

CHARLESTON REGIONAL MULTIPLE LISTING SERVICE RULES AND REGULATIONS

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INTRODUCTION

The Charleston Trident Multiple Listing Service provides MLS services to participants and subscribers. Participants and subscribers may, upon acceptance into membership, elect to receive MLS service and are charged fees according to the service

Throughout these “Rules and Regulations,” proper procedures for participants and subscribers are outlined.

LISTING PROCEDURES

SECTION 1 LISTING PROCEDURES

The service area of the multiple listing service is the state of South Carolina. The mandatory-listing area of the multiple listing service is Charleston, Dorchester, Clarendon, Berkeley, Colleton, Allendale, Jasper and Hampton Counties in South Carolina.

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 any Exclusive Right to Sell or Exclusive Agency Listing form or Exclusive Right to Lease Listing form approved as per Section 1.A.1. shall be delivered to the multiple listing service in accordance with Section 1.1.2 after all necessary signatures of seller(s) have been obtained.

- Residential
- Rental
- Multi-Family (4 units or less)
- Vacant Land

Listings shall be signed by the MLS Participant or an authorized representative as having been certified for accuracy and completeness.

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. However, the Multiple Listing Service, through its legal counsel:

- A. may reserve the right to refuse to accept a listing form which fails to adequately protect the interest of the public and the Participants.
- B. assure that no listing form filed with the MLS establishes, directly or indirectly, any contractual relationship between the MLS and the client (buyer or seller).

Where a doubt exists as to the propriety of a provision as it relates to the above two areas, the listing will be referred to MLS Legal Counsel for review. Cost associated with this review by Legal Counsel will be borne by the Participant submitting the listing.

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 cooperation and compensation to the other Participants of the Multiple Listing Service acting as subagents, buyer agents, or both.

The listing agreement must include the seller's authorization to submit the listing to the Multiple Listing Service.

The different types of listing agreements include:

- exclusive right-to-sell - open
- exclusive right to lease
- exclusive agency - 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.

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.

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.

Note 2: A multiple listing service does not regulate the types 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.

SECTION 1.1.1 STATUSES

Active: Listing with active listing agreement, with no contingencies or contract associated with it

Coming Soon – No Showings: Listing with a valid listing agreement that is undergoing listing preparations. A listing in this status may not be shown, and may only be marketed as "Coming Soon." Properties may only remain in this status for 7 calendar days. Listings in this status will automatically switch to Active after 7 calendar days.

Contingent: Listing Agreement is under contract, signed by both parties with contingencies present. Property is still considered to be in an active status.

Pending: Listing Agreement is under contract, signed by both parties and no contingencies present.

Temporarily Off Market: Listings that have an active, valid listing agreement that are temporarily unavailable to show should be marked as “Temporarily off Market” in the MLS. A listing may only remain in the Temporarily off Market for 30 calendar days. Listings in this status should not be publicly marketed.

Cancelled: The listing broker has agreed and obtained written authorization from the seller to withdraw the listing and terminate their listing agreement prior to expiration date.

Expired: Listings automatically expire on midnight on the designated expiration date of the listing agreement.

Application Received (RENTAL ONLY): A lease application has been submitted for a property for rent.

Application Approved (RENTAL ONLY): A lease application has been approved on a property for rent.

SECTION 1.1.2 LISTING INPUT AND CLEAR COOPERATION

The listing broker must submit the listing to the MLS for cooperation with other MLS participants within 7 calendar days of the effective date of the listing, or within 1 business day of marketing a property to the public, whichever is sooner. Properties may be entered as either Active or Coming Soon – No Showings.

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.

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 these 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.

SECTION 1.1.3 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE

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

Listings shall be input according to the following rules:

- A. All Residential Participants’ listings may only be entered in one property type unless it substantially conforms to a second property type. MLS Directors have final approval if necessary.
- B. Duplicate listings on the same property are not allowed unless a co-listing situation exists. If a duplicate listing is entered, MLS will notify the Broker in charge of the duplicate listing office requesting that the listing be removed. If the duplicate listing is not removed within five (5) days, the Directors authorize the MLS staff to delete the duplicate listing immediately. If the first listing is withdrawn in accordance with Section 1.5 of the MLS Rules and Regulations, the new listing will be accepted.
- C. Co-listings will only be accepted if both listing brokers are participants in CHS MLS.
- D. Photo Entry - All listings must have photos entered within 5 business days, once in Active status. At least one photo must be of the front of the building. Should the photos be removed after the sale, a single photo of the front of the structure MUST remain. Exceptions include: under construction, vacant land, and sold-only listings. Sellers expressly directing that photographs of their property not appear in MLS compilations should execute the proper exemption form prior to listing input.

- E. Photo Content-Images may not contain people, pornographic material, or logos (including yard signs) of any nature. The offending content will be removed immediately and the listing agent will be notified.
- F. Sellers Property Condition Disclosure - All active residential listings must have a seller's disclosure form uploaded to the MLS within 5 business days of the effective date of the listing. Those listings exempt from the South Carolina Sellers Disclosure law are also exempt from this policy. Sellers electing to opt out of having Property Condition Disclosure in MLS should execute the exemption form prior to listing input.
- G. Lead Based Paint Disclosure- A properly executed lead base paint disclosure must be uploaded to the MLS within 5 business days from input for all active residential listings built before 1978 in MLS. Those listings exempt from the Lead Based Paint Disclosure law are also exempt from this policy. Sellers electing to opt out of having the Lead Based Paint Disclosure in MLS should execute the exemption form prior to listing input.
- H. Directions - Directions must be for the property address listed and not for a sales center or model home. Directions to a sales center or model home may be given only in the Agent Notes
- I. Contact Information - Personal contact information (names, phone numbers, email addresses, company name, any website information, social media contact information [Facebook, Twitter, LinkedIn] etc.) may not be entered in the public remarks, directions, photos, or virtual tours.
- J. Comments such as "contact listing agent for additional information", the hours of operation of a sales center or model home and/or Open House information may not be entered in the public remarks, directions, photos, or virtual tours.
- K. Website Links – Links to websites (You Tube, HOA, Property Manager, etc.) of any kind may be given only in the Agent Notes.
- L. Financing Information- Proposed financing information should be disclosed through dedicated fields and may not be entered in public remarks. This includes names of financing programs for which the listing may qualify for and contact information for lenders.
- M. Listings must be available to show: Listings entered into MLS (other than proposed construction or under construction) must be available to show immediately upon entry to Active status in MLS. Listings that cannot be shown for more than 7 calendar days should be marked as Temporarily Off Market. Listings using the Coming Soon – No Showings status may not be shown under any circumstances as detailed in Section 1.1.3 O.
- N. Any photos uploaded in the CHS MLS database taken by unmanned aircraft systems (UAS) commonly referred to as "drones" should be taken only by FAA licensed operators or have obtained the proper Section 333 exemption from the FAA.
- O. Coming Soon – No Showings: This optional status may be used if the agent wishes to publicly market the property while preparations are underway, prior to Active status. The listing agent and brokerage must abide by all related Coming Soon – No Showings policies as outlined below.
 - Must have a valid SC listing agreement
 - Must obtain written approval from the seller for use of this status
 - The status may only be used once per listing agreement, for newly entered listings
 - Must not conduct any showings on the property to anyone, either virtual or otherwise. If a listing is shown during the Coming Soon -No Showings period, the Participant must change the listing to Active and make showings available to all CHS MLS members.
 - Listings cannot be transferred to another brokerage and maintain Coming Soon – No Showings status

While under this status, the listing will:

- Automatically convert to Active on the Start Showing Date, which must be within 7 calendar days of entry.
- Days on Market will not accrue while in Coming Soon – No Showings status
- Listings cannot revert back to Coming Soon – No Showings once Active. There are no exceptions.
- Listing must include a “Start Showing Date”. Listing may remain in a Coming Soon – No Showings status for a maximum of 7 calendar days from the date of entry
- Listing in Coming Soon – No Showings status will not be included in IDX feeds, Syndication Feeds, Subscription emails or searches for Active property

PARTICIPANTS NOT ADHERING TO THESE GUIDELINES WILL BE FINED. SEE SECTION 9. PENALTIES AND FINES.

SECTION 1.2. DETAIL ON LISTINGS FILED WITH THE SERVICE

A listing, when entered into the Multiple Listing Service by the listing broker, shall be complete in every detail. 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 with the seller(s)
- B. Accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s)
- C. Advise the seller(s) as to the merits of offers to purchase
- D. Assist the seller(s) in developing, communicating, or presenting counter-offers; or
- E. Participate on the seller(s) behalf in negotiations leading to the sale of the listed property
- F. will be identified with an explanation in Agent Notes and an appropriate code or symbol in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers’ clients, prior to initiating efforts to show or sell the property.

SECTION 1.2.0 ACCURACY OF LISTING DATA

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

SECTION 1.3. EXEMPT LISTING

If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing as an Office Exclusive listing and such listing shall be filed with the MLS, but not disseminated to the Participants. Filing of this listing shall be accompanied by certification signed by the seller that the seller does not desire the listing to be disseminated by the MLS using the MLS’s Office Exclusive Addendum or a substantially similar form. The signed certification must be delivered to the MLS within two business days after all necessary signatures of the seller(s) have been obtained. This Section applies to any listing of a participant that has as its listing agent or salesperson a licensee who is subject to a fee waiver under Section 6.2.

Note 1: MLS Participants must distribute exempt listings within (1) one business day once the listing is publicly marketed. See Section 1.1.2, Clear Cooperation.

Note 2: MLS Participants must provide sales information including selling price to the MLS upon sale of the property in accordance with Section 2.5.

SECTION 1.4. CHANGE OF STATUS LISTING

Changes in the original Listing Agreement will be made only when authorized in writing by the seller. Items include:

- A. Change of Price
- B. Change in expiration date.
- C. Withdrawals and releases.
- D. Back on market.
- E. Partial sale or leasing of a multi-unit property.

SECTION 1.5. WITHDRAWAL OF LISTING PRIOR TO EXPIRATION

Listings may be withdrawn from the MLS 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.

The correct status for withdrawn listings in which there is no longer a valid listing agreement is "Cancelled" in the MLS.

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

SECTION 1.5.1. TEMPORARILY OFF MARKET

Listings that have an active, valid listing agreement that are temporarily unavailable to show should be marked as "Temporarily off Market" in the MLS. A listing may remain in the Temporarily off Market status for up to 30 calendar days.

SECTION 1.6. CONTINGENCIES APPLICABLE TO LISTINGS

Any contingency or conditions of any term in a listing shall be specified and published to the Participants.

SECTION 1.7. LISTING PRICE SPECIFIED

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

SECTION 1.8. LISTING MULTIPLE UNIT PROPERTIES

All properties which are to be sold or which may be sold separately must be individually indicated in the listing. When part of a listed property has been sold, proper notification should be given to the Multiple Listing Service.

SECTION 1.9. NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS

The multiple listing service does not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the multiple listing service does not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-participants.

SECTION 1.10. EXPIRATION OF LISTINGS

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

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

SECTION 1.10.1 EXPIRATION, EXTENSION, AND RENEWAL OF LISTING

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. In that case, the listing may continue with the same MLS number.

If notice of renewal or extension is received after the listing has been removed from the compilation of current listings (31 days post expiration), the extension or renewal will be published in the same manner as a new listing. Extensions and renewals of listings must be signed by the seller(s) and filed with the service.

If the listing expires, it may be placed Back on Market with the same listing number within 30 days succeeding the expiration date.

SECTION 1.11. TERMINATION DATE ON LISTINGS

Listings filed with the service shall bear a definite and final termination date as negotiated between the listing broker and the seller.

SECTION 1.12. SERVICE AND MANDATORY-LISTING AREAS

Only listings of the designated types of property located within the mandatory-listing area of the MLS are required to be submitted to the Service. Listings of property located outside the mandatory-listing area but within the service area will be accepted if submitted voluntarily by a Participant. Listings of property located outside the service area of the MLS will not be accepted. In the event that the listing of a Participant has as its listing agent, or salesperson, a licensee who is subject to a fee waiver under Section 6.2, then the Participant shall be identified on the listing as the listing agent/salesperson in the service.

SECTION 1.13. LISTINGS OF SUSPENDED PARTICIPANTS

When a Participant of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., a violation of the Code of Ethics, Association Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate 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 or MLS (or both) for failure to pay appropriate 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, the suspended Participant should be advised in writing of the intended removal so that the suspended Participant may advise his clients.

SECTION 1.14. LISTINGS OF EXPELLED OR TERMINATED 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 fees or charges), all listings currently filed with the MLS by the expelled or terminated participant shall, at 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 fees or charges, an Association MLS is not obligated to provided 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 clients.

SECTION 1.15. LISTINGS OF PARTICIPANTS WHO RESIGN FROM THE ASSOCIATION OR MLS

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

SELLING PROCEDURES

SECTION 2. SHOWINGS AND NEGOTIATIONS

- A. Negotiations with the seller for the purchase of property filed with the MLS shall be conducted through the listing broker except under the following circumstances:
 - a. The listing broker gives cooperating broker specific authority to show and/or negotiate directly, or
 - b. After reasonable effort, cooperating broker cannot contact the listing broker or his representative. However, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers.
- B. The cooperating broker must disclose his agency status to the listing broker at first contact.
- C. Showing instructions and appointments should be handled through the centralized appointment center provided by MLS unless otherwise directed by the listing agent
- D. Members of CHS MLS are not authorized to give their pin numbers or passwords used for accessing the Appointment Center to anyone (including but not limited to non-members of CHS MLS which may include home sellers, inspectors or service providers.)
- E. A fine and/or suspension may be imposed upon a showing agent for entering contact information or marketing or promotional messages into a ShowingTime-generated feedback request from a listing agent or into the ShowingTime website. Since it may be possible for a seller to view/read feedback comments from showing agents, the communicating of contact information, such as the name of the showing agent, and/or marketing or promotional messages could be construed a solicitation of another agent’s client, CHS MLS will immediately notify the showing agent and their BIC by email or fax when such a violation is discovered.
- F. See also Section 4.3 “Solicitation of Listing Filed with the MLS” and Section 9.3 T for showing availability.
- G. Showings of any kind are only permitted on listings under the Active, Active/Contingent, or Pending statuses.

SECTION 2.1. PRESENTATION OF OFFERS

The listing broker or their authorized representative must present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so.

SECTION 2.2. SUBMISSION OF WRITTEN OFFERS AND COUNTER OFFERS

The listing broker or their authorized representative 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(s) obtain the advice of legal counsel prior to acceptance of the subsequent offer.

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

SECTION 2.3. RIGHT OF COOPERATING BROKER IN PRESENTATION OF OFFER

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

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

SECTION 2.4. RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER-OFFER

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

SECTION 2.5. REPORTING SALES TO THE SERVICE

Status changes shall be reported to the Multiple Listing Service by the listing broker within 48 hours after they have occurred. If negotiations were carried on under Section 2(a) (1 or 2) hereof the cooperating broker shall report accepted offers to the listing broker within 24 hours after occurrence and the listing broker shall report them to the MLS within 48 hours after receiving notice from the cooperating broker.

The reports shall indicate whether the offer is:

- A. Contingent - The listing broker must indicate all contingencies. These listings will remain active in the computer. A detailed description of the contingency must be added to the remarks section.
- B. Pending - Listings with no contingencies or listings that the listing broker elects to place in Pending. These listings will be off market in the computer.

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 provide sales information including selling price to the MLS upon sale of the property. Exempt listings taken on an office exclusive basis under Section 1.3 must include a provision expressly granting the listing broker authority 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.

Sales information, including selling price, must be filed with the MLS within 5 business days upon sale of the property. This applies to listings filed under Section 1, listings exempt from distribution under Section 1.3, and any other situation where the listing is subject to the listing broker's license and subject to the Rules and Regulations of the Service (including, but is not limited to, listings not otherwise delivered to the Service for a valid reason, e.g., the listing closed prior to entry).

Note 2: In disclosure states, if the sale price of a listed property is recorded, the reporting of the sale price may be required by the MLS. In states where the actual sale prices of completed transactions are not publicly accessible, failure to report sale prices can result in disciplinary action only if the MLS:

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

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

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

SECTION 2.6. REPORTING RESOLUTION OF CONTINGENCIES

The listing broker shall report within two (2) business days that a contingency on file with the multiple listing service has been fulfilled or renewed or the agreement cancelled.

SECTION 2.7. ADVERTISING OF LISTINGS FILED WITH THE SERVICE

A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker.

SECTION 2.8. REPORTING CANCELLATION OF PENDING SALE

The listing broker shall report within 2 business days to the multiple listing service the cancellation of any pending sale and the listing shall be reinstated immediately.

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.

SECTION 2.10. AVAILABILITY OF LISTED PROPERTY

Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

PARTICIPANTS NOT ADHERING TO THESE TIME FRAMES ARE SUBJECT TO BE FINED.

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 all Participants.

PROHIBITIONS

SECTION 4. INFORMATION FOR PARTICIPANTS ONLY

Any listing filed with the service shall not be made available to any broker or firm not a member of the MLS without the prior consent of the listing broker. A participant with licensees who are subject to a fee waiver under Section 6.2 may not make available to those licensees listings of other brokers in the MLS. The preceding sentence does not prohibit a licensee from accessing listing records from another MLS or from any other source lawfully available to the licensee

SECTION 4.1. "FOR SALE" SIGNS

Only the "For Sale" sign(s) of the listing broker shall be placed on a property.

SECTION 4.2. "SOLD" SIGNS

Prior to closing, only the sold sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

SECTION 4.3. SOLICITATION OF LISTING FILED WITH THE SERVICE

Participants shall not solicit a listing on 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 Interpretation. The prohibition in the previous sentence applies to licensees affiliated with a participant who are subject to a fee waiver under Section 6.2.

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 their listing, by brokers and salespersons seeking the listing upon its expiration.

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

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

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

SECTION 4.4. USE OF THE TERMS MLS AND MULTIPLES 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. The provisions of this section apply to licensees affiliated with a participant who are subject to a fee waiver under Section 6.2.

SECTION 4.5. USE OF FORMS PROVIDED BY MLS

All forms furnished by the service are the property of the Service for the exclusive benefit of the Participants.

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.

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 commencing his endeavor to sell.

*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.

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

This shall not preclude the listing broker from offering any MLS participant compensation other than the compensation indicated on any listings published by the MLS, provided the listing broker informs the other broker in writing in advance of submitting an offer to purchase and provided that the modification in the specified compensation is not the result of any agreement among all or any other participants in the service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

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

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

Note 3: The multiple listing service shall make no rule on the division of commissions between Participants and non-participants. This is solely the responsibility of the listing broker.

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

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

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

SECTION 5.0.1. DISCLOSING POTENTIAL SHORT SALES

Participants must disclose potential short sales (defined as a transaction where title transfers, where the sales 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) to other Participants and Subscribers when reasonably known to listing participants. 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.

Potential Short Sales must be disclosed through the field labeled POTENTIAL SHORT SALE Y/N. All confidential disclosures and confidential information related to short sales must be communicated through dedicated fields or confidential "remarks" (agent notes section) available only to Participants and Subscribers.

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 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.

SECTION 5.2. PARTICIPANT AS PURCHASER

If a Participant or any licensee or licensed or certified appraiser affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

SECTION 5.3. DUAL OR VARIABLE RATE COMMISSION ARRANGEMENTS

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

SECTION 5.4 COMPENSATION OBLIGATIONS AS APPLIED TO FEE-WAIVED SELLING SALESPERSON

The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) shall be excused if it is determined through arbitration that the selling salesperson affiliated with the cooperating broker was subject to fee waiver under Section 6.2 at the time of the offer to purchase through the closing of the sale or lease.

SERVICE CHARGES

SECTION 6.1 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 a non-refundable initial participation fee of \$1,000 for the service. This fee approximates the cost of initiating service to the Participant.

Recurring Participation Fee: The Annual Participation Fee of each Participant shall pay a non-refundable fee of \$100 for continuance of the Multiple Listing Service. This fee will be invoiced annually in January for the current year.

The Participant shall be responsible for the payment of a quarterly subscription fee for each licensed individual employed by or affiliated as an independent contractor with the participant, who is eligible for the residential service, except that this fee shall be waived for licensees subject to a fee waiver under Section 6.2. The subscription fee shall approximate the cost of bringing the service to the member Participant and subscribers as determined by the service from time to time with the approval of the MLS Board of Directors.

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.

- A. **Payment of MLS Fees:** The member Participant shall be billed in advance, on the 15th of each preceding month, for the following quarter's MLS service. Payment is due by the first day of the first month in each quarter. Service shall be suspended on the 10th until full payment is received. If partial payment is received, it must be accompanied by written notice of termination or transfer of associates for whom no payment is included, or service will be suspended until full payment or written explanation is received.
- B. **Other Fees:** Additional fees may be added at the discretion of the MLS Directors; however, the MLS will impose no fees which are contingent upon the sale of a listed property.
- C. **Administrative Member:** Unlicensed individuals that need to make use of the MLS for clerical tasks, such as entering/editing listings and/or searching the database and are under the supervision of a Participant may qualify for Administrative Membership and be given administrative access to the MLS by a unique and individual passcode. The administrative code will be directly linked to the Administrative Member's employer (be it Subscriber or Participant in good standing) and will be terminated should their employer become inactive in the MLS for any reason, by written instruction from the MLS Participant, or the Administrative Member has violated the MLS Rules and Regulation, or is no longer employed by the MLS Participant or employing Subscriber.
 - 1. **Fees:** Administrative fees will be set forth by the MLS Board of Directors and are subject to change at any time. Administrative fees will be billed in the same manner and subject to the same requirements as Section 6.1:A-C of these Rules and Regulations.
 - 2. **Eligibility:** Those individuals holding a valid South Carolina Real Estate, Appraiser, or Property Management License, who are licensed with a member firm are ineligible for Administrative Membership pricing. Should an individual with an active, valid South Carolina Real Estate, Appraiser, or Property Management License, who is licensed with a member firm, need administrative access, a unique administrative login will be provided at no charge and that member will be billed quarterly MLS fees in accordance with Section 6.1:B of the MLS Rules and Regulations. Those individuals who are Affiliate Members of the Charleston Trident Association of REALTORS are ineligible for

Administrative Membership. Administrative Members are not eligible for Sentrilock Lock Box key cards.

3. Process: Administrative Members will have a signed agreement (Application for MLS Administrative Membership) and agree to abide by all rules and regulations and policies of the Charleston Trident Multiple Listing Service, Inc. Administrative Members will be required to attend mandatory MLS training. The MLS Participant shall notify the MLS as soon as practical but not to exceed four (4) business days of the termination of an Administrative Member's employment either with the brokerage or the employing REALTOR licensed with the MLS Participant. The MLS will terminate the Administrative Member's access to the on-line system as soon as practical.
4. MLS Participant's liability: The MLS Participant who employs the Administrative Member, or holds the license of the subscriber who employs the Administrative Member, is solely responsible for the actions of the Administrative Member with respect to the MLS, and said MLS Participant agrees to hold the Charleston Trident Multiple Listing Service, Inc. and the Charleston Trident Association of REALTORS® harmless from any liability arising from such actions.

SECTION 6.2 SUBSCRIBER FEE WAIVERS

MLS provides participants the option of a no-cost waiver of MLS fees, and charges for any licensee or licensed or certified appraiser in a participating office who can demonstrate subscription to a different MLS where the principal broker for the office also participates. MLS requires participants to sign a certification for the waiver recipient's nonuse of MLS services, which includes penalties and termination of the waiver if violated.

Normally, under Section 6.1, any per-subscriber fee is calculated based on each salesperson and licensed or certified appraiser affiliated with a participating office. The effect of fee waiver is that the number of subscribers in a participating office for purposes of any recurring per-subscriber fees paid by a participant under Section 6.1 shall be reduced by the number of licensees and certified appraisers who are subject to waiver under this Section 6.2. For purposes of this Section 6.2 and all rule provisions referring to it, "licensee" refers to non-principal salespersons and licensed and certified appraisers. Section 6.2.1 sets out the conditions for fee waiver, Section 6.2.2 the process for obtaining and maintaining waivers, Section 6.2.3 circumstances under which waiver is revoked and consequences of revocation, and Section 6.2.4 the consequences of repeated violations of these policies.

SECTION 6.2.1 CONDITIONS FOR WAIVER

Fee waivers are available for non-principal broker and non-principal appraiser licensees in offices participating in MLS, provided the participant and any fee-waived licensee(s) meet all the following requirements:

- A. Any fee-waived licensee must be a subscriber in another multiple listing service that has adopted a policy, in this MLS's reasonable judgment, substantially similar to this Section 6.2 and that will certify this information to this MLS on the frequency established by this MLS; or (ii) engaged exclusively in Property Management.
- B. The Participant continues to comply with this MLS's mandatory listing submission rules.
- C. During any period for which a licensee's fees are waived, the licensee shall refrain from using any of the following services of this MLS:
 1. Using this MLS's systems, databases, lockboxes, etc. This does not include accessing listing information of the licensee's own broker or of other brokers through the participant's IDX site or elsewhere. It does include accessing such information on the participant's VOW (which is for consumers' personal use).
 2. Being identified as a listing agent on an active or pending property listing in this MLS. Note that under Sections 1 and 1.12, any listing in MLS's mandatory-listing area must be submitted to MLS, unless the participant files a certification of the seller's instruction to withhold the listing from MLS under Section 1.3.

3. Working as the selling agent on a property listed in this MLS by a firm other than participant's, unless the listing appears in an MLS to which the selling agent is a subscriber. This does not apply to the fee-waived participant's own listings, because the participant is free to share them within its firm (and anywhere else) without MLS consent or involvement.
4. Use of any data feed from this MLS (except one that includes listings only of the licensee's broker).
5. Using this MLS's data on an IDX or VOW website identified as the fee-waived subscriber's site or page.
6. Using MLS's data in an automated valuation product or tool in any product or service identified as coming from the fee-waived subscriber.

SECTION 6.2.2 PROCESS FOR OBTAINING AND MAINTAINING WAIVERS

The participant must at all times provide to MLS up-to-date information on all licensees, whether they are subscribers or fee-waived licensees, in each participating office. The participant must identify which licensees are subject to fee waivers and for each waived licensee the other MLS in which he/she is a subscriber on the waiver certification form.

In order to obtain a waiver for any licensee in the participant's office, the participant must execute the MLS's form for listing fee-waived licensees and the certification on it. The participant must procure from another MLS, or arrange for the other MLS to provide to this MLS, a certification that the MLS has adopted a policy substantially similar to this Section 6.2, a copy of that policy, and a certification that each fee-waived subscriber in this MLS is a subscriber in that MLS. (The other MLS may have a one-time or periodic charge for providing these certifications.)

In order to maintain a waiver for any licensee, the participant and licensee must continue to satisfy the requirements of Section 6.2.1 and must recertify (and obtain from the other MLS re-certifications) of the matters addressed in this Section with the frequency set by this MLS. For any fee-waived licensee the waiver may be filed and revoked up to two times annually, subject the other terms in Section 6.2.

SECTION 6.2.3 REVOCATION OF WAIVER

The fee waiver for a licensee may be revoked under various circumstances, and the consequences of the revocation vary depending on its circumstances, as provided in this section.

- A. The participant or fee-waived licensee may revoke the waiver at any time upon notice to this MLS. In that case, the fee-waived licensee immediately becomes a subscriber and any fees due to MLS under its normal fee schedule for the current period for the subscriber (including pro-rata fees for any partial service period and any application fees if none have previously been paid for the subscriber) shall immediately become due and payable. In the event a fee-waived licensee appears as a listing agent on an active or pending listing in this MLS, the participant and fee-waived licensee shall be deemed to have revoked the waiver under this subsection (a).
- B. If this MLS determines that the fee-waived licensee has used any of the services of this MLS listed in Section 6.2.1(c) during a fee-waiver period, MLS may terminate the fee waiver upon notice to the participant and subscriber. In this case, the consequences of subsection (a) apply, and in addition to them, MLS may at its option, (i) assess the fine described in Section 9.3(P), or (ii) recover from participant or subscriber all the fees MLS would have collected had the fee-waived licensee been a subscriber during the entire period of the waiver. After six months, the participant and subscriber can re-certify the subscriber to be a fee-waived licensee.

SECTION 6.2.4 CONSEQUENCES OF REPEATED VIOLATIONS

A pattern of repeated violations of Section 6.2.1(c) exists when a participant allows any combination of three or more violations of Section 6.2.1(c), whether the participant is aware of the violations and whether committed by one fee-waived licensee or more; or when a subscriber commits three or more violations of Section 6.2.1(c). In the event that

a participant or subscriber exhibits a pattern of repeated violations of Section 6.2.1(c), MLS may suspend all fee waivers for the participant or subscriber (or both) for a period of up to three years. If, after such a period of suspension, a participant or subscriber again exhibits a pattern of repeated violations, MLS may permanently terminate fee waivers for the participant or subscriber (or both). In the event a participant or subscriber subject to suspension or termination of waivers moves to a new office as a participant, that office shall be ineligible for waivers during the pendency of its participant's suspension or termination. In the event a participant or subscriber subject to suspension or termination of waivers moves to a new office as a non-principal licensee, that non-principal licensee shall be ineligible for waivers during the pendency of his or her suspension or termination.

COMPLIANCE WITH RULES AND REGULATIONS

SECTION 7. NONPAYMENT OF FINANCIAL OBLIGATIONS

The following actions may be taken for non-payment of financial obligations. However, in no case shall action be taken to suspend or terminate a participant for nonpayment of disputed amounts until the accuracy of the amount owed has been confirmed. Adjustments to invoices will not be considered after 30 days of the due date.

- A. If the fees, fines or other assessments owed to the MLS remain unpaid for one (1) month after due date of the invoice, all MLS services to the Participant shall be suspended until the account is paid in full. Original invoice constitutes due notice.
- B. If the fees, fines or other assessments owed to the MLS remain unpaid for two (2) months after invoice from the MLS office, the Participant and all associates shall be terminated from the service.
- C. A former Participant, who has had participation terminated for nonpayment of fees, fines or other assessments duly levied in accordance with the provisions of these Rules and Regulations, may apply for reinstatement in the manner prescribed for new applicants upon payment in full of all accounts due as of the day of termination.

SECTION 7.1. COMPLIANCE WITH RULES/ATHORITY 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. Each participant is subject to these rules with regard to licensees affiliated with the participant who are subject to fee waiver under Section 6.2. 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. Retroactive fees related to any licensee granted a fee waiver under Section 6.2 in the event the MLS determines that the licensee made any use of MLS services prohibited in Section 6.2 during the period of waiver
- F. Suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year.
- G. Termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

Note 1: A participant (or user/subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a participant (or user/subscriber, where appropriate) is placed on probation the discipline is held

in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS rules during the probationary period may, at the discretion of the Board of Directors, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and the individual's record will reflect the fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance.

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

SECTION 7.2. 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. The participant is subject to these rules with regard to licensees affiliated with the participant who are subject to fee waiver under Section 6.2. This provision does not eliminate the Participant's ultimate responsibility and accountability for all users or subscribers affiliated with the Participant.

SECTION 7.3. ASSESSMENT OF MLS FEES, & CHARGES

All MLS fees, and charges, including, but not limited to initial participation fees, recurring participation fees, listing origination fees, subscription fees, etc., may be assessed to MLS Participants or to individual users as subscribers. This does not preclude an MLS Participant from being reimbursed by affiliated licensees for fees or charges incurred on their behalf pursuant to any in-house agreement that may exist if direct billing of subscribers is utilized; the ultimate responsibility for delinquent fees, and charges is that of the Participant.

MEETINGS

SECTION 8.1 MEETINGS

The meetings of the Participants of the Service or the MLS Directors for transaction of business of the service shall be held in accordance with the provisions of Article 7 of the Bylaws of the Service.

ENFORCEMENT OF RULES OR DISPUTES

SECTION 9. CONSIDERATION OF ALLEGED VIOLATIONS

The Board of Directors shall give consideration to all written complaints from Participants having to do with a violation of Rules and Regulations.

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.

SECTION 9.1. VIOLATIONS OF RULES AND REGULATIONS

If the alleged offense is a violation of Rules and Regulations of the Service and does not involve a charge of alleged ethical misconduct or a request for arbitration, it may be administratively considered and determined by the board of directors of the service, and if a violation is determined, the board of directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the Bylaws of the Association of REALTORS® within 20 days following receipt of the directors' decision.

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

SECTION 9.2. COMPLAINTS OF UNETHICAL CONDUCT

All other complaints on professional conduct shall be referred by the Board of Directors to the Association of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Bylaws of the Association of REALTORS®.

SECTION 9.3. PENALTIES AND FINES

It is the Broker's responsibility to keep complete and accurate information and to comply with the requirement from South Carolina Real Estate Commission to maintain paperwork. The MLS will reserve the right to randomly audit listings. Concentration will be on accuracy of required fields, status, and timely entrance. If information is questioned, the listing agent and broker in charge will be contacted and required to send a copy of any requested paperwork to MLS within 48 hours.

Fines will be issued on a quarterly basis. The fines are as follows:

- A. Lockboxes on Sold, Withdrawn and Expired Listings – Any lockbox on a listing whose status changes to closed, withdrawn or expired must be removed within 48 hours from the date the status is changed. If the lockbox is not removed, any SmartCard holder may call the CHS MLS department, get an Emergency Shackle Code, and return the box to the CHS MLS department. CHS MLS staff will contact (via email) the box owner and his/her BIC to pick up the box at CTAR; if the box is not picked up within 30 days, the CHS MLS reserves the right to reissue the box.
- B. Inaccurate Information – Participant will be fined \$125 for any inaccurate listing information which remains in the MLS more than 2 business days after the listing agent has been notified of the inaccuracy by MLS Staff. If listing is not corrected within 48 hours, the MLS Staff will correct the inaccuracy. This only applies to inaccuracies in which the listing agent has been notified by MLS Staff of inaccurate information, not those submitted by fellow agents
- C. Misrepresentation of Status (Other than Sold) - Participant will be fined \$250 for failing to update or misrepresenting the status of a listings as defined in Section 2 of MLS Rules and Regulations. If status is not corrected within five business days after original notification, the listing will be withdrawn. MLS reserves

the right to remove any or all of a participant's listings for failure to report status changes as according MLS Rules and Regulations.

- D. Misrepresentation of Status (Sold Listing) - Participant will be fined \$250 for failing to report closed sales to the service as defined in Section 1.3 and Section 2.5 of MLS Rules and Regulations.
- E. Contact Information – Participant will be fined \$250 for violation of the personal contact information rules as outlined in Section 1.1 (J) of MLS Rules and Regulations. Any content in violation of the rule will be removed immediately and the listing agent will be notified. If the agent re-enters said content, further action may be taken.
- F. Participant will be fined \$50 for violations of Section 1.1(K). Any content in violation of the rule will be removed immediately and the listing agent will be notified. If the agent re-enters said content, further action may be taken.
- G. Directions –Participant will be fined \$50 for violation of the direction rules as outline in Section 1.1 of MLS Rules and Regulations.
- H. Website Links –Participant will be fined \$250 for violation of the rules for website links as outlined in Section 1.1 of MLS Rules and Regulations. Any content in violation of the rule will be removed immediately and the listing agent will be notified
- I. Photo Entry – Participant will be fined \$50 for violation of the rules for photo entry as outlined in Section 1.1 of MLS Rules and Regulations. After 30 days in violation, the listing will be placed on hold. Those listings that have a properly executed Exemption Form signed by the seller shall be excluded from this fine.
- J. Photo Content – Participant will be fined \$50 for violation of the rules for photo content as outline in Section 1.1 of MLS Rules and Regulations. Any content in violation of the rule will be removed immediately and the listing agent will be notified.
- K. Potential Financing Information- Participant will be fined \$50 for violation of the rules for disclosing potential financing information as outlined in Section 1.1 of MLS Rules and Regulations. Any content in violation of the rule will be removed immediately and the listing agent will be notified.
- L. Sellers Property Condition Disclosure – Participant will be fined \$50 for violation of the rules for Sellers Property Condition Disclosure. After 1 month in violation, the listing will be placed on hold. Listings exempt from the South Carolina Sellers Disclosure law are also exempt from this fine. Those listings that have a properly executed Exemption Form signed by the seller shall be excluded from this fine.
- M. Lead Based Paint Disclosure - Participant will be fined \$50 for violation of the rules for Lead Based Paint Disclosure. After 1 month in violation, the listing will be placed on hold. Listings exempt from the Lead Based Paint Disclosure law are also exempt from this fine. Those listings that have a properly executed Exemption Form signed by the seller shall be excluded from this fine.
- N. MLS Password or SmartCard/SentriKey Violation - MLS members may not share their MLS passwords or SmartCards/SentriKey with any other member or non-member. Participant will be fined \$1000 for the first offense and subject to suspension of membership privileges for six months for a second offense, at the discretion of the MLS Board of Directors. Staff and/or assistants will be assigned an MLS username and password after attending MLS training.

- O. Agent Reports- MLS generate reports designated as Agent reports contain confidential information that may not be shared with the public. Participant will be fined \$500 for the first offense and subject to suspension of membership privileges for six months for a second offense, at the discretion of the MLS Board of Directors.
- P. Violations of Section 6.2: Any violation of Section 6.2 by a licensee subject to fee waiver under Section 6.2 of these Rules and Regulations will result in either, at MLS's option, (a) a fine levied against the participant of \$1,000 for the first offense, \$1,500 for the second offense, and \$5,000 for the third offense, plus the other consequences described in Section 6.2.4; or (b) retroactive subscription fees that the MLS would have collected had the fee-waived licensee been a subscriber during the entire period of the waiver.
- Q. SmartCard or lockbox rules violation– MLS members may not share their SmartCard/SentriKey or PIN with another member or non-member. One-day codes may only be used as described in Section 18.2 of these rules. Participant will be fined \$1000 for the first offense and subject to suspension of membership privileges for six months for a second offense, at the discretion of the MLS Board of Directors. SmartCards are not provided for non-licensed staff and/or assistants, or any other non-member.
- R. Clear Cooperation 8.0 Policy Violations – Listings must be submitted to the CHS MLS as Active within one business day of public marketing. Listings that are verified as out of compliance will be subject to the following:
 1. \$500 fine upon confirmation of the violation by MLS staff
 2. Additional \$250 fine per business day that it remains out of compliance
- S. Office Exclusive Policy Violations - Participants will be fined \$250 for failure to notify the service as written in Section 1.3.
- T. Showings Violations – Participants in violation of the Showings policy as written in Section 1.1.3 M will receive a warning email with one business day to be in compliance, then will be fined \$150 per day of continued noncompliance.

SECTION 9.4. APPEALING FINES

All fines may be appealed by the Participant. A written appeal must be filed with the Service within 15 days of a fine being issued. All appeals will be reviewed on an as needed basis and at a minimum of every quarter. Specific instructions on filing an appeal are included with the original fine.

SECTION 9.5 COMPLAINTS OF UNAUTHORIZED USE OF LISTING CONTENT

Any participant who believes another participant has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to MLS staff at Support@CHSMLS.com. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. MLS staff reserves the right to share your written notice with the participant who is accused of unauthorized use. No participant may pursue action over the alleged unauthorized use and display of listing content in a court of law without first completing the notice and response procedures outlined in this Section 9.4 of the MLS rules.

Upon receiving a notice, MLS staff 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 MLS staff that the use is authorized. Any proof submitted will be considered by MLS staff, and in their discretion through its legal counsel, and a decision of whether it establishes authority to use the listing content will be made within thirty (30) days.

If MLS determines that the use of the content was unauthorized, MLS 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 MLS's determination the alleged violation remains uncured (i.e. the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law.

SECTION 9.6 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.

CONFIDENTIALITY OF MLS INFORMATION

SECTION 10. CONFIDENTIALITY OF MLS INFORMATION

Any information provided by the MLS to Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of real estate personnel affiliated with Participants and real estate licensees affiliated with such Participants entitled to access 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 entitled to access.

Reports identified as "Agent reports" in MLS contain confidential information and may not be disseminated to anyone other than a Participant or Subscriber. Reports identified as "Customer reports" in MLS are provided to use for customers and clients.

SECTION 10.1. MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION

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

SECTION 10.2. ACCESS TO COMPARABLE AND STATISTICAL INFORMATION

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

OWNERSHIP OF MLS COMPILATIONS AND COPYRIGHTS

SECTION 11. OWNERSHIP OF MLS COMPILATIONS* AND COPYRIGHTS

By the act of submission of any property listing content to the MLS, the Participant represents and warrants that he or she is authorized to license the property listing content as contemplated by and in compliance with this section and these rules and regulations and also thereby does grant to the MLS license to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

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.

All right, title and interest in each copy of every Multiple Listing compilation created and copyrighted by the Charleston Trident Multiple Listing Service, and by the copyrights therein, shall at all times remain vested in the Charleston Trident Multiple Listing Service, Inc

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

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

USE OF COPYRIGHTED MLS COMPILATIONS

SECTION 12. DISTRIBUTION

Participants shall at all times maintain control over and responsibility for each copy of any MLS compilation leased to them by the Association 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 a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation", or "Membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

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. "Persons affiliated as licensees" in the previous sentence does not include licensees subject to fee waiver under Section 6.2.

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. "Persons affiliated as licensees" in the previous sentence does not include licensees subject to fee waiver under Section 6.2.

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

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

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and those licensees affiliated with the Participant who are authorized to have access to such information. (The previous sentence does not apply to licensees subject to fee waiver under Section 6.2.) Such information may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm.

*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, 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 purchasers' 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 types of properties contained in the property listing data is consistent with a normal itinerary or properties which would be shown to the prospective purchaser.

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

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 advertisement 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 Notice:

NOTE: "This representation is based in whole or in part on information supplied by the Charleston Trident Association of REALTORS® or its Multiple Listing Service for the period (date) through (date)".

CHANGES IN RULES AND REGULATIONS

SECTION 14. CHANGES IN RULES AND REGULATIONS

Amendments to the Rules and Regulations of the Service shall be by consideration and approval of the board of directors of the Multiple Listing Service, in accordance with the provisions of the Bylaws if the Service, subject to final approval by the Board of Directors of the Charleston Trident Association of REALTORS® (shareholder).

"IDX" INTERNET DATA EXCHANGE (Broker Reciprocity)

SECTION 15. "IDX" DEFINED

IDX affords MLS Participants the ability to authorize limited electronic display of their listings by other participants via the following authorized mediums under the participant's control: websites, mobile apps, and audio devices. As used throughout these rules, "display" includes "delivery" of such listings.

SECTION 15.1 AUTHORIZATION

Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download, frame or display the aggregated MLS data of other participants. *

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

SECTION 15.2. PARTICIPATION

Participation in IDX is available to all MLS participants who consent to display of their listings by other participants.

SECTION 15.2.1

Participants must notify the MLS of their intention to display IDX information and give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies.

SECTION 15.2.2

MLS participants may not use IDX-provided listings for any purpose other than displays provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines.

SECTION 15.2.3

Listings including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their consent or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible Web sites or VOWs) or other electronic forms of display or distribution.

SECTION 15.2.4

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 open listing), or the level of service being provided by the listing firm. Selection of listings displayed through IDX must be independently made by each Participant.

SECTION 15.2.5

Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every 12 hours.

SECTION 15.2.6

Except as provided in the IDX Policy and these rules, an IDX site or 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.

SECTION 15.2.7

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 this 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

SECTION 15.2.8

Any IDX display controlled by a participant or subscriber that

1. 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
2. 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 listing 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 paragraph J, 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.

SECTION 15.2.9

Participant 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.

SECTION 15.2.10

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.

SECTION 15.2.11

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.

SECTION 15.2.12

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. *

SECTION 15.3. DISPLAY OF LISTINGS ON IDX

- A. CHS MLS prohibits the display of, Coming Soon – No Showings, expired and cancelled listings.
- B. CHS MLS prohibits the display of confidential information fields intended for cooperating brokers rather than consumers including compensation offered to other MLS Participants, showing instructions, property security information, etc.
- C. CHS MLS prohibits the display of the type of listing agreement, e.g. exclusive right to sell, exclusive agency, etc.
- D. CHS MLS prohibits the display of seller's(s') and occupant's(s') name(s), phone number(s), and e-mail address(es).
- E. An internet republication of another Participant's listing shall contain within the "body" of the listing only those fields of data designated by CHS MLS for this purpose.
- F. A detailed display of another Participant's listing may not include any contact information or branding of the Participant who owns the web site or any of it's agents within the "body" of the listing data. The "body" is defined as the rectangular space whose borders are delimited by the utmost extent in each direction of the listing text and photo data.
- G. A Participant may not modify or manipulate the data relating to another Participant's listing. (This is not a limitation on the design of the site but refers to the actual data.)

- H. A search result producing a display of another Participant's listing shall bear that Participant's listing firm, the CHS MLS-approved icon, and CHS MLS's copyright notice immediately following the property information. The listing firm, CHS MLS-approved icon, and copyright notice shall be at least as large as the largest type size used to display the listing data. Displays of minimal information (e.g. "thumbnails", text message, "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 devices application.
- I. Any search result identifying another Participant's listing in a brief or "thumbnail" format shall bear the CHS MLS approved icon or the CHS MLS approved thumbnail icon immediately adjacent to the property information to identify the listing as a CHS MLS listing. The CHS MLS-approved icon shall be at least 95 pixels by 35 pixels. The CHS MLS-approved Thumbnail icon shall be at least 35 pixels by 35 pixels. Displays of minimal information (e.g. "thumbnails", text message, "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 devices application.
- J. A thumbnail display of another Participant's listing may not include any contact information or branding of the Participant who owns the web site or any of its agents. A thumbnail display may only include the following: text data about the listing property, a photo of the listing property, the logo of the listing broker or CHS MLS-approved icon, and "buttons" providing links for other information. Displays of minimal information (e.g. "thumbnails", text message, "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 devices application.
- K. The CHS MLS-approved icon and an explanation that those properties marked with the icon are provided courtesy of the Charleston Trident MLS Broker Reciprocity Database must appear on the first page where any BR listing data is displayed. Displays of minimal information (e.g. "thumbnails", text message, "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 devices application.
- L. Participants must indicate on their display that the IDX listing information being provided is for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing. 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 devices application.
- M. CHS MLS may establish reasonable limits on the amount of data/number of listings that consumers may retrieve or download in response to an inquiry., but in no instance shall be limited to fewer than five hundred

(500) listings or fifty percent (50%) of the listings available for IDX display, whichever is fewer. All MLS data displayed must indicate that the data is deemed reliable but is not guaranteed accurate by the MLS. Participants' IDX sites may also include other disclaimers necessary to protect the Participant and/or the MLS from liability

SECTION 15.4. ADDITIONAL REQUIREMENTS –

- A. In order to display listing information pursuant to IDX a Participant must be engaged in providing real estate brokerage services in residential and/or commercial real estate transactions.
- B. Any IDX display must be under the control of a single MLS Participant. Even if use of information through IDX is provided to non-principal brokers and sales licensees affiliated with MLS Participants, such use is subject to Participants' consent and control and the requirements of state law and/or regulation. The previous sentence does not apply to licensees subject to fee waiver under Section 6.2.
- C. CHS MLS may charge the costs of adding or enhancing their "downloading" capacity to Participants who will download listing information. Assessment of such costs should reasonably relate to the actual costs incurred by the MLS.
- D. Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. As of January 24, 2014, a setup fee of \$500.00 dollars will be charged to new IDX vendors. The following monthly fees are applicable to IDX vendors:
 - 1. 1-5 websites-\$50 per month
 - 2. 6-10 websites-\$100 per month
 - 3. 11 or more websites-\$150 per month
- E. A Participant must make changes to an Internet site necessary to cure a violation of CHS MLS's Rules within five business days of notice from CHS MLS of the violation. After five business days, if changes are not made, CHS MLS reserves the right to discontinue the Participant's data feed without further notice. The Participant may also be subject to additional sanctions which may consist of warning, censure, fine, suspension, termination or any combination thereof.
- F. Any Participant using a third party to develop/design its web site will have a written agreement with that third party in the form prescribed by CHS MLS.

VIRTUAL OFFICE WEBSITES (VOWs)

SECTION 16.1. – 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, except one subject to fee waiver under Section 6.2. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.
- B. As used in Section 16 of these Rules, the term "Participant" includes a Participant's affiliated non-principal brokers and sales licensees other than those subject to fee waiver under Section 6.2 – except when the term is used in the phrases "Participant's consent" and "Participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner ("AVP") on behalf of a Participant.

- C. "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.
- D. As used in Section 16 of these Rules, the term "MLS Listing Information" refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

SECTION 16.2.

- A. The right of a Participant's VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.
- B. Subject to the provisions of the VOW Policy and these Rules, a Participant's VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange ("IDX").
- C. Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW.

SECTION 16.3.

- 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:
 - 1. 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.
 - 2. 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.
 - 3. The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password.
- B. The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.
- C. If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.

- D. The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:
 1. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;
 2. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;
 3. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;
 4. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;
 5. That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.
- E. The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labeled as such, and may not be accepted solely by mouse click.
- F. The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

SECTION 16.4.

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

SECTION 16.5.

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

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

SECTION 16.6.

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

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

SECTION 16.7.

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

SECTION 16.8.

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

SECTION 16.9.

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

SECTION 16.10.

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

SECTION 16.11.

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

SECTION 16.12.

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

SECTION 16.13.

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

SECTION 16.14.

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

SECTION 16.15.

- A. A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:
- B. Expired, withdrawn, listings.
- C. The compensation offered to other MLS Participants.
- D. The type of listing agreement, i.e., exclusive right to sell or exclusive agency.
- E. The seller's and occupant's name(s), phone number(s), or e-mail address(es).
- F. Instructions or remarks intended for cooperating brokers only, such as those regarding showings, directions or security of listed property.

SECTION 16.16.

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

SECTION 16.17.

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.

SECTION 16.18.

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

SECTION 16.20.

A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

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

SECTION 16.21.

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 16.22.

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 16.23.

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 16.24.

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

SECTION 16.25.

Where a seller affirmatively directs their listing broker to withhold either the seller’s listing or the address of the seller’s listing from display on the Internet, a copy of the seller’s affirmative direction shall be provided to the MLS upon request.

ORIENTATION

SECTION 17. ORIENTATION

Any applicant for MLS Participation and any licensee (including licensed or certified appraisers and unlicensed administrative members) 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. The previous sentence applies to licensees subject to fee waiver under Section 6.2 only if their waiver status is revoked.

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 enhancements an/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated orientation and additional training remotely.

LOCKBOX SECURITY REQUIREMENTS

SECTION 18.1 LOCKBOX SECURITY

MLS has adopted and follows the lockbox security requirements as stated in Section 7.31 of the National Association of REALTORS® Handbook on Multiple Listing Policy.

SECTION 18.2 ONE-DAY CODES

Participants and subscribers may distribute a one-day code for electronic lockboxes to Participants and real estate licensees affiliated with such Participants, those Participants and their licensees who are certified to engage in the appraisal of real property, authorized contractors, and authorized non-licensed staff and/or assistants. One-day codes may not be distributed to any consumers. Participants and subscribers are responsible for confirming the

identity of any recipient of a one-day code and are responsible for any damage caused by a recipient of a one-day code.