

Monmouth County Association of REALTORS[®], Inc.
Multiple Listing Service
Rules and Regulations

ARTICLE I - OBJECTIVES

Section 1. Purpose. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of cooperation to other Participants (acting as either subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals and other valuations of real property; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information among the Participants so that they may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale (or lease).

Section 2. Participation. Any REALTOR[®] of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, 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.

ARTICLE II - ADMINISTRATION

Section 1. The administration of the Multiple Listing Service shall be conducted in the office of the Monmouth County Association of REALTORS[®] where all information regarding listings, corrections, addendums, sales prices, types of financing, withdrawals, sales and other matters pertaining to multiple listings shall be reported.

1.1 Supervision. The Multiple Listing Service committee shall develop policy concerning the Service in accordance with their rules and regulations, as approved by the Board of Directors, Monmouth County Association of REALTORS[®]. The implementation of that policy shall be administered by the Executive Officer through the MLS Supervisor.

1.2 Appointment of Committee. The President of the Monmouth County Association of REALTORS® shall appoint, subject to confirmation by the Board of Directors, Monmouth County Association of REALTORS®, an MLS Committee of 15 REALTOR® members. Members of the Committee shall consist of seven MLS Participants and seven REALTOR® members. The Chairperson shall be a broker/owner or broker/manager appointed for a one-year term by the President and shall be selected from the Board of Directors. The MLS Chairperson shall not serve more than two consecutive one-year terms. The Committee members shall serve two-year terms. (Rev. 3/05)

1.3 Vacancies. Vacancies in unexpired terms shall be filled as in the case of original appointees.

1.4 Attendance. Any Committee member who fails to attend three successive regular, including special meetings, of the Committee shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees.

1.5 Handbook on Multiple Listing Policy. All Committee members shall be guided by the National Association of REALTORS® Handbook on Multiple Listing Policy, and herein adopted by these Rules and Regulations.

ARTICLE III - MEMBERSHIP

Section 1. Listings taken by an individual prior to becoming an MLS Participant need not be submitted to the Service.

1.2 Where partnerships or corporations are concerned, the right of the Participant shall be vested in one person only; either a partner in a firm or an officer in a corporation. The "Participant" may be transferred to another owner, principal, partner or officer of the same office, in the event of a change of the broker-of-record. A service charge will be assessed for this change of record. Where an office, firm or corporation who is a Participant of the Multiple Listing Service has more than one office (branch) in Monmouth County, all their offices (branches) shall be considered as separate units for the purpose of listing distribution and billing.

ARTICLE IV - SERVICE CHARGE

Section 1. Service Fees and Charges. The service fees and charges for the operation of the Multiple Listing Service are in effect to defray the cost of the Service and are subject to change.

2 Initial Participation Fee. A applicant for participation in the Service shall pay an application fee of \$500.00 with such fee to accompany the application.

3 The initial multiple listing participation fee will be charged only to new applicants for Multiple Listing Service. Should a Multiple Listing Participant request an intraoffice transfer to a new Multiple Listing Participating Broker, the initial Multiple Listing participation fee shall be waived, however, a \$50.00 service charge will be assessed for this transaction. It is understood that no change in service will take place, only a bookkeeping and administration charge is made for this transaction.

1.1 Participants (Broker of Record) shall be responsible to pay all participation fees as billed. The fees of each MLS participant will be based on the number of real estate licensees and licensed or certified appraisers who are employees or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such MLS participant, times a fee in such amount as established by the MLS Committee and approved by the Board of Directors of the Monmouth County Association of REALTORS®. Billing is due upon receipt. The participation fees for item (b) are based on the participation account as recorded in the Bookkeeping Department.

1.2 Listing and Related Fees: All listing and related fees will be billed on a monthly basis to the firm for all broker-loaded listings and must be paid by the 15th of each month. The Participant will be required to submit to the MLS Office a computer print-out of the broker-loaded listing with the appropriate broker's signature within 48 hours after broker-load.

The fees and charges may be changed by the Multiple Listing Committee following the approval of the Board of Directors, Monmouth County Association of REALTORS®. These fees shall approximate the cost of bringing the Service to the Participant.

Attached to the Rules and Regulations is a Fee Schedule which is made part of the Rules and Regulations and which will be enforced by the lockbox vendor.

1.3 Lockbox Charges:

(a) A charge set by the committee for purchase of a lockbox and lid, said items are to become the property of the Participant.

(b) Broker agrees that he is jointly and severally liable with the Holder for all duties, responsibilities, and undertakings of Holder under the Title Key Lease Agreement.

(c) Upon due and timely notice, if the key is not returned then the Holder will be liable for a fine, in addition to the expenses as stated in Paragraph II of the Title Key Lease Agreement.

ARTICLE V - MEETINGS

Section 1. The MLS Committee shall meet for the transaction of its business at a time and place determined by the Committee or at the Call of the Chair. Eight (8) members of the Committee shall constitute a quorum. (Rev. 7/06)

1.1 The Chairman may call meetings of all Participants in the Service to be known as General Participants Meetings of the Multiple Listing Service. Twenty percent (20%) of the Participants shall constitute a quorum.

1.2 The Chairman or Vice-Chairman shall preside at all meetings, or in their absence, a temporary chairman from the membership of the Committee shall be named by the Chairman, or, upon his/her failure to do so, by the Committee.

ARTICLE VI - COMPENSATIONS

Section 1. Where two Brokers cooperate in a sale, they shall arrange between them a division of the compensation paid.

1.1 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 for 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 the cooperating brokers that the commission established in the listing agreement might not be paid. The listing broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities as defined by law) which may be the same or different.

2.1 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.

This shall not preclude the listing broker from offering any MLS Participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of his producing an offer to purchase, and provided that the modification in the specific 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.

The Board 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 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.

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.

2.2 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.

2.3 The Multiple Listing Service shall make no rule on the division of commissions between Participants and nonparticipants. This should remain solely the responsibility of the listing broker.

1.5 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.

Section 2. Division of Compensations:

2.1 The Listing Broker may, from time to time, adjust the compensation on any listing by advance published notice to the Service so that all Participants can be advised.

2.2 Dual or Variable Rate Commission Agreements: 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 the 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. (Rev. 10/02)

Section 3. Participant as Principal: If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any 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.

Section 4. 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.

ARTICLE VII - LISTING PROCEDURES

Section 1. Listing Procedures: It is MANDATORY that listings of properties of the following types, located within the territorial jurisdiction of the Association of REALTORS® taken by Participants on a sole and exclusive right to sell listing form or an exclusive agency agreement be broker-loaded or sent to the MLS Central Office for staff load within 48 HOURS after all necessary signatures of seller(s) have been obtained. 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.

- (a) single family homes for sale or exchange including condominiums
- (b) residential vacant lot and acreage for sale or exchange
- (c) two-family, three-family and four-family residential buildings for sale or exchange

The following are some of the types of properties that may be VOLUNTARILY filed through the Service at the Participant's option:

- (a) other residential income
- (b) subdivided vacant lots
- (c) land, ranch or farms
- (d) business opportunity
- (e) motel-hotel
- (f) mobile home parks
- (g) commercial income
- (h) industrial

1.1 Listings subject to Rules and Regulations of the Service: Any listing taken with the Multiple Listing Service is subject to the Rules and Regulations of the Service upon signature of the seller(s).

(a) A listing that is already actively listed in the Service cannot be re-listed with the original listing agency until the original listing is reported either withdrawn, sold and closed or expired.

(b) Broker loaded listings must contain the mandatory fields as promulgated by the MLS.

(c) Agencies, agents and seller's personal information and showing instructions in the Public Remarks section of the listings is prohibited (Examples of personal info include, but are not limited to, e-mail address, websites, mobile/cell numbers, agent home phone, company affiliations or advertisements, etc.) Agents and offices will each be fined \$50 and will have 48 hours to remove the personal information. If the information is not removed within 48 hours, the fines will be doubled to \$100 each and an additional 48 hours given to remove the information. In the event the prohibited information is still not removed, the MLS Staff will remove such info and an additional fine of \$250 each will be imposed. (Rev. 9/05)

(d) Branded Virtual Tours will be prohibited on listings processed by the Monmouth/Ocean MLS as well as any and all links to any websites in the public remarks section. (Examples of Branded Tours would be tours that include, but are not limited to information such as e-mail address, websites, mobile/cell numbers, company affiliations or advertisements, etc.) The MLS Staff will remove such violations including the actual virtual tour upon complaint. (Rev. 9/05)

(e) Mandatory change of Multiple Listing System passwords periodically, as mandated by the MLS Committee. (Rev. 9/05)

1.2 Exempted Listings: If the seller refuses to permit the listing to be disseminated by the service, the Participant may then take an exclusive right to sell (Office Exclusive) and such listing shall be filed with the Service but not disseminated by the Service. Office exclusive listings are to be excluded from any and all web sites that the MLS forwards data to. (Rev. 2/06)

1.3 Amendment to Current Listing: Any change in listed price or expiration date after processing shall be made ONLY when authorized in writing by the seller(s) as per the original listing contract.

1.4 Withdrawal of Listing Prior to Expiration: Listings of property may be withdrawn from the Multiple Listing Service by the Listing Broker before the expiration date of the listing agreement. 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 can document that his exclusive relationship with the listing broker has been terminated, the multiple listing service may remove the listing at the request of the seller.

(a) a listing may be withdrawn in two ways: CONDITIONAL (NEGOTIABLE) or UNCONDITIONAL.

(b) the seller may retain the right to sell to his employer or employer's agent. This would constitute an unconditional withdrawal, without penalty of commission payment. The listing agreement should have a note to that effect.

(c) all withdrawals are effective on the date signed and broker-loaded

1.5 Contingencies Applicable to Listings: any contingency or conditions of any term in the listing shall be specified and noticed to all Participants.

1.6 All properties which are to be sold or may be sold separately may be listed aggregately.

1.7 Listing Price Specified: The full gross listing price should be stated in the contract. The Multiple Listing Service shall not accept net or open listings.

1.8 The Multiple Listing Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Multiple Listing Service shall not fix, control, recommend, suggest, or maintain the

division of commissions or fees between cooperating Participants or between Participants and nonparticipants.

1.9 ANY LISTING BROKER-LOADED WITH THE MLS AUTOMATICALLY EXPIRES AT MIDNIGHT THE DATE OF EXPIRATION.

(a) If extension is not entered by midnight expiration the date of expiration, then a new listing must be published and charged as a new listing.

(b) Any extension or renewal of a listing must be signed by the sellers.

1.10 Jurisdiction: Only listings of the designated types of property located within the jurisdiction of the Association of REALTORS are required to be entered into the Service. Listings of property which are located outside the Association's jurisdiction will be entered if submitted voluntarily by a Participant, but cannot be required by the Service. See Article IV for further information.

1.11 Listings of Suspended Participants: When a Participant of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Association Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the Association (except where MLS participation without Association membership is permitted by laws or MLS [or both]) for failure to pay appropriate dues, fees or charges, an Association MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing information. Prior to any removal of 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/her clients.

1.12 Listings of Terminated or Expelled Participants: When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Association Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS 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 Association (except where MLS participation without Association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an Association MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised in writing of the intended removal so that the expelled Participant may advise his clients.

1.12A 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 from the MLS, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise his clients.

1.13 The method of listing distribution to the Participant's office or offices shall be by privately contracted delivery service (courier service) in accordance with the

areas serviced (Association's jurisdiction), by the agreement of delivery, now in effect with the private delivery service. Any Participant whose office is outside the area serviced by the private delivery service must make special arrangements with the MLS for delivery of the MLS material to their office at the Participant's expense.

1.14 Listings filed with the Multiple Listing Service shall not be made available to any non-participating broker without the consent of the listing broker. However, every member should cooperate with any New Jersey licensed Real Estate Broker when in the best interests of their clients.

1.15 Multiple Listing information is privileged information and will not be made available to anyone except as stated in 1.14 above.

Section 2. INTERNET DATA EXCHANGE (IDX) – IDX affords MLS Participants the option of authorizing display of their active listings on other Participants' Internet websites.

2.1 AUTHORIZATION: Participants' consent for display of their active listings by other Participants pursuant to these rules and regulations must be established in writing. If a Participant withholds consent on a blanket basis to permit the display of that Participant's listings, that Participant may not download or frame the aggregated MLS data of other Participants.

2.2 PARTICIPATION: Participation in IDX is available to all MLS Participants who consent to display of their listings by other Participants.

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

2.3.1 Participants must notify the MLS of their intention to establish an IDX site and make their site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.

2.3.2 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

2.3.3 Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited.

2.3.4 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.

2.3.5 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").

2.3.6 Participants shall not modify or manipulate information relating to other Participants listings. (This is not a limitation on site design but refers to changes in actual listing data).

- 2.3.7 The right to display other Participants' listings pursuant to IDX shall be limited to a Participant's office(s) holding participatory rights in this MLS.
- 2.3.8 When displaying listing content, a participant or user's IDX site must clearly identify the name of the brokerage firm under which the participant operates, in a readily visible color and typeface.
- 2.3.9 All listings displayed pursuant to IDX shall identify the listing firm.
- 2.3.10 All listings displayed pursuant to IDX shall identify the listing agent.
- 2.3.11 Listing information downloaded and/or otherwise displayed pursuant to IDX shall be limited to properties listed on an exclusive right to sell and exclusive agency basis. (Office exclusive listings will not be forwarded to IDX sites.)
- 2.3.12 All listings displayed pursuant to IDX shall show the MLS as the source of the information.
- 2.3.13 Participants (and affiliated licensees, if applicable) must refresh all downloads and refresh all data at least once every two (2) days.
- 2.3.14 Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively 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.
- 2.3.15 No portion of the IDX database shall be used or provided to any person or entity for any purpose other than those expressly provided for in these rules.

(Rev. 7/06)

ARTICLE VIII - SELLING PROCEDURES

Section 1. Negotiations with the seller for the showing and/or the purchase of listed property filed with the Multiple Listing Service shall be conducted through the Listing Broker with the following exceptions:

- a) the listing broker gives the selling broker specific authority to negotiate directly, or
- b) after reasonable effort, the selling broker cannot contact the listing broker or his representatives, however, the listing broker, at his option, may preclude such direct negotiations by the cooperating broker.
- c) in addition, the selling office sends to the listing office a copy of the contract of sale, enabling the listing office to report the sale through the MLS office. It is the listing broker's responsibility to report the sale within 48 hours after attorney review.

Section 2. In the event a reported sale fails to be consummated, the selling broker shall notify, within 24 hours the listing broker and also provide to the listing broker written documentation as to the reason why the deal fell through. The listing broker shall, within 24 hours, report the listing "back on the market."

Section 3. Listing Broker must make arrangements to present offer to the owner or his authorized representative within 24 hours of receipt of the written offer by their firm.

3.1 Right of Cooperating Broker in Presentation of Offer: The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does

not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's written instruction. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

3.2 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 where the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 4. A listing shall not be advertised by a Participant, other than the listing broker, without prior consent of the listing broker.

Section 5. The LISTING BROKER and ONLY the listing broker may remove a lockbox and/or report its removal.

5.1 Lockboxes must be removed immediately after a multiple listing expires.

5.2 Any key, programmer or other device (hereinafter referred to as "key") by which a lock box can be opened shall be nonduplicative. By "nonduplicative" it is not meant that the key is necessarily covered by a current patent but that it cannot be readily copied in the manner that other types of keys ordinarily are.

5.3 Keys must be obtained from the original manufacturer, from a recognized vendor of lock box systems or from any other legitimate source. Prior to utilizing previously used keys, lids or boxes, information shall be obtained from the original manufacturer to determine whether the key's pattern, code or configuration is already in use by other Boards, Multiple Listing Services or other users in the vicinity. Surrounding Boards and Multiple Listing Services shall also be contacted to determine whether the key's pattern, code or configuration is currently in use.

5.4 The lock box system is an activity of the Monmouth County Association of REALTORS®-owned and operated MLS.

Every MLS Participant and every non-principal broker, sales licensee and licensed or certified appraiser who is affiliated with an MLS Participant and who is legally eligible for MLS access shall be eligible to hold a key subject to their execution of a lease agreement with the MLS.

In the case of non-principal brokers, sales licensees, and licensed or certified appraisers, the lease agreement shall be cosigned by the designated REALTOR or the office's broker of record. Lease agreements shall spell out the responsibilities of the parties and shall incorporate by reference any applicable rules or regulations or other governing provisions of the Board or MLS that relate to the operation of the lock box system. The lease agreement shall also provide that keys may not be used under any circumstances by anyone other than the key holder.

The Association may, at its discretion, authorize unlicensed personal assistants, administrative and clerical staff, and individuals seeking licensure as real estate appraisers, who are under the direct supervision of a designated REALTOR, or MLS Participant, or their licensed designee, to hold a lock box key on the same terms and conditions as non-principal brokers and sales licensees.

No one shall be required to lease a key from the Board except on a voluntary basis.

The Association may, at its discretion, lease keys to Affiliate Members actively engaged in a recognized field of real estate practice or in related fields. In such instances, the lease agreement shall be signed by the key holder and by a principal, partner or corporate officer of the key holder's firm.

Key lease agreements may, at the option of the Board, contain a liquidated damages provision to offset some or all of the Board's costs in reestablishing the security of the system if it is determined that the security has been compromised through the negligence or fault of the key holder.

5.5 The Association shall maintain current records as to all keys issued and in inventory. There shall be an audit, at least annually, of all keys, whether issued or in inventory. This requirement may be satisfied by a physical inventory or, alternatively, by receipt of a statement signed by the key holder and the designated REALTOR, broker of record, or, in the case of an Affiliate Member, by a principal, partner or corporate officer of the key holder's firm, attesting that the key is currently in possession of the key holder.

5.6 Lock boxes may not be placed on a property without written authority from the seller. This authority may be established in the listing contract or in a separate document created specifically for the purpose.

5.7 Boards shall charge key holders and their cosignatories with the joint obligation of immediately reporting lost, stolen or otherwise unaccountable for keys to the Board. Upon receipt of notice the Board shall take any steps deemed necessary to resecure the system.

5.8 Boards shall adopt written, reasonable and appropriate rules and procedures for administration of lock box systems which may include appropriate fines, not to exceed \$1,000. Any issuing fees, recurring fees, or other administrative costs shall be established at the discretion of the Board and set forth in the rules and procedures. All key holders, whether Board members or not, shall agree, as a condition of the key lease agreement, to be bound by the rules and procedures governing the operation of the lock box system.

5.9 Notwithstanding the foregoing, Boards and Multiple Listing Services may sell electronic lock box programmers to MLS Participants and others eligible to hold lock box keys pursuant to these requirements provided that such devices may be deactivated, if necessary, within a reasonable period not to exceed thirty (30) days and that the Participant has authorized the sale in writing.

Section 6. The Listing Broker shall log the closing of sale to the MLS office within 48 hours after closing of sale.

ARTICLE IX - REFUSAL TO SELL

If the seller of any listed property filed with the MLS refuses to accept a written offer on the terms and conditions stated in the listing, such fact shall be transmitted to the Service and to all Participants.

ARTICLE X - PROHIBITIONS

Any listing filed with MLS shall not be made available to any NON-PARTICIPANT in MLS without prior consent of the LISTING BROKER and in accordance with Article XV.

Section 1. For Sale Signs. Only the "For Sale" sign of the listing broker may be placed on a property.

Section 2. Under Contract Signs. Prior to closing, the "Under Contract" 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 3. Participants shall not solicit a listing on a property filed with the Service unless such solicitation is consistent with Article 16 of the REALTOR® Code of Ethics, its Standards and Practice, and its Case Interpretations.

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

ARTICLE XI - COMPLIANCE WITH RULES

Section 1. The following actions may be taken for non-compliance with the rules:

a) For failure to pay service fees within one month of due date, and provided that at least ten days notice has been given, the service shall be suspended until service fees are paid in full. Such suspensions to be notified to the Participants through the daily bulletins.

b) In the event service fees are not paid within 30 days from date of suspension, the violator's participation will be terminated automatically. A former Participant who has had his participation terminated may apply for reinstatement in the manner prescribed for new applicants for participation, after making payment in full of all past due accounts and service charges. Their payments must be paid prior to entertaining a new application from a former Participant.

c) If a Participant of MLS is suspended or terminated from the MLS, all listings currently filed with the MLS by such member shall be maintained as active listings until either sold and closed, withdrawn or expired and shall not be renewed or extended beyond the termination of the present contract. To serve the public, the suspended or terminated Participant may file standard amendments to existing listings if they do not intend to renew or extend the period of time for such current listing. (Rev. 10/02)

d) For failure to comply with any other rules the provisions of Article XII shall apply.

ARTICLE XII - ENFORCEMENT OF RULES AND REGULATIONS

Section 1. The MLS Committee shall give consideration to all written complaints having to do with a violation of these Rules and Regulations.

Section 2. Violations of Rules and Regulations: If the alleged offense is a violation of these Rules and Regulations and does not involve a charge of alleged unethical conduct or request for arbitration it may be considered and determined by the Multiple Listing 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 Monmouth County Association of REALTORS®, for a hearing in accordance with the bylaws of the Association. In any instance where a Participant of the Association’s Multiple Listing Service is charged with a violation of the MLS Rules and Regulations and after a hearing by the MLS Committee, refuses to accept any sanction or discipline proposed, the circumstances and the discipline proposed shall be referred to the Board of Directors of the Monmouth County Association of REALTORS® which shall, if it deems the findings of violation proper and the sanction appropriate to the offense, delay the effective date of sanction until final entry by a court of competent jurisdiction the disciplinary action and proposed sanction violates no rights of the Multiple Listing Service Participant. Any member in violation of any of the above stipulated Rules and Regulations may be fined up to \$5000. All fines are payable within ten (10) working days and if not paid may result in an automatic suspension of service whereby Article XI, Section 1(b) of these operating rules shall be enforced. (Rev. 7/06)

Section 3 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the Association for appropriate action in accordance with the professional standards procedures established in the Bylaws.

ARTICLE IX - ORIENTATION

All Participants in the Monmouth County Multiple Listing Service must complete a mandatory Association Orientation Program devoted to MLS Rules and Regulations, not to exceed eight hours of instruction, and completed within 30 days of application. The purpose of the Orientation is to inform all as to:

- a) purpose of Multiple Listing Service
- b) advantages of Multiple Listing Service
 - 1. To member
 - 2. To seller and/or buyers
- c) explanation of rules and regulations
- d) procedure to follow when submitting listings to service
 - 1. explanation of forms used in MLS
 - 2. reporting pertinent data

In as much as Participants are held accountable for the actions of the sales licensees affiliated with their firm, it is strongly recommended that all sales licensees also attend the orientation course to avoid the Participant being charged with a possible violation of these rules and regulations based on actions or activities of said salespersons affiliated with the firm. Waivers to this requirement may be given under certain circumstances by the Multiple Listing Committee Chairperson.

ARTICLE XIV - PUBLICATION AND INFORMATION

Section 1. 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 authorized and qualified to act as cooperating agents of the listing broker in the sale of property filed with the Service and real estate licensees affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants.

Section 2. 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.

Section 3. Access to Comparable and Statistical Information: Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building, but who do not participate in MLS, are nonetheless entitled to receive, by purchase or lease, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Association Members who receive such information, either as an Association service or through the Association's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not.

ARTICLE XV - OWNERSHIP OF MLS COMPILATIONS AND COPYRIGHTS

Section 1. By the act of submission of any property listing data to the Association MLS the Participant represents that he has been authorized to grant and also thereby does grant authority for the Association to include the property listing data in its copyrighted MLS Compilation and also in any statistical report on "Comparables".

Section 1a. All rights, title and interest in each copy of every MLS Compilation created and copyrighted by the Monmouth County Association of REALTORS®, and in the copyrights therein, shall at all times remained vested in the Monmouth County Association of REALTORS®.

Section 1b. Each Participant shall be entitled to lease from the Monmouth County Association of REALTORS® a number of copies of each MLS Compilation sufficient to provide the participant and each person affiliated as a licensee with such Participant with one copy of such MLS Compilation. The Participant shall pay for each such copy, the rental fee set by the Association.

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

ARTICLE XVI - USE OF COPYRIGHTED MLS COMPILATIONS

Section 1. 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 the Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law.

Section 1A. DISPLAY: Participants, and those persons affiliated as licensees with such Participants, shall be permitted to display the MLS Compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said MLS Compilation.

Section 1B. 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, for mortgage or appraisal purposes, 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.

Provided, however, that 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.

Section 2. LIMITATIONS OF USE OF MLS INFORMATION: Use of information from MLS compilation of current listing information, from the Association's "Statistical Report," or from any "sold" or "comparable report of the Association or MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited.

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the Association or the 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 Monmouth County Association of REALTORS® Multiple Listing Service for the period _____ through _____ (date).”

Section 3. CHANGES IN RULES AND REGULATIONS. Amendments to the Rules and Regulations of the Service shall be by a majority vote of the members of the Multiple Listing Service Committee, subject to approval by the Board of Directors.

Revised and approved by the National Association of REALTORS® July 2006.