

BYLAWS, RULES AND REGULATIONS  
MULTIPLE LISTING SERVICE OF SOUTHEASTERN INDIANA, INC.  
Amended 07/28/07, amended 9/25/08

ARTICLE 1  
NAME

1.1 The name of this corporation shall be the Multiple Listing Service of Southeastern Indiana Inc., herein after referred to as either Multiple Listing Service or as MLS.

ARTICLE 2  
PURPOSE

2.1 Section 2. Purpose. A Multiple Listing Service is:

A means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law) by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease) (Amended 5/17/06)

ARTICLE 3  
GOVERNING DOCUMENTS

3.1 The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its Corporate Charter, Constitution, Bylaws, Rules, Regulations and Policies, Practices, and Procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

ARTICLE 4  
PARTICIPATION

4.1 Any REALTOR® member of this or any other board who is a Principal, Partner, or Corporate Officer, or Branch Office Manager acting on behalf of a Principal, without further qualification, except as otherwise stipulated in these bylaws shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto.\* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate broker's license and are capable of offering and accepting compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.\*\* 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 (\*) (Amended 11/96)

Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS entry and retrieval within thirty (30) days after access has been provided. Amended 11/96)

Boards are not required to establish prerequisites for MLS participation beyond holding REALTOR® (Principal) membership in a board. However, if the board wishes to establish these requirements, for MLS participation or for access to MLS-generated, the requirement of attendance at an orientation program is the most rigorous requirement that may be established. (Amended 2/94)

\*\*NOTE: Generally, Boards of REALTORS®, when there is more than one principal in a real estate firm, define the chief principal officer of the firm as the MLS "Participant." If each principal is defined as a "Participant", then each shall have a separate vote on MLS matters. Brokers or Salespersons other than principals are not considered "Participants" in the service, but have access to and use of the service through the Principal(s) with whom they are affiliated.

Note 1: The requirements of (1) no record of recent or pending bankruptcy; (2) no record of official sanctions involving unprofessional conduct; and (3) completion of a course of instruction on the MLS rules and regulations and computer training related to MLS information entry and retrieval may be deleted from this Section at the option of each Board/Association. In states where law requires non-Board members be admitted to the MLS of a Board of REALTORS®, any limitations or restrictions imposed on participation or membership shall be no more stringent than permissible under the National Association's Membership Qualification Criteria. However, in states where non-Board member access to the MLS is not a requirement of state law, Boards may, at their discretion, establish additional qualifications for non-Board member participation and membership in the MLS. (Amended 11/96)

Note 2: A Board may also choose to have the Membership Committee consider the following when determining a nonmember applicant's qualifications for MLS participation or membership:

1. all final findings of Code of Ethics violations and violations of other membership duties in any other Association within the past three (3) years.
2. pending ethics complaints (or hearings)
3. unsatisfied discipline pending
4. pending arbitration requests (or hearings)

5. unpaid arbitration awards or unpaid financial obligations to any other Association or Association MLS

Section 4-Supervision The activity shall be operated under the supervision of the Multiple Listing Committee in accordance with the rules and regulations, subject to approval of the Board of Directors of the Southeastern Indiana Board of REALTORS®, Inc.

4.2 All participants must agree in writing to abide by and be bound by the MLS Regulations, governing rules, operating policies, procedures, and systems adopted there under, and must pay all dues and fees before receiving the services of MLS.

4.3 All MLS fees, dues, and charges, including, but limited to initial participation fees, listing origination fees, subscription fees, etc., shall be assessed only to the MLS Participant. Payment of such fees, etc., only be accepted from the MLS Participant and not from non-Principal Brokers or Sales Licensees affiliated with the Participant. Payment to be made by check or money order. None of the foregoing is intended to preclude the 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.

4.4 Billing will be monthly or yearly only. Affiliate Membership may receive quarterly comparable services only, but prior to shipping the book, MLS must receive payment. Appraisers who are REALTORS® may receive (a) full service or (b) quarterly comparable services only.

4.5 Subscribers: Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. (Optional provision: Subscribers also include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of an MLS Participant or the Participant's licensed designee.) (Adopted 4/92)

#### ARTICLE 5 INITIAL FEE

5.1 Each participating firm shall pay in advance a non-refundable initial fee of two hundred fifty dollars (\$250) to participate in MLS.

#### ARTICLE 6 REINSTATEMENT FEES

6.1 A firm shall be reinstated in MLS as a new member firm provided all past due amounts have been paid, and they adhere to Articles 4 and 5.

6.2 All payments to the MLS office will be due and payable by the 30th of the month. Thirty (30) days after the due date, the computer system will be shut off to the firm. (Example: Billed 3/1, due by 3/30, if not paid by 4/30, service will be cut off). If not paid, the books will not be distributed. A late charge will be assessed for any office not paying for current MLS charges by the 30th of the month. Such charge to equal a flat fee of \$10.00 plus \$2.00 for each day the bill remains unpaid. All service, including computer use will be suspended until the check is received in the office. Service will be restored on next working day. If not paid within sixty days (60) member will be suspended at the discretion of the MLS Committee, after ninety days (90) member will be automatically expelled and must rejoin as a new member. In order to receive MLS books, member firm's check must be in the MLS office prior to receiving the next month's books. If late with your payment, you must present your check at the MLS office and pick up your books.

6.3 When a participant of the service is suspended from the MLS for failing to abide by a membership duty (I.E., violation of the Code of Ethics, Board Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligatory except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended participant shall, at the Participant's option, be retained in 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 Board (except where MLS Participation without Board Membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing information. Prior to any removal of a suspended participant's listings from the MLS, the suspended participant should be advised in writing of the intended removal so that the suspended participant may advise his clients.

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

6.5 Listings of resigned participants: When a participant resigns from the MLS, the MLS is not

obligated to provide services, including continued inclusion of the resigned participant's listings in the MLS compilation of current listing information. Prior to any removal of a resigned participant's listing from the MLS, the resigned participant should be advised in writing of the intended removal so that the resigned participant may advise his clients.

6.6 A firm to be reinstated after suspension will be reinstated in compliance with Articles 4 and 5.

## ARTICLE 7 SERVICES TO PARTICIPANTS

7.1 Each participant office will be entitled to the following: Processing, printing and distribution of information of all exclusive right to sell and exclusive agency listings submitted by member firms.

## ARTICLE 8 LISTINGS TO BE FILED

8.1 A copy of all listing contracts on properties must be submitted to MLS, and shall be filed with the MLS office.

## ARTICLE 9 LISTINGS PROCEDURES

9.1 LISTING PROCEDURES: Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, located within the territorial jurisdiction of the Board of REALTORS taken by Participants on Single family homes, vacant lots and acreage, two, three and four family residential buildings, Mini-farms and Farms, Commercial and Commercial lease properties shall be delivered to the Multiple Listing Service within seven working days after all necessary signatures of seller (s) have been obtained.

- (a) Single family homes for sale or exchange.
- (b) Vacant lots and acreage for sale or exchange.
- (c) Two-family, three-family, and four family Residential buildings for sale or exchange.
- (d) Mini-farms and Farms for sale or exchange.
- (e) Commercial, Industrial and Business properties for sale or exchange.
- (f) Commercial Lease properties

(NOTE 1: The MLS shall not require a participant to submit listings on a form other than the form the participant individually chooses to utilize provided the listing is of a type accepted by the service although a "Property Data Form" may be required as approved by the MLS. However, the MLS through its legal counsel:

1. May reserve the right to refuse to accept a listing form which fails to adequately protect the

interest of the public and the participants.

2. 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).

The MLS 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 MLS acting as buyer agents.

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

3. The different types of listing agreement include:

- (a) exclusive right to sell
- (b) exclusive agency
- (c) open
- (d) net

The Service may not accept net listings because (1) 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 a blanket unilateral basis, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to sell listings with no named prospects exempted, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right to sell listings with no named prospects exempted. 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. (Revised 11/89)

(NOTE 2: A Multiple Listing Service does not regulate the type of listings its Members may take. This does not mean that a Multiple Listing Service must accept every type of listing. The Multiple Listing Service shall decline to accept open listings (except where acceptance is required by law) and net listings and it may limit its service to listings of certain kinds of property. But 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.

9.2 Further for a listing to qualify for publication, it must be made immediately available to all buyers and be consummated on the same price and terms regardless of whether it is sold by the listing firm, the builder, or a co-operating firm.

9.3 Failure to comply with Articles 7 and 8 may result in the offending firm being suspended from MLS for sixty (60) days. Before suspension, a hearing will be provided for the offending firm.

9.4 Any listing taken on a contract submitted to MLS for publication is subject to the MLS regulations and policies upon signature of the seller (s).

9.5 All listings taken on a contract submitted to MLS for publication shall be as complete and true as reasonably possible.

9.6 Exclusive Agency listings with buyer exemptions will be accepted into the service. Indicate in the remarks section that this listing is an Exclusive Agency Listing with exemptions.

## ARTICLE 10 PROCESSING PROCEDURES

10.1 New Listings – A copy of the contract must be submitted to the MLS office on or before the seventh calendar day of the effective date of the contract. Photo due on or before the seventh calendar day. If paperwork is not submitted within the specified times, there will be a \$25.00 fine plus \$5.00 for each additional Business working day the listing or photo is late. If the paperwork is not received, MLS will use the computer entry date to assess the fine. Further, the listing will be withdrawn by MLS if the paperwork is not submitted within the above stated time frame.

10.2 For those offices on computer, new listings must be entered into the on-line system on or before the seventh calendar day of the beginning date of the contract, with paperwork and photo to follow to the MLS office on or before the seventh calendar day. If listings, paperwork and photo are not submitted within the specified times, there will be a \$25.00 fine plus \$5.00 for each additional working day the listing or photo is late. If the paperwork is not received, MLS will use the computer entry date to assess the fine. Further, the listing will be withdrawn by MLS if the paperwork is not submitted within the above stated time frame.

10.3 The percentage of the sale price or a specific dollar amount to be paid to a co-operating firm must be stated on the MLS form.

10.4 Total price of acreage must be stated in the spot allocated for price, and the price per acre is to be stated in the remarks column.

10.5 Address to be street and number, or name of road if the property is located in a rural area. Do

not use route and box number. Addresses are to be conformed per the guidelines and if changed back to an unacceptable address by an office, they will be assessed a \$10 fine for each offense and the address will be corrected by MLS.

10.6 Sale Pending - Sale pendings should be reported immediately on all listings except a sale with a house contingency. However, as soon as all house contingencies are removed, the pending are required to be reported. Pendings coming back on market will not be charged an input fee.

10.7 Solds - Solds are required to be reported to MLS no later than five (5) business days after closing. There will be a \$10.00 fine on all solds reported after the five (5) day maximum.

10.8 Sold before sent - to be submitted on a change of status form with line copy, photo or diagram, when no previous information has been sent to MLS.

10.9 Changes - Use amendment form or company contact to report any significant change in a listing, fill in all appropriate information. Information to be disseminated must conform with provisions of Indiana License Law and Rules promulgated by the Indiana Real Estate Commission. All changes are to be reported within seven (7) days of owner signing amendment or a \$5.00 fine plus \$1.00 each additional business day late will be assessed to offending firm.

10.10 Renewals - one copy of the listing renewal must be submitted complete with the original MLS number. Renewal to come in within seven days of owner signing renewal or \$5 fine for late, plus \$1 each additional business day late. If the paperwork is not received, MLS will use the computer entry date to assess the fine. Further, the listing will be withdrawn by MLS if the paperwork is not submitted within the above stated time frame.

10.11 If a listing is entered into MLS and the information is not correct, the listing office will be notified to correct the listing within five (5) business days. If not corrected within the time specified, a \$50.00 FINE will be levied and the listing will be withdrawn from the MLS system.

10.12 All listing contracts submitted must bear a definite and final termination date as negotiated between the participating firm and owner.

10.13 All member firms must submit all listings with at least thirty (30) or more contract days remaining. New member firms must submit all listings taken from their point of acceptance into membership.

10.14 Listings out of our four county jurisdiction may be submitted for a minimum charge to be established by the MLS committee. Payment will be submitted with any listing appearing in the photo section.

10.15 New listings out of our four county jurisdiction will be accepted if submitted voluntarily by a

participant for a minimum charge to be established by the MLS Committee. Payment will be submitted with any listing appearing in the photo section.

10.16 All complaints regarding MLS must be in writing from the sponsoring broker only. Complaints received by phone will be passed on to the MLS Committee, subject to a formal written complaint being filed with the MLS service.

10.17 If the seller refuses to permit the listing to be disseminated by the service, the REALTOR may then take the ("Exclusive Agency Listing") and such listing shall be filed with the service but not disseminated to the participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the service.

10.18 Any amendment or status form filled out incorrectly will be returned to the listing firm for correction.

10.19 Amendment or status form not received by the fifth business day will receive a \$5.00 late fine plus \$1.00 per day for each additional business day late.

10.20 Withdrawal of Listings Prior to Expiration. Listings of property may be withdrawn from the MLS service by the listing broker before the expiration date of the listing agreement, provided it is filed with the service, including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal.

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

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

10.22 Submission of Written Offers. The listing broker shall submit to the seller, all written offers until closing unless precluded by law, government rule, regulation or agreed otherwise in writing between the seller and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer. (Approved 11/87)

10.23 Right of a cooperating a Broker in Presentation of Offer. The cooperating broker (or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion

or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker, that the cooperating broker not be present, when an offer the operating broker secured is presented, the cooperating broker has the right of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations. (Amended 4/92)

10.24 Right of a 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 of any discussion or evaluation of a counter-offer by the purchaser or lessee. However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchasers or lessees written instructions. (Adopted 11/93)

10.25 Reporting Cancellation of Pending Sale: The listing broker shall report immediately to the Multiple Listing Service the cancellation of any pending sale, and the listing shall be reinstated immediately.

10.26 Advertising of Listing Filed with the Service: A listing shall not be advertised by any Participant other than the listing broker without the prior consent of the listing broker.

10.27 Remarks may not include web site addresses or "call agent" information. Such remarks will be required to be removed by the listing firm in accordance with 10.11 and if not removed, will be removed by MLS prior to approval for publication.

10.28 Room count and bathroom counts are to be reported in the total room and bathroom count as follows: Room count and bathroom counts, include all rooms and baths even those on lower levels. In the level description, indicate the proper level the rooms are on. Indicate in remarks when extra rooms are in the basement.

## ARTICLE 11 LISTING FIRM RESPONSIBILITIES

11.1 Each participating firm shall produce signatures of all parties necessary to make the selling agency agreement legal and binding.

11.2 The participating firm and listing salesperson shall be responsible for the filing of any known false, or recklessly taken information on a listing.

11.3 If the listing salesperson is not immediately available, then the listing office must make the appointment for a co-operating firm to show the listing, unless the owner has stipulated otherwise in writing in the selling agency agreement and such stipulation also appears on the listing information sheet.

11.4 Refusal to sell: If the seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the service and to all participants.

## ARTICLE 12 LISTING MAINTENANCE

12.1 The listing office shall advise the MLS office within five (5) days of the change of status of any of their listings, I.E.:

(A) Any change in the listed price or any other change in original agency agreement shall be made only when authorized in writing by the owner;

(B) Notice by the listing firm in writing that a property has been withdrawn from the market;

(C) That the listing agreement has been canceled by filing an amendment form from the listing firm. Owner's signature is not required;

(D) That an offer to purchase has been accepted, along with the date of acceptance, price, type of financing, points and co-operating firm if any in accordance with Article 10.6

(E) That a sale has been canceled, and if adequate time is left on the selling agency agreement it may be published, otherwise a renewal or a new selling agency agreement must be submitted as appropriate with Article 10.7.

## ARTICLE 13 APPOINTMENT TO SHOW ANOTHER FIRM'S LISTINGS

13.1 Failure to make appointments to show through the listing office or contacting the owner directly for any reason, unless prior permission has been given, could result in the offending firm being suspended from MLS for sixty (60) days in accordance with Articles 17.6 and 17.6.

## ARTICLE 14 SHOWING ANOTHER FIRM'S LISTINGS

14.1 MLS listing information is confidential. Any participant who furnishes information on another participant's listing to a non-participant other than the prospective buyer or allows the actual body of the book to pass to the public at large could be suspended from MLS for ninety (90) days for each offense, and may be expelled from MLS for repeated violations, and or fined two hundred fifty (\$250) dollars.

## ARTICLE 15

## CO-OP SALES

15.1 Showings and negotiations: Appointments for showings and negotiating with the seller for the purchase of listed property filed with the MLS shall be conducted through the listing broker except under the following circumstances:

The listing broker gives the co-operating broker specific written authority to show and/or negotiate directly or (b) after reasonable effort, the co-operating broker cannot contact the listing broker or his representative. However, the listing broker, at his option, may preclude such direct negotiations by the co-operating broker.

15.2 The listing office must make arrangements to present offers as soon as possible, or give the co-operating broker a satisfactory reason for not doing so.

15.3 Sales shall be reported immediately to the MLS by The listing Broker unless the negotiations were carried on under Article 15.2 section 2 (A) OR (B) hereof in which case the co-operating broker shall report, sending a copy to the listing broker within 24 hours after acceptance.

15.4 Participating firms should be aware of the following:

(A) A buyer may withdraw his offer at any time prior to acceptance by owner.

(B) An owner may likewise withdraw a counter-offer prior to acceptance by buyer.

(C) An offer or counter-offer with a time limit may be withdrawn before the time limit expires.

(D) Generally, acceptance occurs when the acceptance is delivered to the customer or client or agent. To eliminate possible evidentiary problems, it is always preferable to hand deliver the acceptance to the customer or client or agent, and it is desirable to make a note of the time and place of delivery on the contract.

15.5 The Broker's compensation for services rendered in respect to any listing is solely a matter of negotiation between the broker and his or her client, and is not fixed, controlled, recommended or maintained by any persons not party to the listing agreement.

15.6 The MLS shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by participants. Further, the MLS shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between co-operating participants or between participants and non-participants.

15.7 Solicitation of listing filed with the service: participants shall not solicit a listing on property filed with the service unless such solicitation is consistent with Article 16 of the REALTORS Code

of Ethics, its Standards of Practice and its Case interpretations.

#### 15.8 Reproduction:

(NOTE 1: This section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-3. This section is intended to encourage sellers to permit their properties to be filed with the service by protecting them from being solicited, prior to expiration of the listing, by Brokers and Salespersons seeking the listing upon its expiration. Without such protection, a seller could receive hundreds of calls, communications, and visits from Brokers and Salespersons who have been made aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present broker. This section is also intended to encourage brokers to participate in the service by assuring them that other participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by this section, listing brokers would be most reluctant to generally disclose the identity of the seller or the availability of the property to other brokers. This section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of The Code of Ethics.

15.9 "For Sale" Sign: Only the "For Sale" Signs of the listing Broker may be placed on the property.

15.10 "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.

15.11 Access to comparable and statistical information: Board 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 Board members and individuals affiliated with Board 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.

15.12 Limitations on use of MLS information: Use of information from the MLS compilation of current listing information, from the Board's "statistical report", or from any "sold" or "comparable" report of the Board or MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited.

Use of information from the Board's "Statistical Report," or from any "sold" or "comparable" report of the Board or MLS for public mass-media advertising by an MLS Participant or in other public

representations may not be prohibited.

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

Based on information from the Southeastern Indiana Board of REALTORS, Inc. Multiple Listing Service of Southeastern Indiana, Inc. for the period (date) through (date)." This information shall be identified in a readily visible color and typeface not smaller than the median used in the display of listing data.

15.13 Confidentiality of MLS Information: Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and real estate licensees affiliated with such Participants and those participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants. (amended 4/92)

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

Access to Comparable and Statistical Information: Board 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 non the less 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 Board Members and individuals affiliated with Board 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.

15.14 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 property listing data contained in the MLS compilation which relate to any properties in which the prospective purchasers are or may, in the judgement of the Participants or their affiliated licensees be interested.

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

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

## ARTICLE 16 DIVISION OF COMMISSIONS

16.1 Compensation Specified on Each Listing: The listing broker shall specify, on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. (Amended 11/98)

Note 1: In filing a property with the Multiple Listing Service of a Board of REALTORS®, the Participant of the Service is making blanket unilateral offers of compensation to the other MLS Participants, and shall therefore specify on each listing filed with the Service, the compensation being offered to the other MLS Participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.\* (Amended 11/96)

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

This shall not preclude the listing broker from offering any MLS Participant compensation other than the compensation indicated on any listings published by the MLS provided the listing broker informs the other broker in writing in advance of his producing an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among 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 flat dollar amount. (Amended 11/95)

The Board Multiple Listing shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Board Multiple Listing Service shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a Participant. The Board Multiple Listing Service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

Note 2: The listing broker may, from time to time, adjust the compensation offered to other Multiple Listing Service Participants for their services with respect to any listing by advance published notice to the Service so that all Participants will be advised. (Amended 4/92)

Note 3: The Multiple Listing Service shall make no rule on the division of commissions between Participants and non-participants. This should remain solely the responsibility of the listing broker.

Note 4: Multiple Listing Services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval or to lender 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 or by a lender. In such instances, the fact that the gross commission is subject to court or to lender approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they produce an offer that ultimately results in a successful transaction. (Adopted 11/98)

\*NOTE: The compensation specified on listings filed with the Multiple Listing Service shall appear in one of two forms. The essential and appropriate requirement by a Board Multiple Listing Service is that the information to be published shall clearly inform the participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance of his producing an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

1. By showing a percentage of the gross selling price.
2. By showing a definite dollar amount.) (Amended 11/95)

16.2 Participant as Principal: If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any ownership interest in a property, the listing of which is to be

disseminated through the Multiple Listing Service, that person shall disclose that interest when the listing is filed with the Multiple Listing Service and such information shall be disseminated to all Multiple Listing Service Participants.

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

#### 16.4 DUAL OR VARIABLE RATE COMMISSION ARRANGEMENTS:

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

### ARTICLE 17 GOVERNMENT

17.1 The government of this corporation shall be vested in its Directors, who shall have all powers to operate the corporation in accordance to the constitution of the Southeastern Indiana MLS, Inc., and shall have discretionary powers to act on matters relating to administration of the Multiple listing service including establishment of regulations, rules, fees, and systems for its operation.

17.2 The Directors and Officers of the Multiple Listing service of Southeastern Indiana, Inc., shall consist of the Officers, and Directors of the Southeastern Indiana Board of REALTORS®, Inc., who shall be elected and hold office as per the Constitution of the Southeastern Indiana Board of REALTORS®, Inc. A Director who has served two consecutive terms on the MLS Directors Board shall remain off the Board for a period of one term. A Director would be permitted to serve two elected terms as a Director and continue on the Board if elected to an officer position.

17.3 Directors meetings shall be held on the same basis as those provided for in the Constitution of the Southeastern Indiana Board of REALTORS®, Inc.

17.4 Place of meetings shall be in accordance with the Constitution of the Multiple Listing Service

of Southeastern Indiana, Inc.

17.5 The sole shareholder of the stock of the corporation known as the Multiple Listing Service of Southeastern Indiana Inc., shall be the corporation known as Southeastern Indiana Board of REALTORS, Inc.

17.6 All actions of the Board of Directors of the Multiple Listing Service shall be subject to the approval of the Board of Directors of the Southeastern Indiana Board of REALTORS, Inc.

17.7 The MLS Directors have the authority to rent or buy a building for the MLS.

## ARTICLE 18 MLS COMMITTEE

18.1 MLS Committee for the ensuing year shall be appointed by the President-Elect on or before October 1st. All appointments shall be subject to confirmation by the Southeastern Indiana MLS Directors. Term of a committee shall begin with the first meeting held in January after December installation of Officers unless otherwise specified herein. Any vacancy shall be filled by the President subject to the confirmation of the Directors. The Chairman and Vice-Chairman shall be elected by the Committee members during the first meeting of the new year. The MLS Chairman shall have one year's prior service on the MLS Committee. The MLS Chairman will serve as an MLS Director during their tenure as Chair of the MLS Committee.

18.2 There shall be an MLS Committee consisting of nine active members of the Southeastern Indiana Board of REALTORS®, Inc., the firm of each which shall be a current Participant of MLS. Four shall constitute a quorum to conduct business.

18.3 The MLS Committee shall be responsible for the operation of MLS including: Development of regulations and other adopted rules, formulation of policies and establishing reasonable charges to be exacted from participant utilizing MLS. The charges shall be in such amounts necessary to cover the cost of operating the service and allow for a reasonable operating reserve.

18.4 The powers to suspend, fine, or expel a participating firm for violation of these regulations and other adopted rules shall be vested in the Board of Directors of the Multiple Listing Service of Southeastern Indiana, Inc.

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

18.6 If the alleged offense is a violation of the Rules and Regulations of the service and does not involve a charge of alleged unethical conduct or request for Arbitration, it may be considered and determined by the MLS Committee, and if a violation is determined, the committee may direct the

imposition of sanction, provided the recipient of such sanction may appeal it to the Professional Standards Committee of the Board for a Hearing by the Professional Standards Committee in accordance with the Bylaws of the Southeastern Indiana Board of REALTORS® Inc..

18.7 All other complaints on unethical conduct shall be referred by the MLS Committee to the Board of Directors, for appropriate action in accordance with the usual procedure under terms of the Board Constitution.

18.8 All committee action shall be subject to the approval of the MLS Directors, and the Directors of the Southeastern Indiana Board of REALTORS®, Inc.

18.9 Changes in Rules and Regulations. Amendments to the Bylaws, Rules and Regulations of the Service shall be by consideration and approval of the Board of Directors of the Multiple Listing Service, subject to final approval by the Board of Directors of the Southeastern Indiana Board of REALTORS®, Inc. (shareholder).

18.10 The committee shall meet monthly, but special meetings of the committee may be called by the Chairman or the majority of the committee.

18.11 A majority of the committee shall constitute a quorum for the conduct of business.

18.12 If a member of the committee has any conflict of interest pertaining to the proceedings of the committee, the committee member shall report the fact to the Chairman and shall disqualify himself from the proceedings.

18.13 Committee members are obligated to attend all meetings. A committee member who is unable to attend a meeting is responsible for requesting an excused absence, subject to ratification by the committee. Failure of a committee member to attend three regular or special meetings without ratified excuse shall be construed as resignation from the committee.

#### ARTICLE 19 FISCAL YEAR

20.1 The fiscal year of MLS shall be a calendar year.

#### ARTICLE 20 AMENDMENTS

21.1 Amendments to these regulations of the MLS may be made by a two-thirds vote of the members of the MLS committee, subject to the final approval by the Board of Directors of the Southeastern Indiana Board of REALTORS®, Inc.

21.2 An amendment to these regulations may be requested by a participating firm, provided a

written petition containing the requested amendment is made in writing and is signed by participating firms who represent 20% of member firms of MLS. Any amendment so requested must be presented for a vote at a meeting of participating firms, but each such meeting shall require at least ten (10) days (postmarked) notice by mail to each participating firm stating the reasons therefore. A quorum at such meeting shall be 50% of participating firms, who by at least 2/3 majority of the attendance represented may approve an amendment. Subject to the final approval by the Board of Directors of the Southeastern Indiana Board of REALTORS®, Inc..

## ARTICLE 21 DISSOLUTION

In the event this Service shall at any time terminate its activities, the Board of Directors of the Service shall consider and adopt a plan of liquidation and dissolution with the approval of the Participants thereof and of the Board of Directors of the SOUTHEASTERN IN BD REALTORS® Inc.,(shareholder). Said plan shall provide for the collection of all assets, the payment of all liabilities, and that the remaining portions thereof be assigned to the parent corporation, namely, SOUTHEASTERN IN BD REALTORS®, Inc.

### **Multiple Listing Service of Southeastern Indiana Inc Internet Data Display Rules adopted**

Multiple Listing Service of Southeastern Indiana Inc. shall hereinafter be referred to as MLS.  
Internet Data Exchange also known as Broker Reciprocity will be referred to as **IDX**.

1. Requirement is also imposed on listing information provided to consumers in person, by

fax, email or by any other method of delivery. Associations of REALTORS® and their Multiple Listing Services must enable MLS Participants to display on Participants' web sites aggregated display on Participants' public web sites aggregated MLS listing information subject to the requirements of state law and regulation. To comply with this requirement MLSs must, if requested by a Participant, promptly provide basic "downloading" of listing information. Associations and MLSs can also offer alternative display options including framing of Board, MLS, or other publicly-accessible sites displaying Participants' listings (with permission of the framed site). For purposes of this policy, "downloading" means electronic transmission of data from MLS servers to Participants' servers on, at the discretion of the MLS, a persistent or transient basis. This policy does not require associations or MLSs to establish publicly accessible sites displaying Participants' listings. For purposes of this policy, "display" refers to consumer-directed search and retrieval of MLS information.

2. Unless state law requires prior written consent from listing brokers, listing brokers' consent for such display may be presumed unless a listing broker affirmatively notifies the MLS that the listing broker 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, then that Participant may not display on the Internet or by other electronic means the aggregated MLS listing data of other participants. (Indiana). Indiana Listing Broker's Consent is required on the opt in/out form. MLS requires that any listing displayed identify the listing firm. MLS requires that the identity of listing agents be displayed.
3. MLS shall prohibit the display of a listing or confidential data fields at the direction of the seller. MLS prohibits the display of confidential information fields intended for cooperating brokers rather than consumers.
4. Access to MLS databases of listing data, or any part of such databases, shall not be provided to any person or entity not expressly authorized such access under the MLS rules.
5. In addition, the following practices are recommended but not required to conform to National Association policy. MLS may:
6. MLS shall prohibit display of confidential data fields intended for cooperating brokers rather than consumers (such as showing instructions, cooperating broker compensation the type of listing agreement i.e., exclusive right to sell or exclusive agency), provided that the same data fields may not be provided to a consumer in person, by fax, email or any other method of delivery.
7. Require that MLS data fields authorized for display not be modified, however this is not

intended to restrict the format of display or to prevent the display of fewer listings or fewer authorized data fields.

8. Require that any display of other Participants' listings identify the MLS as the source of the information being displayed and require Participants to refresh all downloads and refresh all data at least once every seven (7) days.
9. Require Participants to indicate on their web sites that the 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.
10. MLS of Southeastern Indiana may establish reasonable limits on the amount of data/number of listings that consumers may retrieve or download in response to an inquiry, which number can vary depending on the status of the listing involved.
11. MLS may prohibit the display of listings that have expired or been withdrawn or for which sales are pending (but not prohibit the display of "pending-continue to show").
12. MLS may limit the right to display other Participants' listings to a Participant's office (s) holding participatory rights in the same MLS.
13. The following guidelines are wholly matters of local determination and are not required to conform to National Association Policy.
14. Where MLS participatory rights are available to non-member brokers or firms as a matter of local determination, the right to display listing information on the Internet or by other electronic means may be limited, to Participants who are REALTORS.
15. MLS may limit the right to display listing information on the Internet or by other electronic means to MLS Participants licensed as real estate brokers.
16. MLS may limit the right to display listing information on the Internet or by any other electronic means to MLS Participants engaged in real estate brokerage. This requirement can be met by maintaining an office from which Participants are available to represent real estate sellers or buyers (or both).
17. MLS may require that the identity of listing agents be displayed, provided that such MLS may allow non-principal brokers and sales licensees affiliated with MLS Participants to display MLS listing data on their web sites.
18. Even if the ability to display MLS data on the Internet 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.

19. MLS cannot prohibit Participants from displaying other brokers' listings obtained from other sources, e.g., other MLS, non-participating brokers, etc., but can, require that listings obtained from the MLS be searched separately from listings obtained from other sources, including other MLS or For Sale By Owner properties.
20. 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.
21. MLS requires that any display of other Participants' listings indicate the source of the information being displayed and Southeastern Indiana Board of Realtors Inc. and Multiple Listing Service of Southeastern Indiana, Inc. shall require Participants refresh all downloads at least once every seven (7) days.
22. Participants to indicate on their web sites that the information being provided is for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective property(s) consumers may be interested in purchasing.
23. MLS may establish reasonable limits on the amount of data and/or number of listings that consumers may retrieve or download in response to an inquiry.
24. MLS limits the right to display other Participants' listings to a Participant's office(s) holding participatory rights in the same MLS.
25. MLS may, charge the costs of adding or enhancing their "downloading" capacity to Participants downloading listing information. Assessment of such costs should reasonable relate to the actual costs incurred by the MLS.
26. MLS will not prohibit Participants from downloading and displaying or framing other brokers' listings obtained from other sources, i.e., other MLSs, but will require that listings obtained through IDX be searched separately from listings obtained from other sources, including other MLSs.
27. Participants must notify the MLS of their intention to establish an IDX site and make their IDX site directly accessible to the MLS for purposes of monitoring and ensuring compliance with applicable rules and policies.
28. Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent "scraping" or other unauthorized accessing,

reproduction or use of the MLS database.

29. Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly-accessible Web sites or VOWs) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers.
30. Participants may exclude listings from display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography, list price, type of property, or cooperative compensation offered by listing brokers. Examples include property type (“condos,” “single family detached,” “multi-family,” etc), price or location (“downtown”)
31. Participants must refresh all MLS downloads and refresh all MLS data at least once every seven (7) days.
32. Except as provided elsewhere in this policy or elsewhere in an MLS’s rules and regulations, an idx site or Participant operating an IDX site may not distribute, provide, or make any portion of the MLS database available to any non-participating person or entity.
33. When displaying listing content, a Participant’s or User’s IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.