

The Multiple Listing Service of the Northwest Minnesota Association of REALTORS®

Rules and Regulations

Revised

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|---------|------------|------------|---------|---------|---------|---------|---------|
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NAR Approved

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**Rules and Regulations for the
Northwest Minnesota MLS
Operated as a Committee of the
Northwest Minnesota Association of REALTORS®**

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 service area of the multiple listing service, and are taken by participants on Exclusive Agency and Exclusive Right to Sell forms, shall be entered into the multiple listing service no later than 2 business days, excluding state or federal holidays or within one business day of marketing the property to the public. The date following the execution shall be counted as the first day. Listing contracts are not required to be submitted to the service but must be retained by the Participant and made available to the service upon request. (Amended NWMAR 01/2021)

- a. single family homes for sale or exchange
- b. vacant lots and acreage for sale or exchange
- c. two-family, three-family, and four-family residential buildings for sale or exchange
- d. condominium, townhouse, Planned Unit Development
- e. new construction; to include builder models, floor plans, and structures being built
(Amended 11/07)

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

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

The multiple listing service shall accept exclusive right-to-sell listing contracts and exclusive agency listing contracts and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other participants of the multiple listing service acting as subagents, buyer agents, or both. (Amended 11/96)

The listing agreement must include the seller's written authorization to submit the agreement to the multiple listing service. (Amended 11/96)

The different types of listing agreements include:

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

The service may not accept **net listings** because they are deemed unethical and, in most states, illegal. **Open listings** are not accepted, except where required by law, because the inherent nature of an open listing is such as to usually not include the authority to cooperate and compensate other brokers and inherently provides a disincentive for cooperation. (Amended 4/92)

The **exclusive right-to-sell** listing is the conventional form of listing submitted to the multiple listing service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers. (Amended 4/92)

The **exclusive agency** listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right-to-sell listings with named prospects exempt should be clearly distinguished by a simple designation such as a code or symbol from exclusive right-to-sell listings with no named prospects exempt, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right-to-sell listings with no named prospects exempt. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right-to-sell listings with prospect reservations. (Amended 4/92)

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

Note 3: A multiple listing service may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the MLS compilation of current listings. *(Adopted 11/92)* **M**

Section 1.01, Clear Cooperation**

Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public. *(Adopted 11/19)* **M**

Note: Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Policy. This applies to listings filed under Section 1 and listings exempt from distribution under Section 1.3 of the NAR model MLS rules, and any other situation where the listing broker is publicly marketing an exclusive listing that is required to be filed with the service and is not currently available to other MLS Participants. **M**

Section 1.1 - Types of Properties

Following are some of the 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 NWMAR 01/2021)* **O**

- Single Family
- Multi Family
- Lots and Land
- Commercial
- Residential Rentals
- Farm

Section 1.1.1 - Listings Subject to Rules and Regulations of the Service

Any listing taken on a contract to be filed with the multiple listing service is subject to the rules and regulations of the service upon signature of the seller(s). **R**

Section 1.2.0(New) – Accuracy of Listing Data

Participants and subscribers are required to submit accurate listing data and required to correct any known errors. **M**

Section 1.2 - Detail on Listings Submitted to the Service

A listing agreement when submitted to the multiple listing service by the listing broker, shall be complete in its entirety. *(Amended NWMAR 01/2021)* **R**

Section 1.2.1 - Limited Service Listings

Listing agreements under which the listing broker will not provide one, or more, of the following services:

- a. arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s)
- b. accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s)
- c. advise the seller(s) as to the merits of offers to purchase
- d. assist the seller(s) in developing, communicating, or presenting counter-offers
- e. participate on the seller's(s') behalf in negotiations leading to the sale of the listed property

will be identified with an appropriate code or symbol (e.g., LR or LS) in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property. *(Adopted 5/01)*

Note: Adoption of Section 1.2.1, Limited Service Listings, is optional and a matter to be determined by each MLS. *(Adopted 5/01)* ○

Section 1.2.2 – NOT ADOPTED ○

Section 1.2.3 - Co-Listings

In the event a participant jointly lists a property with another participant, only one data entry shall be processed through the MLS Service. (NWMAR Rule)

Section 1.3 - Exempt Listings

If the seller refuses to permit the listing to be disseminated by the service, the participant may then take the listing (office exclusive) and such listing shall be filed with the service but not disseminated to the participants. Filing of the listing should be accompanied by certification signed by the seller that he/she does not desire the listing to be disseminated by the service.

Note 1: Section 1.3 is not required if the service does not require all (indicate type[s] of listing[s]) accepted by the service listings to be submitted by a participant to the service.

Note 2: MLS Participants must distribute exempt listings within (1) one business day once the listing is publicly marketed. See Section 1.01, Clear Cooperation **M**

Section 1.4 - Change of Status of Listing

Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be submitted to the service within 2 business days (except weekends, holidays, and postal holidays) after the authorized change is received by the listing broker. *(Amended NWMAR 01/2021)* **R**

Section 1.5 - Withdrawal of Listing Prior to Expiration

Listings of property may be withdrawn from the multiple listing service by the listing broker before the expiration date of the listing agreement, provided notice is filed with the service, including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal.

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller(s) can document that his or her exclusive relationship with the listing broker has been terminated, the multiple listing service may remove the listing at the request of the seller. *(Adopted 11/96)* **M**

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. **R**

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. *(Amended 11/92)* **M**

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. When part of a listed property has been sold, proper notification should be given to the multiple listing service. *(Amended NWMAR 01/2021)* ○

Section 1.9 - No Control of Commission Rates or Fees Charged to Participants

The multiple listing service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by participants. Further, the multiple listing service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating participants or between participants and nonparticipants. **M**

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. *(Amended NWMAR 01/2021)*

If notice of renewal or extension is received within 7 business days after the listing has been removed from the compilation of current listings, the extension or renewal will be allowed. 7 business days after the contract expiration date, a new contract will be needed and must be entered as a new listing following the new listing procedures and policies. Extensions and renewals of listings must be signed by the seller(s) and filed with the service. *(Amended NWMAR 01/2021-app'd by NAR)* **M**

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. **M**

Section 1.12 –Service Area*

Only listings of the designated types of property located within the service area of the MLS are required to be submitted to the service. Listings of property located outside the MLS's service_area will (or will not) be accepted if submitted voluntarily by a participant but cannot be required by the service. *(Amended 11/17)*

Note: Associations must choose whether the service will accept listings from beyond its service area into the MLS compilation. *(Amended 11/17)* **M**

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 obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended participant shall, at the participant's option, be retained in the service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a participant has been suspended from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, an association MLS is not obligated to provide MLS services, including continued inclusion of the suspended participant's listings in the MLS compilation of current listing information. Prior to any removal of 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. **M**

Section 1.14 - Listings of Expelled Participants

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

Section 1.15 - Listings of Resigned Participants

When a participant of the service 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 that the resigned participant may advise his clients. **O**

Selling Procedures

Section 2 - Showings and Negotiation

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

- a. the listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
- b. after reasonable effort, the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers. *(Amended 4/92) M*

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. *(Amended 4/92) M*

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. *(Amended 11/05) M*

Section 2.3 - Right of Cooperating Broker in Presentation of Offer

The cooperating broker (or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's or lessor's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations. *(Amended 4/92) M*

Where the cooperating broker is not present during the presentation of the offer, the cooperating broker can request in writing, and the listing broker must provide, as soon as practical, written affirmation stating that the offer has been submitted to the seller, or written notification that the seller has waived the obligation to have the offer presented. *(Adopted 11/19) M*

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. 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. *(Adopted 11/93) M*

Section 2.5 - Reporting Sales to the Service

Status changes, including final closing of sales and sale prices, shall be reported to the multiple listing service by the listing broker within 2 business days after they have occurred. If negotiations were carried on under Section 2 a. or b. hereof, the cooperating broker shall report accepted offers and prices to the listing broker within 2 business days after occurrence and the listing broker shall report them to the MLS within 2 business days after receiving notice from the cooperating broker. Pending listings will be charged a \$25.00 fine per day if not entered into the system within 2 business days. *(Amended NWMAR 01/14/2021)*

Sale of Another Property

For the purposes of this section a listing with an accepted purchase agreement contingent on the sale of a home is exempt from the 2.5 rule and can be marketed active-contingent.

Once the sale of a home contingency has been removed it must go into a pending status and follow rule 2.5 that the listing must be pended within 2 business days.

Home Inspection

For the purposes of this section a listing with an accepted purchase agreement contingent on a home inspection, defined with a specific length of time is exempt from the 2.5 rule and can be marketed active-contingent.

Financing

Any listing Contingent on Financing must show up in a pending status.

Other

Any other contingency will show in a pending status.

(Adopted 3/14/19)

Coming Soon (Not currently active in CDP-06/12/2020)

Prior to being entered into the system or advertised, all Coming Soon Listings must have a valid, fully executed contract:

1. Exclusive Right to Sell
2. Exclusive Agency

Coming Soon listings must include a disclaimer written in the contract that the listing is not available for showings and must include at least one exterior photo of the listing.

Coming Soon Listings are not available for showing by any Realtor, including the listing brokerage; and no offers are to be presented to the seller during the Coming Soon timeframe.

Coming Soon Listings must include an offer of cooperation and compensation that becomes effective on the Go-Live Date; and Coming Soon Listings must include a Go-Live Date which must be no later than 3 days after the entry date; and Coming Soon listings shall automatically convert to active status on the Go-Live Date.

The Coming Soon 3-day timeframe cannot be shortened or extended after entry into the MLS.

There shall be no syndication permitted of Coming Soon Listings. Coming Soon listings may be included in IDX and VOW data feeds and may not be re-syndicated.

Coming Soon Listings may be promoted on social media. Any social media activity must comply with the REALTOR® Code of Ethics. *(Adopted 09/18)*

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. *(Amended 11/01)*

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. *(Adopted 11/11)*

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.) *(Adopted 11/11)* **M**

Section 2.6 - Reporting Resolutions of Contingencies

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

Section 2.7 - Advertising of Listings Filed with the Service

A listing shall not be advertised by any participant other than the listing broker without the prior consent of the listing broker. **M**

Section 2.8 - 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. **M**

Section 2.9 - Disclosing the Existence of Offers

Listing brokers, in response to inquiries from buyers or cooperating brokers shall, with the seller's approval, disclose the existence of offers on the property. Where disclosure is authorized, the listing broker shall also disclose if asked whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a cooperating broker. *(Amended 11/08)* **O**

Section 2.10 - Availability of Listed Property

Listing brokers shall not misrepresent the availability of access to show or inspect listed property. *(Adopted 11/05)* **M**

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. **R**

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 the MLS without the prior consent of the listing broker. **M**

Section 4.1 - For Sale Signs

Only the for-sale sign of the listing broker may be placed on a property. *(Amended 11/89)* **M**

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. *(Amended 4/96)* **M**

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. **M**

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)* ○

Section 4.5 - Photographs Submitted to the Service

Photographs of listed property sent to the MLS service shall depict the property for sale to include at least one photo of the subject/home exterior, and shall not include marketing or promotional messages made on behalf of the listing broker or seller. Limited text is allowed, excluding primary photo. A seller may expressly direct that photographs of their property not appear in MLS compilations. *(Amended NWMAR 01/2021)*

Section 4.6 - Remarks Information

Remarks of listed property submitted to the MLS Service shall depict the property for sale and shall not include marketing or promotional messages made on behalf of the listing broker or seller. *(Amended NWMAR 01/2021)*

Section 4.7 - Relatives

Relatives may voluntarily be disclosed in the public remarks. Relatives are immediate family comprised of spouses, parents, children, siblings, and grandparents. *(Amended NWMAR 01/2013)*

Section 4.8 - Year Built

If an actual year built cannot be established through the public records, then an estimated year built may be used but source of information must be documented. Remodel dates will not be allowed. *(Adopted NWMAR 4/08)*

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 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. *(Amended 11/98)*

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.* *(Amended 11/96)*

The listing broker retains the right to determine the amount of compensation offered to other participants (acting as buyer agents, or in other agency or non-agency capacities defined by law) which may be the same or different. *(Amended 11/96)*

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. *(Amended 5/10)*

*The compensation specified on listings filed with the multiple listing service shall appear in one of two forms. The essential and appropriate requirement by an association multiple listing service is that the information to be published shall clearly inform the participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the listing broker, in writing, in advance of submitting an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

1. by showing a percentage of the gross selling price
2. by showing a definite dollar amount (*Amended 5/10*)

Note: MLSs may also, as a matter of local discretion, allow participants to offer cooperative compensation as a percentage of the net sales price, with the net sales price defined as the gross sales price minus buyer upgrades (new construction) and seller concessions (as defined by the MLS unless otherwise defined by state law or regulation). (*Adopted 5/08*)

While MLSs are not required to authorize participants to offer cooperative compensation based on net sale prices, those that do permit such offers must define "seller concessions" for purposes other than new construction, unless that term is defined by applicable state law or regulation. The following definition of "seller concessions" is suggested but not required for adoption:

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. (*Adopted 05/12*)

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/her 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. (*Amended 4/92*)

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. (*Amended 5/10*)

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. (*Adopted 5/10*)

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. (*Amended 5/09*) **M**

Section 5.0.1 - Disclosing Potential Short Sales

Participants may, but are not required to, disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing participants *(Amended 5/09)*

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. *(Adopted 5/09)*

Section 5.1 - Participant as Principal

If a participant or any licensee (or licensed or certified appraiser) affiliated with a participant has any ownership interest in a property, the listing of which is to be disseminated through the multiple listing service, that person shall disclose that interest when the listing is filed with the multiple listing service and such information shall be disseminated to all multiple listing service participants. **M**

Section 5.2 - Participant as Purchaser

If a participant or any licensee (including licensed and certified appraisers) affiliated with a participant wishes to acquire an interest in property listed with another participant, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker. *(Adopted 2/92)* **M**

Section 5.3 - Dual or Variable Rate Commission Arrangements

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

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:

Initial Participation Fee:

An applicant for participation in the service shall pay an application fee of \$500.00 with such fee to accompany the application.

Note: The initial participation fee shall approximate the cost of bringing the service to the participant.

- A. Recurring Participation Fee:** The monthly participation fee of each participant shall be an amount equal to \$35.00 times 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. Licensees noted as listing member or co-listing member must be billable users of the service. Payment of such fees shall be made on receipt of the monthly invoice/statement. *(Amended 05/15)*

However, MLSs must provide participants the option of a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS or CIE where the principal broker participates. MLSs may, at their discretion, require that broker participants sign a certification for nonuse of its MLS services by their licensees, which waiver if violated. **(Amended 5/18 and 8/18)* **M**

Note 1: A multiple listing service may elect to have such fees payable on a quarterly or even on a monthly basis. However, added administrative services are necessitated by increased frequency of such payments.

Note 2: Multiple listing services that choose to include affiliated unlicensed administrative and clerical staff, personal assistants, and/or individuals seeking licensure or certification as real estate appraisers among those eligible for access to and use of MLS information as subscribers may, at their discretion, charge recurring fees. (Amended 11/17) **R**

Section 6.1 - Fines

Late listings: All listings must follow the Clear Cooperation Policy with listing being submitted to the service within one business day of marketing the property. Listings that do not meet the Clear Cooperation Policy must be submitted to the MLS within 2 business days of the contract begin date noted on the listing contract. (The Clear Cooperation Policy is Effective May 1st, 2020)

Listings that are not submitted to the service within the allotted 2 business day timeframe will receive a \$25.00 per day fine until resolved. (Amended NWMAR 01/2021)

2. Withdrawn Listings: Listings may be withdrawn from the multiple listing service by participants prior to the listing's expiration date. Participants must submit the sellers' written agreement to be withdrawn from the MLS to the MLS service within 2 business days of seller's notice. (Amended NWMAR 01/2021)

3. Unauthorized use: Any member, affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certifications as real estate appraisers who are under the direct supervision of an MLS participant or the participant's licensed designee are found transmitting, retransmitting, or providing MLS information in any manner to any unauthorized individual, office, firm, or unauthorized licensee, or found sharing their password with unauthorized individuals, or any other actions which circumvent the spirit and intention of the Northwest Minnesota MLS bylaws, rules, and regulations, the Designated REALTOR office will be charged a fine of \$1,000.00. Second offense would result in a \$1,000.00 fine and automatic suspension until fines are paid in full. Third offense is \$2,000.00 fine, suspension and possible termination at discretion of the Board of Directors. (Amended 11/07)

4. Agent Transfer Notification: Offices are required to notify the service immediately with agent transfers. Failure to notify the service within 5 business days will be subject to a \$100.00 fine.

5. Virtual Tours: Links to a virtual tour on any listing must be input as an unbranded tour. Unbranded tours must link out directly to the virtual tour. It must only describe the property for sale and its vicinity. No other contact or promotional information is allowed, including links to other areas of any web site where there is promotional information. Violations are per agent, per incident, not per listing. (Amended NWMAR 01/2021)

Violations:

- 1) The first violation will be a warning with 2 business days to correct the violation. After the second business day and violation remains uncorrected, a \$25.00 fine will be applied with automatic removal of the link(s) by the MLS.
- 2) Further violations will be referred to the MLS Committee for review.

6. Waiving Fees and/or Fines: Each participant of the multiple listing service has the right to request a review of any MLS fees and/or fines applied. Documentation for the initial request to waive such fees/fines must be received by the MLS office within 60 days after receipt of the first invoice noting such fees/fines. If the initial request is rejected, the MLS participant may request a review before the MLS committee with 60 days of the initial denial and will be placed on the agenda for the next available MLS committee meeting. All fees/fines are still expected to be paid as per MLS policy section 7.1, subsection a. Approved waived fines will be credited on the next participant's invoice. (Adopted 7/08)

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. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- f. services with no right to reapply for a specified period not to exceed three (3) years. *(Revised 11/14)* **M**

Note 1: A participant (or user/subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a participant (or user/subscriber, where appropriate) is placed on probation the discipline is held in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS rules during the probationary period may, at the discretion of the Board of Directors, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and the individual's record will reflect the fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance. *(Revised 05/14)* **M**

Note 2: MLS participants and subscribers can receive no more than three (3) administrative sanctions in a calendar year before they are required to attend a hearing for their actions and potential violations of MLS rules, except that the MLS may allow more administrative sanctions for violations of listing information provided by participants and subscribers before requiring a hearing. The MLS must send a copy of all administrative sanctions against a subscriber to the subscriber's participant and the participant is required to attend the hearing of a subscriber who has received more than three (3) administrative sanctions within a calendar year. *(Adopted 11/20)* **M**

Section 7.1 - Compliance with Rules

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

- a. for failure to pay any service charge or fee within two (2) months 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. A 1.5% finance charge will be applied on portions over 30 days old. *(Amended 11/07)*
- b. for failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply

Note: Generally, warning, censure, and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the rules and regulations of the multiple listing service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service. If the MLS desires to establish a series of moderate fines, they should be clearly specified in the rules and regulations. *(Amended 11/88)* **R**

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

Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof 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 users or subscribers affiliated with the participant. *(Adopted 4/92)*

Note: Adoption of Section 7.2 is optional and should be adopted by multiple listing services desiring to establish authority to impose discipline on non-principal users or subscribers affiliated with MLS members or participants. *(Adopted 4/92)*

Meetings

Section 8 - Meetings of MLS Committee

The Multiple Listing Service Committee shall meet for the transaction of its business at a time and place to be determined by the committee or at the call of the chairperson. (Amended NWMAR 01/2021) R

Section 8.1 - Meetings of MLS Participants

The committee may call meetings of the participants in the service to be known as meetings of the multiple listing service. R

Section 8.2 - Conduct of the Meetings

The Chairperson or Vice Chairperson shall preside at all meetings or, in their absence; a temporary Chairperson from the membership of the committee shall be named by the Chairperson or, upon his failure to do so, by the committee. R

A quorum for the transaction of business shall consist of at least 5 eligible participants. (NWMAR)

Enforcement of Rules or Disputes

Section 9 - Consideration of Alleged Violations

The committee shall give consideration to all written complaints having to do with violations of the rules and regulations. By becoming and remaining a participant, each participant agrees to be subject to these rules and regulations, the enforcement of which are at the sole discretion of the Committee (Board of Directors).

When requested by a complainant, the MLS will process a complaint without revealing the complainant's identity. If a complaint is subsequently forwarded to a hearing, and the original complainant does not consent to participating in the process, the MLS will appoint a representative to serve as the complainant. (Amended 11/20) M

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 multiple listing service committee, and if a violation is determined, the committee 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 committee's decision. (Amended 11/96)

If, rather than conducting an administrative review, the multiple listing committee has a procedure established to conduct hearings, the decision of the multiple listing committee may be appealed to the Board of Directors of the association of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the association's grievance committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the association of REALTORS®. (Amended 2/98) M

Section 9.2 - Complaints of Unethical Conduct

All other complaints of unethical conduct shall be referred by the committee to the Professional Standards Administrator of the association of Realtors® for appropriate action in accordance with the professional standards procedures established in the association's bylaws. (Amended 11/88) M

Section 9.3 Complaints of Unauthorized Use of Listing Content

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

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

If after ten (10) days following transmittal of the Committee's determination the alleged violation remains uncured (i.e. the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law. *(Adopted 5/18)* **M**

Section 9.4 MLS Rules Violations

MLS participants may not take legal action against another participant for alleged rules violation(s) unless the complaining participant has first exhausted the remedies provided in these rules. *(Adopted 5/18)* **M**

Note: Adoption of Sections 9.3 and 9.4 are not required if the MLS has adopted alternative procedures to address alleged misuse of listing content that includes notice to the alleged infringer.

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. *(Amended 4/92)* **M**

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 such information provided and disclaims any responsibility for its accuracy. Each participant agrees to hold the service harmless against any liability arising from any inaccuracy or inadequacy of the information such participant provides. **R**

Ownership of MLS Compilation* and Copyright

***Portions of this section superseded by NorthStar MLS CDP Agreement**

Section 11

By the act of submitting any property listing content to the MLS, the participant represents and warrants that he or she is fully authorized to license the property listing content as contemplated by and in compliance with this section and these rules and regulations, and also thereby does grant to the MLS license to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparable. 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. *(Amended 5/18)* **M**

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

Note: The Digital Millennium Copyright Act (DMCA) is a federal copyright law that enhances the penalties for copyright infringement occurring on the Internet. The law provides exemptions or "safe harbors" from copyright infringement liability for online service providers (OSP) that satisfy certain criteria. Courts construe the definition of "online service provider" broadly, which would likely include MLSs as well as participants and subscribers hosting an IDX display. 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. *(Adopted 11/15)* **I**

* The term MLS compilation, as used in Sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to the participants

Section 11.1

All right, title, and interest in each copy of every multiple listing compilation created and copyrighted by the Northwest Minnesota Association of REALTORS® and/or its MLS in the copyrights therein, shall at all times remain vested in the local Association of REALTORS® and/or its MLS. **R**
(Amended NWMAR 01/2021)

Section 11.2 Display

Each participant shall be entitled to lease from the Northwest Minnesota Association of REALTORS® 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 compilation in accordance with these rules. **M**

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

Use of Copyrighted MLS Compilation

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 of REALTORS®, and shall not distribute any such copies to persons other than subscribers who are affiliated with such participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by an association multiple listing service is strictly limited to the activities authorized under a participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed or published by an association multiple listing service where access to such information is prohibited by law. *(Amended NWMAR 01/2021)* **R**

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. *(Amended NWMAR 01/2021)* **M**

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.

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparable, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any MLS content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information deemed confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations. *(Amended 05/14)* **M**

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

Use of MLS Information

Section 13 - Limitations on Use of MLS Information

Information from MLS compilations of current listing information, from statistical reports, and from any sold or comparable report of the association or MLS may be used by MLS participants as the basis for aggregated demonstrations of market share or comparisons of firms in public mass-media advertising or in other public representations. This authority does not convey the right to include in any such advertising or representation information about specific properties which are listed with other participants, or which were sold by other participants (as either listing or cooperating broker).

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the 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 Northwest Minnesota Association of REALTORS® (alternatively, from the Northwest Minnesota MLS) for the period (date) through (date). *(Amended 11/97)*

Changes in Rules and Regulations

Section 14 - Changes in Rules and Regulations

Amendments to the rules and regulations of the service shall be by a majority vote of the members present of the multiple listing service committee, subject to approval by the Board of Directors of the association of REALTORS®.

When Rules and Regulation amendments are mandated by NAR policy, these Rules and Regulations may be automatically amended to reflect the mandate as of the effective date of the mandatory policy authorized by the National Association of REALTORS®. The MLS shall provide notice of that change in a regular or special membership communication.

Note: Some associations may prefer to change the rules and regulations by a vote of the participants, subject to approval by the board of directors of the association of Realtors®. **M**

Section 15 – Not Adopted (Arbitration of Disputes)

Section 16 – Not Adopted (Standards of Conduct)

Orientation

Section 17 - Orientation

Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided. *(Amended 11/04)* **M**

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 orientation and additional training remotely *(Amended 11/17)*

Internet Data Exchange (IDX)

Section 18 - IDX Defined

IDX affords MLS participants the ability to authorize limited electronic display and delivery 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 listings. *(Amended 5/17)* **M**

Section 18.1 – 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. * *(Amended 05/17)*

* 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 or other electronic forms of display or distribution. *(Amended 05/12)* **M**

Section 18.2 - Participation

Participation in IDX is available to all Northwest Minnesota MLS participants who are REALTORS® who are engaged in real estate brokerage and who consent to display of their listings by other participants. *(Amended 11/09)* **M**

Section 18.2.1

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)* **M**

Section 18.2.2

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)* **M**

Section 18.2.3

Listings, including property addresses, can be included in IDX displays except where a seller has directed the 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)* **M**

Section 18.2.4

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, exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed through IDX site must be independently made by each participant. *(Amended 05/17)* **M**

Section 18.2.5

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

Section 18.2.6

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)* **M**

Section 18.2.7

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)* **M**

Section 18.2.8

Any IDX display controlled by a participant or subscriber that 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 displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing,

either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants. Except for the foregoing and subject to Section 18.2.9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. *(Adopted 05/12)* **M**

Section 18.2.9

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)* **M**

Section 18.2.10

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)* **M**

Section 18.2.11

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)* **M**

Section 18.2.12

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

* 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 18.3 - Display

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

Note: All of the following rules are optional but, if adopted cannot be modified. Select those rules which apply to your IDX program and number the sections accordingly.

Section 18.3.1

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 18.3.1.1

The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed. *(Amended 05/12)* ○

Section 18.3.2 Deleted May 2015.

Section 18.3.3 Deleted May 2017; moved to 18.2.12 May 2017.

Section 18.3.4 – Deleted

Section 18.3.5

Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own Web sites subject to their participant's consent and control and the requirements of state law and/or regulation. ○

Section 18.3.6 – Deleted November 2006

Section 18.3.7

All listings displayed pursuant to IDX shall show the MLS as the source of the information* *(Amended 05/17)* ○

Section 18.3.8

Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. * *(Amended 05/17)* ○

Section 18.3.9 – Deleted

Section 18.3.10

The right to display other participants' listings pursuant to IDX shall be limited to a participant's office(s) holding participatory rights in the Northwest Minnesota MLS. ○

Section 18.3.11

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. * *(Amended 5/17)* ○

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)*

Section 18.3.12

Display of expired, withdrawn, and sold listings** is prohibited. *(Amended 11/15)* ○

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

Section 18.3.13

Display of seller's(s') and/or occupant's(s') name(s), phone number(s), and email address(es) is prohibited.

Note: The following Sections 18.3.14 and 18.3.15 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 18.3.14 – Not adopted

Section 18.3.15 – Not adopted

Section 18.3.16

Advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. (Adopted 11/09) **O**

Section 18.4 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) **O**

Virtual Office Websites (VOWs)

Note: Adoption of Sections 19.1 through 19.14 is mandatory

Section 19.1 – 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. **M**

(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. **M**

(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. **M**

(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. **M**

Section 19.2

(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. **M**

(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”). **M**

(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. **M**

Section 19.3

(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. **M**

(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. **M**

(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. **M**

(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' ownership of, and the validity of the MLS' copyright in, the MLS database **M**

(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. **M**

(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. **M**

Section 19.4

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. **M**

Section 19.5

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. **M**

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 19.6

(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. **M**

(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: **M**

Seller Opt-Out Form

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

OR

[] 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) The Participant shall retain such forms for at least one (1) year from the date they are signed, or one (1) year from the date the listing goes off the market, whichever is greater. **M**

Section 19.7

(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 **M**

(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." **M**

Section 19.8

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 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. **M**

Section 19.9

A participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days. **M**

Section 19.10

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. **M**

Section 19.11

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. **M**

Section 19.12

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®. **M**

Section 19.13

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. **M**

Section 19.14

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. **M**

Note: Adoption of Sections 19.15 through 19.19 is at the discretion of the MLS. However, if any of the following sections are adopted, **an equivalent requirement must be imposed** on participants' use of MLS listing information in providing brokerage service through all other delivery mechanisms.

Section 19.15

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

a. expired or withdrawn listings

Note: Due to the 2015 changes in IDX policy and the requirement that participants be permitted to make MLS listing information available to Registrants of VOW sites where such information may be made available via other delivery mechanisms, MLSs can no longer prohibit the display of pending ("under contract") listings on VOW sites.

b. the compensation offered to other MLS participants

c. the type of listing agreement, i.e., exclusive right to sell or exclusive agency

d. the seller's and occupant's name(s), phone number(s), or e-mail address(es)

e. instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property. **O**

~~f. sold information (NWMAR did not adopt this)~~

Note: If sold information is publicly accessible in the jurisdiction of the MLS, Subsection 19.15f. must be omitted. (Revised 11/15) **M**

Section 19.16

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

Section 19.17

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

Section 19.18 – Deleted 4/14/09

Section 19.19 – Not Adopted

Section 19.20

A participant shall require that Registrants' passwords be reconfirmed or changed every 90 days. **O**

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. **M**

Section 19.21

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 19.22

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 19.23

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 19.24

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

Section 19.25 – Not Adopted

Common Data Platform

CDP Agreement Exhibit B -Rule provisions to be adopted by Northwest MN Association of Realtors and NorthStar MLS

Rule provisions

20.1 Definitions.

- 20.1.1 "Common Data Platform" or "CDP" means all the REALTOR® associations and multiple listing services (the "CDP MLSs") that provide access to the multiple listing data of the Service in return for the Service providing *its* multiple listing data to the CDP MLSs. For purposes of these rules, the Service itself is a CDP MLS.
- 20.1.2 "Other MLS" means any CDP MLS, other than the Service, from which Participant or its salespeople wish to obtain access to listing information.
- 20.1.3 "Other MLS Policies" means the Other MLS's bylaws, policies and procedures manual, and rules and regulations, as the Other MLS amends them from time to time. These policies may differ from those of the Service.

20.2 Purpose. The purpose of the CDP is to make it possible for participants and subscribers of each CDP MLS to disseminate listing information to, make offers of compensation to, and receive offers of compensation from participants in other CDP MLSs. The objective of the CDP is to facilitate the sharing of information and compensation among participants and subscribers of CDP MLSs. Only REALTORS® are permitted to use the CDP; firms that cannot make offers of compensation and are not entitled to active listing information in the service are not entitled to use the CDP.

20.3 Offers of Compensation. Each participant in each CDP MLS, including Participant, is bound by its offer of compensation in its home MLS with regard to all other Participants in CDP MLSs. In other words, if a broker with authorized CDP access in another MLS finds Participant's listing in the Service and is the procuring cause of its sale, Participant is obliged to pay to that broker the compensation specified on the listing record in the Service, subject to these rules.

20.4 Listing brokers participating in more than one MLS. If a Participant in the Service is also a Participant in any other CDP MLS, and the Participant enters a listing for a property into the Service and any other CDP MLS with differing cooperating commission amounts, the follow provisions shall apply:

20.4.1 Cooperating broker chooses which offer to accept. If a cooperating brokerage is aware of multiple offers of compensation from a listing brokerage on the same property in different CDP MLSs, the cooperating brokerage may select which offer of compensation it will accept. If the cooperating brokerage is the procuring cause of the sale of the property, it will be entitled to payment according to the offer of compensation that it accepted.

20.4.2 Arbitration required. In the event of a dispute regarding compensation under this Section, listing brokerage and cooperating brokerage shall submit to arbitration under Article 17 of the Code of Ethics of the National Association of REALTORS® as provided in these rules.

20.4.3 Evidence to be considered. In the event of an arbitration arising in a dispute under this Section, the arbitration panel may consider, in addition to all other information, testimony from the cooperating brokerage regarding its awareness of listing brokerage's multiple offers and testimony and contemporaneous records from listing brokerage regarding the cooperating brokerage's stated expectation of compensation at the time the cooperating brokerage submitted the offer that was eventually accepted by the seller.

20.5 Commission Disputes. Participants must mediate or arbitrate (or both) any dispute over any commission offered through the CDP between Participant and any other broker or licensee participating in any CDP MLS. All mediation and arbitration will take place as set forth in Article 17 of the National Association of REALTORS® (NAR) Code of Ethics or under other provisions of the NAR Code of *Ethics and Arbitration Manual*.

20.6 Access to Other MLSs. Access to data of Other MLSs is subject to the following provisions:

20.6.1 Access to Listing Data in Other MLSs. Participant and its salespeople may have access to the listings of an other MLS through the CDP according to the terms of that Other MLS's rules and regulations. Access to listings in other CDP MLSs is available only to those Participants entitled to access to listings in the Service.

20.7 Application of Other MLS rules. If the Participant accesses or allows any of its salespeople to access the listing data of another MLS, Participant becomes bound by the rules and regulations of that Other MLS with regard to that listing data and with regard to any transaction arising from use of that data. The following provisions also apply.

20.7.1 Priority of Rules and Agreements. Access by Participant and its salespeople to the Other MLS's listing data is subject at all times to the limitations set out in the Other MLS Policies. In the event of an apparent conflict between the other MLS Policies and these rules, Participant's obligations and rights shall be determined, in order of precedence, by the Other MLS Policies, by any agreement between Participant or its salespeople and the Other MLS, and by these rules.

20.7.2 Use limited. Participant and its salespeople may use the other MLS's listing data solely for the purpose of selling, listing, leasing, and appraising real estate, and for IDX, VOW, and Firm Internal Use as provided in the Other MLS Policies. As used in the foregoing sentence, "Firm Internal Use" means any use of those portions of the MLS listing data relating to a Participant's own listings; and any use of those portions of the MLS listing data relating to listings of other Participants that exposes MLS listing data only to Participant's affiliated subscribers. Except as expressly provided in the Other MLS Policies, Participant and its salespeople may not copy, create derivative works of, distribute, perform, or display the Other MLS Database or any part of it.

20.7.3 Confidentiality. Participant and its salespeople shall maintain the confidentiality of all user IDs, passwords, and tokens (if any) and of the Other MLS's listing data; Participant, its salespeople, and its employees shall not provide user IDs, passwords, or tokens (if any) to any third party. To maintain the confidentiality of all user IDs, passwords, and the Other MLS's listing data, Participant, its salespeople, and its employees shall take the greater of reasonable care or the care Participant takes to protect its own confidential information.

20.7.4 Consideration of alleged rule violations. Participant must submit to the Other MLS Policies, whether relating to a listing record in the Other MLS Database or to another broker Participant in the Other MLS. Participant remains subject to the rules of the Service as well. As a result, it is possible that the same act or acts could constitute a violation of policy in both the Other MLS and the Service, and that Participant may be sanctioned for multiple violations if Participant is found culpable. Participant consents to the Service communicating the final resolutions of disciplinary proceedings to all CDP MLSs.

20.7.5 Other sanctions. In addition to fines, Participant may be subject to other sanctions levied by the Service, including discontinued access to the CDP, the Other MLS's listing data, or the Service itself.

20.8 Disclaimer of warranties. The Other MLS provides the Other MLS data on an "as is," "as available" basis. Use of the Other MLS data and the information available through the Other MLS's listing data are at Participant's sole risk. The Service and the Other MLS do not warrant that the Other MLS's listing data will be uninterrupted or error-free, accurate, complete, current or reliable.

End MLS Rules and Regulations

EDUCATION AND INFORMATIONAL MATERIAL

Compliance with the CDP

3 reasons MLS rules are important to your business:

1. Ensures the offer of compensation, making sure you get paid
2. Ensures you have current, accurate and complete property data
3. Ensures professional data sharing and cooperative behaviors

Understanding the Rules

Nearly 20,000 real estate professionals participate in the CDP and contribute to the listing database. The MLS Rules are designed to ensure that every listing is current, complete, and accurate. Understanding and complying with the rules ensures a better system for all participants.

TIMELY INFORMATION

- Enter a listing within one (1) business day of marketing the property to the public (Clear Cooperation Policy), or 2 business days of the contract effective date, or submit a signed Certification to Withhold: You rely on access to new listings to best serve your buyers. Professional cooperation requires that listings be entered within 2 business days after the contract effective date. If your customer wants to withhold the listing from the MLS, email the service a signed Certification to Withhold Form within 2 business days.
 - **Public Marketing** includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.”
- A photo is required regardless of listing status (active, TNAS, pending, sold, cancelled, or expired). The photo may not contain any broker/agent/builder signs, promotional materials. -Make sure you either took the photo yourself or have written permission to use the photo from the photographer. Having photos greatly enhances the value of the listing to other agents, buyers, and the 4,000 websites that will display the listing.
- Change listing status to “Temporarily Not Available for Show” (TNAS) if a listing is not available for showing, (to refinish floors, seller on vacation, can be used when a seller chooses to withdraw their listing versus cancelling. etc.) change the status to TNAS. While in TNAS, no showings or marketing may occur, and TNAS listings do not accrue Market Time.
- Update listing status: If you’ve ever called to schedule a showing only to find that the property is under contract, then you probably understand the importance of timely system updates. Enter any status change (cancellation, contingencies, pending sale, closed sale, change in price, TNAS) within 2 business days.
 - **Documents to Submit to the Service**
 - Withheld’ s—submit the listing contract and withheld form within 2 business days
 - Status Changes

***Listing Contracts are no longer required to be submitted to the service but MUST be available upon request*

Avoid Promotional Remarks in Public Fields:

The MLS is a professional resource of objective property information; not advertising for agents, builders or any third party. Agents should feel comfortable sharing MLS information with their clients, knowing they are not promoting another agent or service. Public fields include Public Remarks, Public Supplements, Virtual Tours, and Driving Directions.

When entering Public Remarks, describe only the physical traits of the property and its vicinity and any incentives provided by the seller to the buyer specifically related to the property. Note:

- Do not add the listing agent's name, contact info, or any agent, broker or third-party promotional material (such as incentives to use a mortgage or title company);
- Unbranded virtual tours are the only allowed web link in the designated location. The tour must only describe the property and its vicinity and cannot link out to another site.
- You may list the name of the builder or brand names (for example "Acme Windows") only to the extent that it describes the property. It is acceptable to add, "Built by Acme Homes," but not to add, "Built by Acme Homes—premiere builder of quality homes."
- Buyer incentives are acceptable when they are from the seller, relate specifically to the property, and can be on the closing statement.
 - *Acceptable: Seller will pay \$3,000 closing costs. Price Reduced by \$15,000.*
 - *Unacceptable: Free Plasma TV. Seller will give trip to Mexico. \$500 Gift Card.*

Upload only appropriate Photos: Photos must accurately depict the property for sale. The rules prohibit any inappropriate photo, including:

- Any photo that does not depict the property for sale or its vicinity (for example, the house next door, a different condo, a model, empty lot, etc.).
- Photos that have been digitally altered in a manner that does not accurately reflect the property and its surroundings (removing power lines or a water tower, adding a lake front, etc. O.K. to remove a non-permanent structure).
- Company logos
- photos of an obscene nature.
- The focus of the photo should be the property for sale and not people or animals.

Do not copy photos from the listing of another Participant: Only use another agent's photo with written permission.

Keep your MLS ID and password private: Access to the MLS is one of the things that makes you valuable to your customers. Do not share your password with anyone, including colleagues, assistants, customers, friends and family. Be on guard for third party companies that attempt to use your access (if you are contacted for this purpose, inform NWMAR)

Administration of NWMAR Rules

How are MLS violations identified?

Violations may be reported to the NWMAR by Participants, staff, or consumers. Violations are also identified electronically. NWMAR allows anonymous reports and focuses on providing accurate, timely data rather than who reports the violation.

How much time is given to pay the fine?

A fine must be paid within 30 days or an additional fine will be assessed. Failure to pay fines may result in the suspension of MLS services for the entire office.

What if I disagree with a fine and want to contest it?

If you believe that a violation did not occur, you may request an MLS Compliance review by emailing or calling 218-751-2852

Who creates the rules?

The rules are approved by the NWMAR Board of Directors upon recommendation by the MLS Committee (with input from users, legal counsel, and the National Association of REALTORS®). The NWMAR staff role is to interpret, educate and consistently enforce.

Property Type Definitions

- A listing must be entered into the property type consistent with the following definitions:
 - **Single Family Residential-** A single dwelling including condominiums, town homes, twin homes, hobby farms, mobile homes, etc.
 - **Multi-Family Residential** - dwelling with two, three or four living units within. (Anything with 5 or more units shall be listed under Commercial)
 - **Lots & Land** – real property without a building used for dwelling or commercial purposes.
 - **Commercial**– property of commercial or mixed commercial and residential use or business opportunity.
 - **Residential Rental** – Residential properties of four units or less available for rent including Single Family Residences, Condos, Duplexes, Triplexes, Mobile Homes, etc.
 - **Farm** – Income producing property with or without a livable structure.

Listing Status Definitions

- **Active:** An active listing is one that is available for showings.
- **Active Contingent:** This status is ONLY allowed for home inspections or sale of another property contingencies. MLS must be kept updated to reflect the contingency type.
- **Pending:** A listing is pending with a fully executed purchase agreement not contingent on a home inspection or sale of another property.
- **TNAS:** A listing that is temporarily not available for showing is one where a listing contract still exists but the listing is off the market for a time. Seller must sign a listing input change form.
- **Cancelled:** A cancelled listing is one where there is no longer a listing agreement in affect. The seller and the broker must sign a cancellation.
- **Comp Sold:** Properties that are sold without having a listing agreement may be entered into the MLS as a comp-sold after the transaction has closed. (e.g. Showing Compensation)
- **Coming Soon:** Status is not currently available

No two active listings should have the same property identification number (PID) with the following exceptions:

- In a new development where PID numbers have not yet been assigned multiple properties may be entered with the same PID.
- If a Single-Family Residential property is available with optional amounts of land, it may be listed twice with different amounts of acreage. If more than 2 optional amounts of land are available, the additional amounts should be described in remarks.

Market Time

Market time is equal to the number of days between the list date and the date the listing is entered as pending into the CDP, plus one for every day the listing shows as active on the CDP.

Construction Status Definitions

- 1) **Previously Owned** – The residence is currently or was previously occupied as a dwelling.
- 2) **Completed New Construction** – The residence is ready for occupation but has not been occupied.
- 3) **Under Construction / Spec Home** – The residence is not yet ready for occupation but construction has begun.
- 4) **To Be Built / Floor Plan** – A drawing or blue print of a residence that may be purchased and constructed.
- 5) **Model** – A residence constructed as part of a sales campaign to demonstrate design, structure and appearance of a development. The model may or may not be available for sale.

Joint or Co-listings

- In the event that a Participant jointly lists a property with another Participant, only one listing shall be submitted through the Service.
- In the event that a Participant jointly lists a property with a party who is not a Participant, the Participant may enter the listing into the Service.

Fine Amounts

The table below lists violations and the fine assessed. Repeat violations will be referred to the MLS Committee for review.

| Rules Violation | Fine |
|---|---|
| <ul style="list-style-type: none"> • Not entering a listing or failure to submit a Certification to Withhold within 2 business days of the contract effective date • Clear Cooperation Violation | <ul style="list-style-type: none"> • \$25 per day until resolved |
| <ul style="list-style-type: none"> • Incorrect, Missing, or Prohibited Data • Status Change (e.g. Active to Pending) entry must be within 2 business days | <ul style="list-style-type: none"> • Notice to Correct within 2 business days- no fine • \$25 per day thereafter until resolved and/removal of prohibited data |
| <ul style="list-style-type: none"> • Virtual Tours | <ul style="list-style-type: none"> • Notice to Correct within 2 business days- no fine • \$25 and automatic removal of the link by the MLS |
| <ul style="list-style-type: none"> • Unauthorized dissemination of password • Unauthorized use of MLS data • Unauthorized access to listed property or dissemination of property access information • Entering a listing without valid listing contract. • Showing a property to a perspective buyer while the property is in TNAS | <ul style="list-style-type: none"> • First offense Automatic \$1000 fine • Second offense Automatic \$1000 and suspension until fine is paid in full • Third offense \$2000 fine, suspension and possible termination at the discretion of the Board of Directors. |

Section 7.1 - Compliance with Rules

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

- a. for failure to pay any service charge or fee within two (2) months 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. A 1.5% finance charge will be applied on portions over 30 days old. (Amended 11/07)