of each such listing — "Copyright 2001 - Multiple Listing Service, Inc. All Rights Reserved".

- f) All active listings of all Participants are eligible for Internet publication unless (i) the Participant has "opted out" of the "Broker Reciprocity" program, (ii) the Participant has declined Internet publication on individual listings by so indicating on the MLS property profile sheet.
- g) Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly-accessible Web sites or VOWs) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers.
- h) Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type

of property (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right-to-sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each participant.

i) Any Internet public web site used by a Participant for publication of MLS data must be controlled by that Participant and clearly advertised as that Participant's Internet web site.

j) Except as provided in these rules, an IDX site or a participant or user operating an IDX site may not distribute, provide, or make any portion of the MLS database available to any person or entity.

k) Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent "scraping" or unauthorized accessing, reproduction, or use of the MLS database.

l) Changes to an Internet public web site necessary to cure a violation of MLS Rules must be accomplished within ten (10) days of the transmittal of notice from the MLS of such violation. Violations may subject a Participant to sanctions, including but not limited to the immediate termination of the license to receive or republish the MLS database on the Internet. Sanctions must only be implemented after following the procedure in Section 9.1.

SECTION 12.4 AGENTS MAY "FRAME" PARTICIPANTS SITES: Agents may not republish MLS data on the Internet, provided however, a Participant may allow an agent licensed to or employed by that Participant to "frame" or "gateway" to the Participant's site from the agent's site if and only if:

a) The Participant is, in good faith, contributing its listings for Internet publication by other Participants.

b) The Participant's site is in total and strict compliance with MLS Rules and Procedures and only contains data from MLS database(s).

c) The agent's site includes the Participant's banner or corporate identification on every page. (The Participant may allow an agent to "co-brand" the site)

d) The agent has signed an agreement with the Participant that includes the agent's commitment to fully and totally comply with and abide by MLS Rules and Procedures to the same extent as the Participant. Such agreement shall be provided to the MLS upon request.

SECTION 12.5 ADVERTISING ANOTHER PARTICIPANTS LISTING: No Participant, without first obtaining the listing Participant's permission, shall advertise a property listed by another Participant, in any manner, including but not limited to, display, newspaper, flyer or other publication, except that a Participant may republish another Participant's listings on the Internet on a public web site, in a manner consistent with MLS Rules and Procedures, so long as the listing is approved by the listing Participant for Internet publication.

SECTION 12.6 WRITTEN AGREEMENT REQUIRED FOR DOWNLOADS: Participants shall not electronically transfer information from the MLS database(s) to the Participant's own database(s) (i.e. "download") for any purpose, including republishing on the Internet, without signing a MLS Download Agreement. The Agreement shall include, without limitation, the following provisions:

a) A Joinder of Computer Consultant or Internet Service Provider. That any third party computer expert or consultant or Internet Service Provider (collectively "Consultant") advising or assisting the Participant in the transfer also signs the Agreement.

b) Information To Be Retained By Participant. That only the Participant retains possession and control of all of the information from MLS database(s) that has been downloaded (except to the extent that information is republished on the Internet consistent with MLS Rules and Procedures).

c) MLS Rules Continue to Apply. That all MLS Rules continue to apply to such information even though it may be processed by the Participant's own computer or Consultant's computer (as opposed to an on-line terminal/PC access to MLS information) and in a format different than it appears on MLS online systems.

d) Consultant Retains No Part of Information Obtained From MLS Database(s). That the Consultant does not take any information whatsoever from the MLS database(s) from the Participant's possession or control, either during the time the Consultant is performing services for the Participant or any time thereafter.

e) MLS May Terminate At Any Time. That the MLS shall have the right at any time and at the sole discretion of the MLS to terminate the Participant's right to so transfer information (download), upon written notice to the Participant. Transmittal of such written notice to the Participant shall constitute delivery of said written notice to the Consultant.

f) Delivery of Information to MLS Upon Termination of Membership. That upon termination of membership, a Participant shall either deliver all portions of the information previously transferred from MLS database(s) (downloaded) by the Participant to MLS or, provide written affirmation of the complete deletion of the information.

g) Transfers by Process(es) Defined by the MLS. The process and procedure for transferring information from the MLS (downloading) shall only be by such equipment and procedures as may be determined by the MLS from time to time in its sole discretion.

USE OF MLS INFORMATION

Section 13. LIMITATIONS ON USE OF MLS INFORMATION: Use of information from the MLS Compilation of current listing information, from the Board's statistical report, or from any sold or comparable report of the Association or MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited.

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

"Based on information from the La Crosse Area REALTORS Association (alternatively, from the Greater La Crosse MLS Corporation) for the period (date) through (date)."

CHANGES IN RULES AND REGULATIONS

Section 14. CHANGES IN RULES AND REGULATIONS: Amendments to the Rules and Regulations of the Service shall be by consideration and approval of the Board of Directors of the Multiple Listing Service subject to final approval by the Board of Directors of the La Crosse Area REALTORS Association (shareholder).

Section 15. ARBITRATION OF DISPUTES: By becoming and remaining a Participant, 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 of REALTORS® or have their principal place of business with the same Association's territorial jurisdiction, they shall arbitrate pursuant to the procedures of that Association of REALTORS®.
- b. If the disputants are members of different Associations of REALTORS® or if their principal place of business is located within the territorial jurisdiction of different Associations of REALTORS®, they remain obligated to arbitrate in accordance with the procedures of the Wisconsin REALTORS® Association.

Interboard Arbitration Procedures: Arbitration shall be conducted in accordance with any existing interboard agreement or, alternatively, in accordance with the interboard arbitration procedures in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Association of REALTORS®.

SUPRA PRODUCTS ADVANTAGE EXPRESS LOCK BOX SYSTEM:

Section 16.1 The lock box system is an activity of the Greater La Crosse MLS Corporation. Every MLS Participant and every non-principal broker, sales licensee and licensed or certified appraiser who is affiliated with an MLS Participant and who is legally eligible for MLS access shall be eligible to hold a key subject to their execution of a lease agreement with MLS.

Section 16.2 Company participation is only available on a voluntary basis to Greater La Crosse MLS Participants. Voluntary participation is also available to Affiliate members of the La Crosse Area REALTORS Association in the Home Inspection and Pest Inspection membership categories.

Section 16.3 Showing appointments must be made through the listing company.

Section 16.4 CONTROL OF ACCESS CARDS: Each agent purchasing a card will be responsible for maintaining control of that card. It is not to be loaned to another agent or any other person. Violation of this rule will result in a \$250 fine with subsequent violations increasing by \$250. These fines are subject to change from time to time by the Board of Directors. Such violations may also result in loss of card privileges.

Section 16.5 The lock box system is operated in compliance with the Lock Box Security Requirements of the National Association of REALTORS, as amended from time to time, found in Section 7.31 of the NAR Handbook on Multiple Listing Policy, which by this reference are made part of the MLS Rules and Regulations. In addition, the key lease agreement of the Greater La Crosse MLS Corporation by reference is also made a part of the MLS Rules and Regulations.

ORIENTATION

Section 17.1 ORIENTATION: Any applicant for MLS Participation and any licensee (including licensed or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information, retrieval and the operation of the MLS. This Orientation program must be attended within the first two scheduled La Crosse Area REALTORS

Association's Orientation programs after MLS Participant has made application.

VIRTUAL OFFICE WEBSITE (VOW) Rules

Section 18.1 (a): A Virtual Office Website ("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.

(b) As used in Section 18 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 VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner ("AVP") on behalf of a Participant.

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

(d) As used in Section 18 of these Rules, the term "MLS Listing Information" refers to active listing information and sold data provided by by Participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 18.2 (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 18.3 (a): Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:

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

(ii) The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must

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

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

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

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

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

- i.** That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;
- ii.** That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;
- iii.** That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;
- iv.** That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;
- v.** That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.

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

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

Section 18.4: 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 18.5: A Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of MLS Listing Information. A Participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

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

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

Seller Opt-Out Form

1. Please check either Option a or Option b

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

OR

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

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

Initials of Seller

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

Section 18.7:

(a) Subject to subsection (b), a Participant's VOW may allow third-parties (i) to write comments or reviews

about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing

(b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 18.8, 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 18.8: A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 18.9: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 18.10: Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

Section 18.11: A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 18.12: A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 18.13: A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies.

Section 18.14: A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

Section 18.15: 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 18.16: 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 “Information supplied by seller and other third parties and has not been verified” A Participant’s VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

Section 18.17: A Participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm 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 18.18: A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than two hundred and fifty (250) current listings and not more than two-hundred and fifty (250) sold listings in response to any inquiry.

Section 18.19: A Participant shall require that Registrants’ passwords be reconfirmed or changed every ninety (90) days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.

Section 18.20: 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 18.21: A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

Section 18.22: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 18.23: Where a seller affirmatively directs their 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.

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RATIONALE: The NAR/DOJ settlement imposes the requirement that these rules be adopted without modification of Sections 18.1 through 18.14.

Certain options may be selected for NAR Sections 19.15 through 19.19 (our Sections 18.15 through 18.19) insofar as those options are also imposed on Participant’s use of MLS Listing Information in providing brokerage services through all other delivery mechanisms.

NAR Sections 19.20 through 19.25 (our Sections 18.20 through 18.24) are discretionary and have been tailored for local applications.

According to WRA Counsel, electronic brokerage is allowed under Wisconsin License Law. However, it is unclear whether the presentation of another broker’s listings by a broker is considered advertising or brokerage.

The NAR numbers have been modified to align with our existing Rules.

MLS must certify to NAR that the Rules have been adopted by the Board of Directors.