GREAT FALLS ASSOCIATION OF REALTORS® MULTIPLE LISTING SERVICE RULES and REGULATIONS

ADOPTED

Revised per changes adopted by the Board of Directors June 2018 Revised per changes adopted by NAR in May & November 2017 effective January 2018

AUTHORITY

The association of REALTORS® shall maintain for the use of its members a multiple listing service, which shall be subject to the bylaws of the association of REALTORS® and such rules and regulations as may be hereinafter adopted.

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 databases; 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 procuring cause of sale (or lease). (Amended 11/04)

PARTICIPATION

Any REALTOR® of this or any other Association, who is a principal, partner, corporate officer, or branch 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 Montana real estate broker's license and offer or accept compensation to and from other participants, or are licensed or certified in Montana to engage in the appraisal of real property. Use of information developed by or published by an association multiple listing service is strictly limited to the activities authorized under a participant's licensure (s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by an association's multiple listing service where access to such information is prohibited by law. (Amended 11/08; 09/15)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and on-going basis during the operation of the Participant's real estate business. The "actively" requirement is

not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a Virtual Office Website ("VOW") (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offer of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a non-discriminatory manner to all participants and potential participants. (Adopted 11/08)

The Great Falls Association of REALTORS® MLS limits participatory rights to individual principal brokers, or to their firms, and to licensed or certified appraisers, who maintain an office or Internet presence from which they are available to represent real estate sellers, buyers, lessors or lessees or from which they provide appraisal services. (GFAR Adopted 02/11)

GFAR staff will conduct an annual audit of all MLS participants listing, selling and log in activity to verify if all participants meet the eligibility requirements for participation in the MLS as per the MLS Rules and GFAR Bylaws. (GFAR Adopted 09/10)

GFAR will notify any participant that does not meet the GFAR participation eligibility requirements of their ineligibility by written notification. (GFAR Adopted 09/10)

SUPERVISION

The activity shall be operated under the supervision of the multiple listing service committee, in accordance with the rules and regulations, subject to the approval of the board of directors of the association of REALTORS®.

APPOINTMENT OF COMMITTEE

The President shall appoint, subject to confirmation by the Board of Directors, a multiple listing committee of a minimum of seven (7) REALTOR® members. REALTORS® affiliated with participants may be appointed to serve in such numbers as determined by the local association. The Committee members so named shall serve three (3) year staggered terms. The chairperson shall be designated by the president. (Amended 10/12)

VACANCIES

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

ATTENDANCE

Any committee member that fails to attend three (3) regular or 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. (Amended 10/12)

SUBSCRIBERS

Subscribers (or users) of the MLS include non-principal brokers, sales associates and licensed and certified appraisers affiliated with participants.

ACCESS TO COMPARABLE AND STATISTICAL INFORMATION

Association Members who are actively engaged in real estate brokerage, management, appraising, land development or building, are 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 specified in the MLS Rule 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.

INTERNET DATA EXCHANGE (IDX)

MLS participants in good standing are eligible to participate in the IDX service provided by the Great Falls Association of REALTORS® Multiple Listing Service per specific IDX policies adopted into these MLS rules by reference. In addition MLS Participants are subject to MLS Rules, Section 18, as it relates to IDX.

VIRTUAL OFFICE WEBSITE (VOW)

MLS participants who operate a VOW and are in good standing are eligible to participate in the same manner as those who chose the IDX service provided by the Great Falls Association of REALTORS® Multiple Listing Service per specific VOW policies adopted into these MLS Rules by reference. In addition MLS Participants are subject to MLS Rules, Section 19, as it relates to VOW.

FLEX MLS BULK EMAIL SYSTEM

The FlexMLS Bulk Email function is for the exclusive purpose of: (1) Marketing active properties that are in the GFAR MLS system with an assigned GFAR MLS number (No Non-MLS listings), (2) Marketing rental/leased properties, (3) Posting search needs to assist buyers and renters/lessees in looking for properties, (4) Marketing pended properties when it is made clear that a current offer is in place. Violation will result in a \$50 fine for the first offense, \$250 fine for the second offense, and permanent suspension of access to the email feature for the third offense. (GFAR adopted 03/16)

Note: Please provide adequate information in the Subject Line so licensees can decide whether to open the message.

For the purposes of this document, "Multiple Listing Service" shall be referenced as "MLS".

LISTING PROCEDURES

SECTION 1

<u>Listing procedures:</u> Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, and are located within the territorial jurisdiction of the MLS, and are taken by participants on an exclusive right to sell or an exclusive agency listing form shall be filed with the MLS within 24 hours after all necessary signatures of the seller (s) have been obtained. (Exclusive agency listings must be clearly marked on the data sheet and submitted to MLS.) (Amended 11/01)

- (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

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 MLS, although a property data form may be required as approved by the MLS. However, the MLS, through its legal counsel:

- May reserve the right to refuse to accept a listing form which fails to adequately protect the interest of the public and the participants.
- 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 compensation to the other participants of the MLS acting as subagents, buyer agents, or both. (Amended 11/96)

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

The different types of listing agreements include:

- Exclusive right to sell
- Exclusive agency
- Open
- Net.

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

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

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

Listings with named exclusions shall be noticed to all participants in the MLS.

Exclusive agency listings shall be noticed to all participants in the MLS.

NOTE 2:

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

NOTE 3:

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

GFAR Note: Co-Listing with a Non-Member

The eligibility of a listing to be placed in the MLS and co-listed with a non-member of the GFAR MLS is allowed only if the non-member is a REALTOR licensed as a Broker or Sales Agent in Montana. The co-listing agent field must be set to "A Non-Member". (GFAR adopted 07/09)

The contact information of the non-GFAR member Co-Broker/Agent is allowed in the "confidential/agent only" sections of the listing details. (GFAR adopted 09/09) A copy of the listing agreement must be provided to GFAR within 24 hours of filing the listing with the MLS. (GFAR adopted 10/13)

SECTION 1.1.1

<u>Listings Subject to Rules and Regulations of the Service:</u> any listing taken on a contract to be filed with the MLS is subject to the rules and regulations of the service upon signature of the seller(s).

SECTION 1.2

<u>Detail on Listings Filed with the Service:</u> A listing agreement or property data form (e.g., the data input screen in the MLS system), when filed with the MLS by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form. The MLS input screen indicates the mandatory data fields, and the Participant and Subscriber/User must ensure that all data entered into the MLS system is accurate and complete. (GFAR amended 09/12)

GFAR Note 1: Owner's Name Policy

The Owner's name (s) must be accurate and cannot be completed as "Of Record". (GFAR 10/13)

GFAR Note 2: Branding Policy

The listing content of public fields, remarks, photographs, videos, virtual tours and like fields within the MLS may only contain descriptions of the property and its vicinity. Additionally, there shall not be anything in the public fields or remarks, which takes the consumer away from the site on which they are viewing the listing, including but not limited to URLs, live links or phone numbers. (GFAR adopted 01/15, GFAR amended 03/15)

GFAR Note 3: Bank Owned (REO), Auction Properties Policy

Listing content of public fields must follow Section 1.2 including the Owner Name and Branding Policies. GFAR prohibits the use of websites and third party information in public fields. Instructions to cooperating brokers, representing potential buyers, may only be placed in the private addendum field. (GFAR adopted 07/17)

SECTION 1.2.1

<u>LIMITED SERVICE LISTINGS</u>: LISTING AGREEMENTS UNDER WHICH THE LISTING BROKER WILL NOT PROVIDE ONE, OR MORE, OF THE FOLLOWING SERVICES:

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

will be identified with the code "LS" in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property. (GFAR 10/10)

SECTION 1.2.2

MLS Entry Only Listings: Listing agreements under which the listing broker will not provide any of the following services:

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

will be identified with the code "EO" in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property. (GFAR 10/10)

SECTION 1.3

<u>Exempt Listings</u>: If the seller refuses to permit the listing to be disseminated by the service, the participant may then take a listing (office exclusive) and such listings 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.

SECTION 1.4

<u>Change of Status of Listing:</u> Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with the service within twenty-four (24) hours (except weekends, holidays, and postal holidays) after the authorized change is received by the listing broker.

SECTION 1.5

<u>Withdrawal of Listing Prior to Expiration:</u> Listings of property may be withdrawn from the MLS by the listing broker before the expiration date of the listing agreement, provided notice is filed with the service, including a copy of the agreement between the seller and the listing broker which authorized the withdrawal.

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

SECTION 1.6

<u>Contingencies Applicable to Listings:</u> Any contingency or conditions of any term in a listing shall be specified and noticed to the participants.

SECTION 1.7

<u>Listing Price Specified:</u> The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings unless the property is subject to auction. (Amended 11/92)

SECTION 1.8

<u>Listing Multiple Unit Properties:</u> 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 MLS. All subdivisions and multiple unit properties and parts thereof must have separate listing numbers entered with the MLS. (GFAR Amended 05/15)

SECTION 1.9

No Control of Commission Rates or Fees Charged by Participants: 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 cooperating participants or between participants and non-participants.

SECTION 1.10

Expiration-of Listings: Listings filed with the MLS will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed. (Amended 11/01)

If notice of renewal or extension is received after the listing has been removed from the compilation of current listings, the extension or renewal will be published in the same manner as a new listing. Extensions and renewals of must be signed by the seller (s) and filed with the service. (Amended 11/01)

GFAR Note: The MLS will track and report Agent Days on Market and Accumulative Days on Market. A listing that is off the market for 60 days is considered a new listing. (GFAR adopted 01/09)

Days on Market Fields are not automatically included but may be requested in the standard IDX feed and public reports. Participants and Subscribers may include days on market information to the public. (GFAR amended 04/14 per NAR request)

SECTION 1.11

<u>Termination Date on Listings:</u> Listing filed with the service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.

SECTION 1.12

<u>Service</u>: Only listings of the designated types of property located within the service area of the MLS are required to be submitted to the service. Listings of property located outside of the

MLS's service area will be accepted if submitted voluntarily by a participant, but cannot be required by the service. (Amended 11/01, 02/18)

Service Area is considered the entire State of Montana. (GFAR Amended 09/15, 02/18)

SECTION 1.13

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

SECTION 1.14

Listings of Expelled Participants: When a participant of the MLS is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges) all listings currently filed with the MLS by the expelled participant shall, at the participant's option, be retained in the service until sold, withdrawn, or expired, and shall not be renewed or extended by 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 expelled participant's listings from the MLS, the expelled participant should be advised in writing of the intended removal so that the expelled participant may advise his clients.

SECTION 1.15

<u>Listings of Resigned Participants:</u> When a participant of the service resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned participant's listings in the MLS compilation of current listing information. Prior to any removal of 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 or her clients.

SECTION 1.16

<u>Audit of Listing Information:</u> In the interest of insuring MLS members' adherence to the MLS rules the MLS staff is charged with the task of conducting random audits. When notified of an audit, the participating broker shall supply the information requested by the MLS staff, along with the broker's signature on a statement, which attests to the validity of the listing contract.

This audit shall not be construed as an audit for the validity of the contractual stipulations of the listing contract. (GFAR amended 09/12)

Failure to provide the staff with the information requested within 48 hours of notification may result in a fine of up to \$200 for the first occurrence, and up to \$450 for the second occurrence. Failure to pay the fine or to participate in the audit or to respond to a complaint shall result in the member appearing before the Board of Directors of the Great Falls Association of REALTORS® to explain why the procedure was not followed or the fine levied by the MLS Committee was not paid. For failure to comply the provisions of Section 9 and 9.1 shall apply.

SELLING PROCEDURES

SECTION 2

<u>Showings and Negotiations:</u> Appointments for showings and negotiations 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:

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

SECTION 2.1

<u>Presentation of Offers:</u> The listing broker must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so. (Amended 4/92)

SECTION 2.2

<u>Submission of Written Offers and Counter-offers:</u> 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 listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer.

Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated. (Amended 11/05)

SECTION 2.3

Right of Cooperating Broker in Presentation of Offer: The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has

the right to a copy of the seller's or lessor's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations. (Amended 4/92)

SECTION 2.4

Right of Listing Broker in Presentation of Counter-Offer: The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except 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. (Adopted 11/93)

SECTION 2.5

Reporting Sales to the Service: Status changes, including final closing of sales and sales prices, shall be reported to the MLS by the listing broker within twenty-four (24) hours after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, status changes, including final closing of sales and sales prices, shall be reported to the MLS by the listing broker within forty-eight (48) hours after they have occurred and the cooperating broker shall report such information to the listing broker within twenty-four (24) hours after occurrence. (Amended 11/11, GFAR Amended 04/12, 05/15)

Note 1: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the MLS; to provide timely notice of status changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the MLS to its participants. (Amended 11/01)

Note 2: In disclosure states, if the sale price of a listed property is recorded, the reporting of the sale price may be required by the MLS.

In states where the actual sales prices of completed transactions are not publicly accessible, failure to report sales prices can result in disciplinary action only if the MLS:

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

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property) and to confirm accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing

services to participants and subscribers. In any instance where a governmental body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices. (Adopted 11/11)

Note 3: As established in the Virtual Office Website ("VOW") policy, sales prices can only be categorized as confidential in states where the actual sale prices of completed transactions are not accessible from public records. (Adopted 11/11)

SECTION 2.6

<u>Reporting Resolutions of Contingencies:</u> The listing broker shall report to the MLS within twenty-four (24) hours that a contingency on file with the MLS has been fulfilled or renewed, or the agreement canceled.

SECTION 2.7

<u>Advertising of Listings Filed with the Service:</u> A listing shall not be advertised by any participant other than the listing broker without the prior consent of the listing broker.

SECTION 2.8

Reporting Cancellation of Pending Sale: The listing broker shall report immediately to the MLS the cancellation of any pending sale and the listing shall be reinstated immediately.

SECTION 2.9

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

REFUSAL TO SELL

SECTION 3

<u>Refusal to Sell:</u> If the seller of any listed property filed with the MLS refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the service and to all participants.

PROHIBITIONS

SECTION 4

<u>Information for Participants Only:</u> Any listing filed with the MLS shall not be made available to any broker or firm not a member of MLS without the prior consent of the listing broker.

SECTION 4.1

<u>For Sale Signs:</u> Only the for sale signs of the listing broker may be placed on the property. (Amended 11/89)

SECTION 4.2

<u>Sold Signs:</u> Prior to closing, only the sold sign of the listing broker may be placed on a property, unless a listing broker authorizes a cooperating (selling) broker to post such a sign. (Amended 4/96)

SECTION 4.3

Solicitation of Listing Filed with the Service: Participants shall not solicit a listing on property filed with the service unless such solicitation is consistent with Article 16 of the REALTORS® Code of Ethics, its Standard of Practice and its Case Interpretations.

SECTION 4.4

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

DIVISION OF COMMISSIONS

SECTION 5

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

In filing a property with the MLS of an Association of REALTORS®, the participant of the MLS 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 other MLS participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his or her 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 subagents, buyer agents, or in other agency or non-agency capacities defined by law) which may be the same or different. (Amended 11/96)

This shall not preclude the listing broker from offering any MLS participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker in writing in advance of submitting an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other participants in the service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount. (Amended 5/10)

NOTE 1:

The MLS shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his or her listing contract, and the association MLS shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The association MLS 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 MLS 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 MLS 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:

MLS's, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction. (Amended 5/10)

NOTE 5:

Nothing in these MLS rules precludes a listing participant and a cooperating participant, as a matter of mutual agreement, from modifying the cooperative compensation to be paid in the event of a successful transaction. (Adopted 11/05)

NOTE 6:

MLS's must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers; where the sale price is insufficient to pay the total of all liens and costs of sale; and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. MLS's may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they may, as a matter of local discretion, also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales, if allowed by local rules, must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers. (Amended 5/09) (GFAR requires disclosure of a short sale. Option 2 of Section 5.0.1 was adopted)

SECTION 5.0.1

<u>Disclosing Potential Short Sales:</u> Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of al liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing participants. (Amended NAR 5/09)

When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing agreement, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants. (Adopted 5/09)

Where participants communicate to other participants how any reduction in gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between the listing and cooperating participants, listing participants shall disclose to cooperating participants in writing the total reduction in the gross commission and the amount by which compensation payable to the cooperating broker will be reduced within <u>24</u> hours of receipt of notification from the lender. (NAR adopted 5/10) (GFAR adopted 03/11)

SECTION 5.1

<u>Participant as Principal:</u> 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 MLS, that person shall disclose that interest when the listing is filed with the MLS and such information shall be disseminated to all MLS participants. (As per license law in MCA 37-51-309)

SECTION 5.2

<u>Participant as Purchaser:</u> 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)

SECTION 5.3

Dual or Variable Rate Commission Arrangements: The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/lease 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 in the appropriate field in 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. (Per NAR 7/07)

SERVICE CHARGES

SECTION 6

<u>Service Fees and Charges:</u> The following service charges for operation of the MLS are in effect to defray the cost of the Service and are subject to change from time to time in the manner prescribed:

- (a) Initial Participation Fee: An applicant for participation in the service shall pay an application fee of \$900.00 with such fee to accompany the application.
- (b) Recurring Participation Fee: The monthly participation fee shall be an amount approved by the Board of Directors, times each sales person and licensed or certified appraiser who has access to and use of the service, whether licensed as a broker sales licensee, or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such participant. (Amended 02/18)
- (c) Invoices are due on the 10th of every month and considered late after the 15th of each month at which time a 5% late fee is applied. On the 16th of the month the Participant could be suspended from the service until ALL fees including late charges are paid in full. A reconnect charge of \$100 per office will apply at the time of reconnection and must be paid prior to reconnection.
- (d) MLS only Participation: All recurring participation fees apply as stated in Section 6 (b).
- (e) Listing Fee: A participant shall pay administrative fee in an amount equal to the number of listings and/or photo uploads he /she has staff enter into the service during the previous month multiplied by an amount approved by the Board of Directors. (Amended GFAR 09/16)
- (f) Licensee Transfer: When an individual moves from one broker to another broker and/or office within the GFAR MLS the individual will be assessed an administrative transfer fee of \$50 to be paid to the MLS at the time of transfer and must accompany required paperwork. (GFAR 06/08)

(g) Lack of Notification Charge: The releasing/supervising broker must notify the MLS office within one business day after the sales persons license has been sent to the BRR for release or transfer, or the releasing/supervising broker will be assessed a fine of \$200. (GFAR 06/08)

Section 6.1 Waiver

Participants will be given the option of a no-cost waiver of MLS Fees and Keycard Fees for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS where the principal broker/appraiser participates.

To be granted a waiver, the applicant (hereinafter, "Waiver Applicant") must satisfy and continue to satisfy all of the following requirements:

- 1. Waiver Applicant is NOT a Listing agent for any active Listing included in the MLS;
- 2. Waiver Applicant does NOT possess, control, or use a lockbox key to enter, view, or show any property that is listed in the MLS;
- 3. Waiver Applicant does NOT directly or indirectly access or use in any manner whatsoever the Listing information stored in the MLS. Such access and use includes, but is not limited to, direct access to or use of the MLS and the use of the other devices or services provided by the MLS or its affiliated or licensed vendors or suppliers, that permit access to and use of any Listing information from the MLS; and
- 4. Waiver Applicant does NOT use, directly or indirectly, in any manner whatsoever information from the MLS to list properties for sale or lease, to identify or locate properties for any potential buyers or lessees, and does not participate in listing or sales activity requiring licensure for any properties listed in the MLS.

Both the Waiver Applicant and the Participant with whom the applicant is affiliated through a license shall attest and certify in writing that Waiver Applicant meets all of the requirements for waiver of participation and shall agree to notify GFAR within fifteen (15) Days of the change should any of the requirements for continuing the waiver no longer be met. Violations of the Waiver are outlined in Section 9.3. (GFAR 06-18)

COMPLIANCE WITH RULES

SECTION 7

Compliance with Rules - Authority to Impose Discipline: By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the *administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- a. letter of warning
- b. letter of reprimand

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

*GFAR will administer in accordance with the GFAR MLS Rules Violation Policy. (GFAR 11-13)

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

SECTION 7.1

<u>Compliance with Rules:</u> The following action may be taken for noncompliance with the rules:

- (a) For failure to pay any service charge or fee within 10 days of the date due, and provide that at least 5 days-notice has been given, the service shall be suspended until service charges or fees are paid in full.
- (b) For failure to comply with any other rule, the provisions of Section 9 and 9.1 shall apply.
- (c) For failure to comply with Section 10.3 or 10.4, access to the MLS system will be disconnected, after a 10-calendar-day written notice, until the fines have been paid AND the compliance issue resolved or corrected to comply with the MLS Rules and Regulations.

SECTION 7.2

Applicability of Rules to Users and/or Subscribers: Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof provided the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the participant to the same or other

discipline. This provision does not eliminate the participant's ultimate responsibility and accountability for all users or subscribers affiliated with the participant. (Adopted 4/92)

MEETINGS

SECTION 8

<u>Meetings of MLS Committee:</u> The MLS committee shall meet for the transaction of its business at a time and place to be determined by the committee or at the call of the chairperson.

SECTION 8.1

<u>Meetings of MLS Participants</u>: The committee may call meetings of the participants in the MLS to be known as meetings of the MLS.

SECTION 8.2

<u>Conduct of Meetings:</u> The chairperson, or vice chairperson, shall preside at all meetings or, in their absence, a temporary chairperson from the membership or the committee shall be named by the chairperson, or upon his failure to do so, by the committee.

ENFORCEMENT OF RULES OR DISPUTES

SECTION 9

<u>Consideration of Alleged Violations:</u> The committee shall give consideration to all written complaints having to do with violations of the rules and regulations. (Amended 2/98)

SECTION 9.1

<u>Violation of Rules and Regulations:</u> If the alleged offense is a violation of the rules and regulations of the service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the MLS committee, and if a violation is determined the committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the professional standards committee of the association in accordance with the bylaws and rules and regulations of the association of REALTORS® within twenty (20) days following receipt of the committee's decision. (Amended 11/96) **Refer to *Note Below for Administrative Review Process Adopted by GFAR.**

If, rather than conducting an administrative review, the MLS committee has a procedure established to conduct hearings, the decision of the MLS committee may be appealed to the board of directors of the association of REALTORS® within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the association's grievance committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the association of REALTORS®. (Amended 2/98) **Refer to *Note Below for Established Procedure Adopted by GFAR.**

*Note: GFAR has adopted a MLS Rule Violation Policy that provides an administrative review, hearing process and appeal process. Refer to the GFAR MLS Rules Violation Policy. (GFAR 11-13)

SECTION 9.2

<u>Complaints of Unethical Conduct:</u> All other complaints of unethical conduct shall be referred by the committee to the Executive Officer of the association of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Association's Bylaws.

SECTION 9.3

<u>A Violation of the terms of the Waiver:</u> Shall result in the immediate activation of the licensee and charge all applicable fees back to the initial date of the violation, a fine of \$500, and may not apply for a waiver until one year from the date of the reactivation.

The Participant office shall be fined \$1,000 for each affiliated licensee found in violation of the Waiver Policy. (GFAR 06-18)

CONFIDENTIALITY OF MLS INFORMATION

SECTION 10

<u>Confidentiality of MLS Information:</u> Any information provided by the MLS 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)

SECTION 10.1

MLS not Responsible for Accuracy of Information: The information published and disseminated by the service is communicated verbatim without change by the service, as filed with the service by the participant. The MLS does not verify such information provided and disclaims any responsibility for its accuracy. Each participant agrees to hold the MLS harmless against any liability arising from any inaccuracy or inadequacy of the information such participant provides. (1/05)

SECTION 10.2

Access to Comparable and Statistical Information: Participants who are actively engaged in real estate brokerage, management, appraising, land development, or building, are 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 participants and individuals affiliated with participants 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.

SECTION 10.3

Access to the MLS database: Only licensed individuals will have access to the MLS database. If a licensed individual gives his or her access codes to an unlicensed individual or an unauthorized user whether licensed or not, the Broker associated with that licensee, and the Broker-Manager (or other appropriate title) associated with that licensee, and the licensee will be subject to discipline as outlined in Section 7 Compliance with the Rules. This will be administered in accordance with Section 9. (GFAR amended 10/13)

SECTION 10.4

<u>Unlicensed Assistant and/or Secretarial access/input to the MLS system:</u> The MLS system is designed for use by licensed individuals. If a participant wants an individual who is unlicensed, such as a secretary, clerical staff, or unlicensed assistant, to have access to the MLS system access is allowed as long as the individual is under the direct supervision of an MLS participant or the participant's licensed designee. Access will be granted only after a signed authorization has been filed with GFAR. If such access is available to unlicensed or uncertified individuals, their access is subject to the rules and regulations, the payment of applicable fees and charges (if any), and the limitations and restrictions of state law. None of the foregoing shall diminish the participant's ultimate responsibility for ensuring compliance with the rules and regulations of the MLS by all individuals affiliated with the participant. GFAR requires each unlicensed assistant and/or uncertified assistant to have and use their own access codes. (04/08) (Definition of unlicensed or uncertified assistant is anyone who does not have an active real estate and/or appraiser license.)

GFAR requires unlicensed assistants to complete an application signed by the Participant. A \$50 application fee is required and must be paid prior to receiving MLS access. (GFAR 09/17)

GFAR adopted the following list of tasks that an unlicensed assistant cannot perform for a Participant/Subscriber of the MLS. (GFAR 07/10)

1	Show properties, either rentals or sales
2	Preview home unless accompanied by licensee
	Place calls that would require a license such as cold calling, soliciting listings, contacting
	sellers/buyers or tenants in person or by phone,
3	contacting expired listings, placing marketing calls or extending open house invitation
3	of exterioring open flouse invitation
	Inspect and measure home unless accompanied by
4	licensee
5	Open property for appraisers, inspectors etc.
6	Attend settlement unless accompanied by licensee
7	Remove/install lock box
8	Negotiate or write contracts
9	Hold open house
10	Prepare promotional materials or ads without the review and approval of licensee and supervising broker

11	Answer any questions on listings, title, financing, closing etc.
12	Discuss or explain a contract, listing, lease agreement, or other real estate document
13	Attend pre-settlement walk-thru unless accompanied by licensee
14	Complete and execute rental agreements or leases
15	Negotiate or agree to any commission, commission split, management fee, or referral fee on behalf of a licensee
16	Solicit listings or management contracts from prospective clients
17	Negotiate the amount of rent, security deposit, or other lease provisions in connection with rental properties
18	Give out information on listed properties (doing so would in almost all instances constitute being involved in negotiations of the sale of property
19	Act as a "go-between" with a seller and a buyer such as when an offer is being negotiated
20	Discuss terms of an earnest money agreement with a buyer or seller
21	Be in possession of a MLS member's lock box key and all related equipment
22	May not disclose any confidential information
23	May not provide their MLS access codes to anyone

OWNERSHIP OF MLS COMPILATIONS* AND COPYRIGHTS

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

SECTION 11

By the act of submitting of any property listing content to the MLS the participant represents that he has been authorized to license and also thereby does license authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property. (NAR 07/07, NAR Amended 05/16, GFAR Amended 02/17)

Note: The Digital Millennium Copyright Act (DMCA) is a federal copyright law that enhances the penalties for copyright infringement occurring on the Internet. The law provides exemptions or "safe harbors" from copyright infringement liability for

online service providers (OSP) that satisfy certain criteria. Courts construe the definition of "online service provider" broadly, which would likely include MLSs as well as participants and subscribers hosting an IDX display.

One safe harbor limits the liability of an OSP that hosts a system, network or website on which Internet users may post user-generated content. If an OSP complies with the provisions of this DMCA safe harbor, it cannot be liable for copyright infringement if a user posts infringing material on its website. This protects an OSP from incurring significant sums in copyright infringement damages, as statutory damages are as high as \$150,000 per work. For this reason, it is highly recommended that MLSs, participants and subscribers comply with the DMCA safe harbor provisions discussed herein.

To qualify for this safe harbor, the OSP must:

- (1) Designate on its website and register with the Copyright Office an agent to receive takedown requests. The agent could be the MLS, participant, subscriber, or other individual or entity.
- (2) Develop and post a DMCA-compliant website policy that addresses repeat offenders.
- (3) Comply with the DMCA takedown procedure. If a copyright owner submits a takedown notice to the OSP, which alleges infringement of its copyright at a certain location, then the OSP must promptly remove allegedly infringing material. The alleged infringer may submit a counter-notice that the OSP must share with the copyright owner. If the copyright owner fails to initiate a copyright lawsuit within ten (10) days, then the OSP may restore the removed material.
- (4) Have no actual knowledge of any complained-of infringing activity.
- (5) Not be aware of facts or circumstances from which complained-of infringing activity is apparent.
- (6) Not receive a financial benefit attributable to complained-of infringing activity when the OSP is capable of controlling such activity.

Full compliance with these DMCA safe harbor criteria will mitigate an OSP's copyright infringement liability. For more information see 17 U.S.C. §512. .(NAR Adopted 11/15, GFAR Adopted 02/16)

SECTION 11.1

All right, title and interest in each copy of every MLS compilation created and copyrighted by the Great Falls Association of REALTORS®, and in the copyrights therein, shall at all times remain vested in the Great Falls Association of REALTORS.

SECTION 11.2

<u>Display</u>: Each participant shall be entitled to lease from Great Falls Association of REALTORS® a number of copies of each MLS compilation sufficient to provide the participant and each person affiliated as a licensee (including licensed or certified appraisers) with such participant with one copy of such compilation. The participant shall pay for each such copy the fee set by the association.

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

USE OF COPYRIGHTED MLS COMPILATION

SECTION 12

<u>Distribution:</u> Participants shall at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them by the association of REALTORS®, and shall not distribute any such copies to persons other than subscribers who are affiliated with such participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by an association MLS is strictly limited to the activities authorized under a participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed or published by an association MLS where access to such information is prohibited by law. (Amended 4/92)

SECTION 12:1

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

SECTION 12:2

<u>Reproduction:</u> Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof except in the following limited circumstances:

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

** It is intended that the participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the participants seeking to promote interest. The term "reasonable" as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of

a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to, the total number of listings in the MLS compilation, how closely the types of properties contained in such listings accord with prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

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

Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the participant. Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the participant and those licensees affiliated with the participant who are authorized to have access to such information. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm.

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

USE OF MLS INFORMATION

SECTION 13

<u>Limitations on use of MLS Information:</u> 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 its MLS 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 Great Falls Association of REALTORS® for the period (date) through (date). (Amended 11/93)

CHANGES IN RULES AND REGULATIONS

SECTION 14

<u>Changes in Rules and Regulations:</u> Amendments to the rules and regulations of the service shall be by a simple majority vote of the members of the multiple listing service committee, subject to approval by the Board of Directors of the Great Falls Association of REALTORS®. (GFAR Amended 10/13)

ARBITRATION OF DISPUTES

SECTION 15 (Not adopted by the Great Falls Association of REALTORS®.)

STANDARDS OF CONDUCT FOR MLS PARTICIPANTS

SECTION 16 (Not adopted by the Great Falls Association of REALTORS®.)

ORIENTATION

SECTION 17

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

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancements and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated orientation and additional training remotely. (Adopted NAR 11/09, Amended 11/17, GFAR 02/18)

INTERNET DATA EXCHANGE ("IDX")

SECTION 18

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

includes "delivery" of such listing. (NAR amended 05/12, 05/17) (GFAR amended 09/12, 02/18)

Section 18.1

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

*Note - Even where participants have given blanket authority for other participants to display their listings_through IDX, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display or other electronic forms of display or distribution. (NAR amended 05/12, 05/17) (GFAR amended 09/12, 02/18)

Section 18.2

<u>Participation:</u> Participation in IDX is available to all MLS Participants who are REALTORS®, who are engaged in real estate brokerage, and who consent to display of their listings by other participants. (Amended 11/09)

- **Section 18.2.1** Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. (NAR amended 05/12) (GFAR amended 09/12)
- **Section 18.2.2** MLS Participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. (NAR amended 05/12) (GFAR amended 09/12)
- **Section 18.2.3** Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing brokers to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs) or other electronic forms of display or distribution. (NAR amended 05/12, 05/17) (GFAR amended 09/12, 2/18)
- **Section 18.2.4** Participants may select the listings they chose to display through IDX based only on objective criteria including but not limited to factors such as geography or location ("uptown" "downtown" etc.) , list price, type of property (e.g., condominiums, cooperatives, single family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g. exclusive right to sell, exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed through IDX must be independently made by each participant. (NAR 7/07, Amended 05/17) (GFAR 10/09, 02/18)
- **Section 18.2.5** Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every 12 hours. (NAR amended 11/14)
- **Section 18.2.6** Except as provided in the IDX policy and these rules, an IDX site or a participant or user operating an IDX site or displaying IDX information as otherwise permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity. (NAR amended 05/12) (GFAR amended 09/12)

Section 18.2.7- Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, "control" means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules. (NAR amended 05/12) (GFAR amended 09/12)

Section 18.2.8 – Any IDX display controlled by a participant or subscriber that

- a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing, either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants'. Except for the foregoing and subject to Section 18.2.9, a participants IDX display may communicate the Participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. (NAR amended 05/12) (GFAR amended 09/12)

Section 18.2.9 – Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. (NAR amended 05/12) (GFAR amended 09/12)

Section 18.2.10 - An MLS Participant (or where permitted locally, an MLS Subscriber) may comingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, "co-mingling" means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display. (NAR Adopted 11/14) (GFAR adopted 03/15)

Section 18.2.11 - Participants shall not modify or manipulate information relating to other participants' listings. MLS participants may augment their IDX displays of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated from the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields. (NAR Adopted 11/15, GFAR adopted 02/16)

Section 18.2.12 – All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.* (NAR Amended 05/17) (GFAR 2/18)

*Note: Displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application. (NAR Amended 05/17, GFAR 2/18)

Section 18.3

<u>Display:</u> Display of listing information pursuant to **IDX** is subject to the following rules:

Section 18.3.1 – Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS participants and users (e.g. cooperative compensation offers, showing instructions, property security information, etc. may not be displayed on IDX sites.

Section 18.3.1.1 – The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed. (NAR amended 05/12) (GFAR amended 09/12)

Section 18.3.2 – Deleted by NAR 05/15

Section 18.3.3 – All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. Deleted May 2017; moved to 18.2.12 (NAR amended 05/12, 05/17) (GFAR amended 09/12, 2/18)

Section 18.3.4 – All listings displayed pursuant to IDX in which neither the licensee nor the listing firm is the listing agent, must set forth as part of the property information, a statement that the subject property is listed with another licensee or brokerage company, and shall link to or identify the listing agent or firm name, including the office mail address or email address. (GFAR 10/09. Per Montana Board of Realty Regulation Administration Rule 24.210.430.4)

Section 18.3.5 – Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own websites subject to their participant's consent and control and the requirements of state law and/or regulation. A signed consent form from the participant, identifying agent's eligible to participate from his/her office, must be approved by the MLS prior to service being provided. (GFAR 10/09)

Section 18.3.6 – Deleted November 2006

Section 18.3.7 – All listings displayed pursuant to IDX shall show the MLS as the source of the information.*

Note: Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc. of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. For audio delivery of listing content, all required disclosures must be subsequently delivered electronically to the registered consumer performing the property search or linked to through the device's application. (NAR amended 05/12, 05/17) (GFAR amended 09/12, 02/18)

Section 18.3.8 - Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. *

*Note: Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (NAR amended 05/12, 05/17) (GFAR amended 09/12, 02/18)

GFAR's required disclaimer is: "All information provided is deemed reliable but is not guaranteed and should be independently verified."

Section 18.3.9 — The data consumers can retrieve or download in response to an inquiry shall be limited to 5 listings per search. (No longer adopted by GFAR 10/09)

Section 18.3.10 – The right to display other participants' listings pursuant to IDX shall be limited to a participant's office(s) holding participatory rights in this MLS.

Section 18.3.11 – Listings obtained through IDX feeds from REALTOR Association MLSs where the MLS Participant holds participatory rights must be displayed separately from listings obtained from other sources. Listings obtained from other sources (e.g., from other MLS's, from non-participating brokers, etc.) must display the source from which each listing was obtained.*

*Note: Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc. of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (NAR amended 11/14, 05/17) (GFAR 02/18) Note: An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, "co-mingling" means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display. (NAR Adopted 11/14) (GFAR adopted 03/15)

Section 18.3.12 – Display of expired, withdrawn, and sold listings * is prohibited. (NAR 11/09, Amended 11/15) (GFAR 04/10)

* Note: If "sold" information is publicly accessible, display of "sold" listings may not be prohibited. (Adopted 11/14) Montana is a non-disclosure state therefore display of sold listings is prohibited.

Section 18.3.13 – Display of seller's (s') and/or occupant's (s') name (s), phone number (s), and email address (s) is prohibited.

Section 18.3.14 – Participants are required to employ appropriate security protection such as firewalls on their websites and displays provided that any security measures required may not be greater than those employed by the MLS. (NAR amended 05/12) (GFAR amended 09/12)

Section 18.3.15 – Participants must maintain an audit trail of consumer activity on their website and make that information available to the MLS if the MLS believes the IDX site has caused or permitted a breach in security of the data or a violation of MLS rules related to use by consumers. (NAR amended 05/12) (GFAR amended 09/12)

Section 18.3.16 – Deceptive or misleading advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. For purposes of these rules, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information is larger than that of any third party. (NAR 11/09) (GFAR 04/10)

Section 18.4

<u>Service Fees and Charges</u>: Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. (Adopted 11/01, Amended 5/05)

New IDX Participants and/or Subscribers will pay GFAR a one-time set up fee of \$100.00 for each new license and access to use IDX Data in the form of RETS.

Starting in June 2011, all Participants and/or Subscribers will pay GFAR a \$50 Annual Fee to maintain each IDX RETS license and access. There will be no pro-rations or refunds of set up or annual fees. (GFAR 10/09)

Section 18.5

<u>Syndication</u>: The GFAR MLS will provide data feeds to 3rd Party Vendors and Syndicators as requested by the Participant Broker for their own agent or office listings as long as agreement is made by the Participant to comply with GFAR Rules, Policy and License Agreements. (GFAR adopted 05/13, amended 04/14 per NAR request)

VIRTUAL OFFICE WEBSITE (VOW) RULES

Section 19

The term Virtual Office Website ("VOW") refers to a Participant's Internet website, or a feature of a Participant's Internet website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-

consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS data, subject to the Participant's oversight, supervision, and accountability.

Section 19.1

VOW Defined:

- (a): A Virtual Office Website ("VOW") is a participant's Internet website, or a feature of a participant's website, through which the participant is capable of providing real estate brokerage services to consumers with whom the participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS listing information, subject to the participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a participant may, with his or her participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the participant's oversight, supervision, and accountability.
- (b) As used in Section 19 of these rules, the term "participant" includes a participant's affiliated non-principal brokers and sales licensees except when the term is used in the phrases "participant's consent" and "participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all Virtual Office Websites, whether operated by a participant, by a non-principal broker or sales licensee, or by an "Affiliated VOW Partner" (AVP) on behalf of a participant.
- (c) "Affiliated VOW Partner" (AVP) refers to an entity or person designated by a participant to operate a VOW on behalf of the participant, subject to the participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a participant. No AVP has the right to use MLS listing information, except in connection with operation of a VOW on behalf of one or more participants. Access by an AVP to MLS listing information is derivative of the rights of the participant on whose behalf the AVP operates a VOW.
- (d) As used in Section 19 of these rules, the term "MLS listing information" refers to active listing information and sold data provided by participants to the MLS and aggregated and distributed by the MLS to participants.

Section 19.2

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

Section 19.3

- (a) Before permitting any consumer to search for or retrieve any MLS listing information on his or her VOW, the participant must take each of the following steps:
 - (i) The participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.
 - (ii) The participant must obtain the name of, and a valid email address for, each Registrant. The participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the terms of use (described in subsection (d) below). The participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the terms of use.
 - (iii) The participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The participant must also assure that any email address is associated with only one user name and password.
- (b) The participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.
- (c) If the MLS has reason to believe that a participant's VOW has caused or permitted a breach in the security of MLS listing information or a violation of MLS rules, the participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.
- (d) The participant shall require each Registrant to review and affirmatively to express agreement (by mouse click or otherwise) to terms of use provision that provides at least the following:
 - i. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the participant;
 - ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;
 - iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;

- iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;
- v. That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.
- (e) The terms of use agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the participant. Any agreement entered into at any time between the participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the participant must be established separately from the terms of use, must be prominently labeled as such, and may not be accepted solely by mouse click.
- (f) The terms of use agreement shall also expressly authorize the MLS, and other MLS participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of participants' listings by the VOW. The agreement may also include such other provisions as may be agreed to between the participant and the Registrant.

Section 19.4

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

Section 19.5

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

Section 19.6

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

Seller Opt-Out Form

- 1. Please check either Option a or Option b
 - a.[] I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.

OR

- b.[] I have advised my broker or sales agent that I do not want the address of the listed property to be displayed on the Internet.
- 2. I understand and acknowledge that, if I have selected option a, consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their search.

Initials of Seller

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

Section 19.7

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

Section 19.8

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

Section 19.9

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

Section 19.10

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

Section 19.11

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

Section 19.12

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

Section 19.13

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

Section 19.14

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

Section 19.15

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

- a. Expired and withdrawn listings.
- b. The compensation offered to other MLS Participants.
- c. The type of listing agreement, i.e., exclusive right to sell or exclusive agency.
- d. The seller's and occupant's name(s), phone number(s), or e-mail address(es).
- e. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.
- f. Sold information

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

(NAR amended 11/15, GFAR adopted 02/16)

Section 19.16

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

Section 19.17

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

Section 19.18

A participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data. All listings displayed pursuant to IDX in which neither the licensee nor the listing firm is the listing agent, must set forth as part of the property information, a statement that the subject property is listed with another licensee or brokerage company, and shall link to or identify the listing agent or firm name, including the office mail address or email address. (GFAR 10/09. Per Montana Bureau of Realty Regulation Administration Rule 24.210.430.4)

Section 19.19

A participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 500 current listings and no sold listings in response to any inquiry.

Note: The number of listings that may viewed, retrieved, or downloaded should be specified by the MLS in the context of this rule, but may not be fewer than five hundred (500) listings or fifty percent (50%) of the listings in the MLS, whichever is less. (NAR amended 11/17, GFAR 02/18)

Section 19.20

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

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

Section 19.21

A participant may display advertising and the identification of other entities ("co-branding") on any VOW the participant operates or that is operated on his or her behalf. However, a participant may not display on any such VOW deceptive or misleading advertising or cobranding. For purposes of this Section, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information (or that of at least one participant, in the case of a VOW established and operated on behalf of more than one participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of

all participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

Section 19.22

A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

Section 19.23

A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.

Section 19.24

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

Section 19.25

Where a seller affirmatively directs his or her listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within forty-eight (48) hours. (Adopted 11/08)

LOCK BOX RULES AND REGULATIONS

SECTION 20

<u>Lock Boxes:</u> No MLS need use lock boxes and no listing broker need use a lock box on a property, but if the MLS does offer the lock boxes, it must make them available to anyone who participates in the multiple listing service, whether an association member or not. Nothing shall prevent the owner's right to refuse to have a lock box on his or her property.

A lock box is a container affixed to a property containing a device to gain access to the property being marketed by a participant in the MLS. Participants in the MLS or their salespersons (and licensed or certified appraisers affiliated with the participants) are authorized under certain conditions to open these lock boxes under terms specified by the listing broker. Cooperating brokers and sales licensees, whether functioning as subagents of the listing broker or as agents of potential purchasers, must contact the listing broker to disclose their agency status and to arrange appointments to show listed property even if the property has a lock box affixed to it unless the listing broker has given specific permission (through information published in the MLS or otherwise) to show the property without first contacting the listing broker.

If an association or its MLS elects to engage in the sale, rental, or distribution of lock boxes to its members or be involved in any way with the sponsorship or endorsement of a common lock box system, the lock box security requirements as established by the NATIONAL ASSOCIATION OF REALTORS shall be the minimum security measures adopted and implemented in connection with such lock box system. Eligibility for coverage under the National Association's blanket errors and omissions insurance program is contingent on compliance with the lock box

security requirements whether the system is operated by the association, its MLS, or on behalf of an association by a recognized lock box vendor (Amended 11/90)

SECTION 20.1

Lock Box Security Requirements: (MLS Policy Statement 7.31)

Eligibility for coverage under NAR's blanket errors and omissions insurance program is contingent on compliance with the following security measures whether the system is operated by the association, its MLS, or on behalf of an association by a recognized lock box vendor:

1. <u>Types of keys.</u> Any physical or electronic key, programmer, or other device (hereinafter referred to as key) by which a lock box can be opened, must be non-duplicative. Being non-duplicative means that it cannot be readily copied in the manner that other types of keys ordinarily are. (Amended 05/17) (GFAR 02/18)

A mobile device (such as, a smart phone, tablet, fob, etc.) can transmit a key to access a lockbox using standard protocols, including, Bluetooth, ZigBee, infrared technology, and others. The applications and software used by mobile devices must contain security controls to allow only authorized users access to the lockbox. (Adopted 05/17) (GFAR 02/18)

As a matter of local discretion, the listing broker or agent can issue temporary codes/access to the lockbox and property on terms and conditions agreed to in advance by the seller. Temporary codes/access must expire within seventy-two (72) hours after being issued or must be under the control of the listing broker or agent. Temporary codes must be a minimum field size of five (5) characters. (Adopted 05/17) (GFAR 02/18)

2. <u>Security protocols.</u> Keys must be obtained from the original manufacturer, from a recognized vendor of lockbox systems or from any other legitimate source. Prior to utilizing previously used keys, lids, or boxes, MLS's must obtain sufficient information from the original manufacturer to determine whether the key's pattern, code, or configuration is already in use.

Electronic lockboxes and electronic keys running on mobile devices must incorporate security protocols to prevent the following types of cyber-attacks:

- Where an unauthorized user can override or escalate their security credentials
- Where communication session between the electronic lockbox and key are recorded and played back later to gain unauthorized access
- Forgoing of electronic credentials that could allow an unauthorized user the ability to masquerade as an authorized user
- Digitally signed updates to electronic keys running on mobile devices or electronic lockbox firmware plus a secured update process to prevent unauthorized software from being introduced into the lockbox system
- Transmission(s) of frequencies to deceive the lockbox electronics into opening (Adopted 05/17) (GFAR 02/18)

3. <u>Availability of lockbox system and keys.</u> Any lock box system must be designated as either an activity of an association of REALTORS® or an association-owned and operated MLS.

If the lock box system is an activity of an association-owned and operated multiple listing service, then every MLS participant and every non-principal broker, sales licensee and licensed or certified appraiser who is affiliated with a 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. (GFAR amended 04/14 per NAR request)

As a matter of local discretion, associations and MLSs can determine that key lease agreements executed by non-principal brokers, sales licensees, unlicensed personal assistants, administrative and clerical staff, and licensed, certified, or those seeking to be licensed or certified as appraisers, must also 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 association or MLS that relate to the operation of the lockbox system. The lease agreement shall also provide that keys may not be used under any circumstances by anyone other than the key holder, except as provided elsewhere in this statement of policy. (Amended 5/17)

Associations and MLSs may, at their discretion, lease keys to affiliate members of associations who are 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. (Adopted 5/17)

*Note: GFAR does not lease keys to affiliate, local, public service, honorary or student members.

The only person that is entitled to use the lock box key and/or pin is the party to whom it was issued and who signed the key lease agreement. This includes all types of access technology i.e. mobile apps. Violation of this section may result in a fine of up to \$15,000 and other discipline as outlined in Section 7 of the GFAR MLS Rules to the Participant, Designated REALTOR®, Branch Manager, Supervising Broker and to the Subscriber/Individual Agent involved. (GFAR amended 02/13)

*Note: This includes participant/subscribers to participants/subscriber regardless if they are in the same firm, different firms, or are spouses and/or operate as a team. (GFAR 10/13)

(a) GFAR does not 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.

<u>Non-Member Possession:</u> The Services lock boxes and lock box keys/equipment shall not be given to non-members. Violation of this section may result in a fine of up to \$15,000 and other discipline as outlined in Section 7 of the GFAR MLS Rules to the Participant,

Designated REALTOR®, Branch Manager, Supervising Broker and to the Subscriber/Individual Agent involved. (GFAR amended 02/13)

*Note: Authorized unlicensed assistants may transport lock boxes to and from the GFAR office only after a signed authorization has been filed with GFAR. The Great Falls Association of Realtors authorizes the use of one day codes for unlicensed assistants. See Section 20.3. (This does not authorize the assistant to place and/or remove equipment under any circumstances. See section 10.4 for a complete list of tasks unlicensed assistants cannot perform.) (GFAR amended 10/13)

Individuals may be required to pay lockbox costs as part of association dues or as part of MLS participation fees pursuant to MLS Policy Statement 7.57, Categorization of MLS Services, Information, and Products and pursuant to NAR Bylaws Official Interpretation #32. No one shall be required to lease a key from the association except on a voluntary basis. (Adopted 5/17)

Associations and MLSs may refuse to sell or lease lockbox keys, may terminate existing key lease agreements, and may refuse to activate or reactivate any key held by an individual who has been convicted of a crime within the past seven (7) years under the following circumstances: (Amended 5/17)

- A. The association or MLS determines that the conviction(s) relates to the real estate business or puts clients, customers, other real estate professionals, or property at risk, for example through dishonest, deceptive, or violent acts; and (Amended 5/17)
- B. The association or MLS gives the individual an opportunity to provide and the association or MLS must consider mitigating factors related to the individual's criminal history, including, but not limited to, factors such as:
- i) the individual's age at the time of the conviction(s)
- ii) nature and seriousness of the crime
- iii) extent and nature of past criminal activity
- iv) time elapsed since criminal activity was engaged in
- v) rehabilitative efforts undertaken by the applicant since the conviction(s)
- vi) facts and circumstances surrounding the conviction(s) and
- vii) evidence of current fitness to practice real estate (Amended 5/17)

Associations and MLSs should be sure to evaluate individuals uniformly, and avoid making exceptions for one individual while denying an exception to another individual with a similar criminal history. (Amended 5/17)

Associations or MLSs may suspend the right of lockbox key holders to use lockbox keys following their arrest and prior to a final determination on any such charge if, in the determination of the association or MLS, the charge relates to a crime that relates to the real estate business or puts clients, customers, other real estate professionals, or property at risk. (Amended 5/17)

4. <u>Audit Requirement:</u> The MLS shall maintain current records as to all keys issued and in inventory, including registered users assessing lockboxes through applications and

software used by mobile devices. 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 Participant/ Designated REALTOR, or 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. (Amended 5/99, 05/17) (GFAR 02/18)

- 5. <u>Seller authority required</u>. 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 any other written document. Inclusion in MLS compilations cannot be required as a condition of placing lock boxes on listed property. (Amended 11/05, 5/17) (GFAR 02/18)
- 6. Reporting missing keys. Associations shall charge key holders and their cosignatories with the joint obligation of immediately reporting lost, stolen or otherwise unaccountable keys/equipment to the association. Upon receipt of notice, the association shall take any steps deemed necessary to re-secure the system. (Amended 5/17) (GFAR 02/18)
- 7. Rules and procedures governing lockbox systems. Associations shall adopt written, reasonable, and appropriate rules and procedures for administration of lockbox systems which may include appropriate fines, not to exceed \$15,000. Any issuing fees, recurring fees, or other administrative costs shall be established at the discretion of the association and set forth in the rules and procedures. All key holders, whether or not they are association members or MLS participants, shall agree, as a condition of the key lease agreement, to be bound by the rules and procedures governing the operation of the lockbox system. (Amended 11/05, 11/13, 5/17)

Key lease agreements may contain a liquidated damages provision to offset some or all of the costs in reestablishing the security system if it is determined that the security has been compromised through the negligence or fault of the key holder. (Amended 11/97)

8. <u>Issuing electronic programmers or keypads on temporary basis.</u> In the event electronic lockbox programmers or keypads are sold or leased, a designated REALTOR® principal or an office's broker of record may purchase or lease additional programmers or keypads to be issued on a temporary basis to other key holders in the same office in the event their programmer or keypad becomes nonfunctional outside normal business hours or under circumstances where a replacement programmer or keypad is not reasonably available from the issuing association or MLS. When a programmer or keypad is issued on a temporary basis, it shall be the responsibility of the REALTOR® principal or the broker of record to advise the association or MLS in writing that the programmer or keypad has been issued, to whom, and the date and time of issuance within forty-eight (48) hours. It shall also be the responsibility of the REALTOR® principal or the broker of record to advise the association or MLS in writing within two (2) business days after possession of the

previously issued programmer or keypad has been reassumed. (Amended 5/17) (GFAR 02/18)

9. Requiring "approved" lockbox systems. As a matter of local discretion, associations and MLSs may require placement of an "approved" lockbox on listed properties if any device giving access to real estate professionals or service providers is authorized by the seller and occupant and is placed on the property. The purpose of this requirement, if adopted by an association or MLS, is to ensure cooperating participants and subscribers have timely access to listed properties. Requiring that a lockbox or other access device be "approved" does not limit the devices that satisfy the requirement to lockboxes leased or sold by an association or MLS. The association or MLS may require that the devices be submitted in advance for approval, and the access device may be any lockbox or other access device that provides reasonable, timely access to listed property. The association or MLS also may revoke the approval or subject the participant to discipline if the device is used in a manner that fails to continue to satisfy this requirement. (Amended 05/17)

Note: GFAR **does not** require placement of **pre-approved** MLS lock boxes on listed properties giving access to real estate professionals and/or service providers when authorized by the seller and occupant to be placed on the property. (GFAR 02/13)

SECTION 20.2

<u>Issuance of Lock Boxes:</u> Each participant or subscriber to whom lock boxes are issued shall sign a Lock Box Usage Agreement. Lock Box Usage Agreement executed by Subscribers (non-principal brokers, sales licensees) will be co-signed by the Participant or designated REALTOR®. A lock box shall be placed on a listing within two (2) business days from time of issuance.

Lock boxes should not be issued more than two (2) business days prior to obtaining a signed listing agreement. (See Section 1, Listing Procedure.) (Section adopted GFAR by 09/11)

SECTION 20.3

<u>One Day Codes</u>: Great Falls Association of Realtors® authorizes the use of one day codes to access lock boxes at the discretion of the Participant and/or Subscriber. Agents, contractors, unlicensed assistants, and other trades people may be provided a one day code by the Participant and /or Subscriber. When assigning codes in the lock box data base system, the first and last name of the person and the name of their business or other like description must be included.

*Examples: John Doe, ABC Inspections; John Doe, Energy West; Jane Doe, ABC Cleaning Services (GFAR 10/13, Amended 02/17)

SECTION 20.4

<u>Transfer of Lock Boxes:</u> a lock box may be transferred instead of being returned to the MLS office when:

- 1. A lock box is transferred to another property of the same participant/subscriber
- 2. A lock box is transferred to another participant/subscriber

3. A lock box remains on the same property with a new listing number

In all the above circumstances GFAR must be contacted to complete the transfer of a lock box.

If a lock box is being transferred, the time of issuance shall be considered the time it is removed from the previous listing.

If a lock box will remain on the same property with a new MLS number, the time of issuance shall be considered when the previous listing expired, closed, or cancelled. (Section adopted by GFAR 09/11)

SECTION 20.5

<u>Removal of Lock Boxes:</u> All lock boxes must be removed within two (2) business days after cancellation or expiration of a listing agreement or the closing of a sold property. If the lock box is not returned to the association or if the association has not been notified of the lock box being transferred to another property by the 3rd business day after the listing cancelled, expired, or closed, there may be a \$100 fee charged.

Withdrawn listings are allowed to retain the lock box for a 14 day grace period. If the listing status hasn't changed after the grace period ends, the lock box is to be removed or transferred within two (2) business days. (Amended by GFAR 09/11)

The listing participant/subscriber shall be responsible for the removal of the lock box for a listing that is cancelled, expired, closed or withdrawn. The selling participant/subscriber, may, as a courtesy, with the listing participant's/subscriber's knowledge, remove the lock box upon the successful closing of the listed property and return it to the listing participant. (GFAR 07/09)

SECTION 20.6 (Policy Statement 7.32)

<u>Lock Box Key Deposits:</u> Any funds accepted as deposit for lock box keys/equipment shall be retained in a separate account so that the funds will be available to be refunded to depositors upon return of the lock box key to the association. The funds deposited are to be retained for this purpose only and are not to be utilized in any other manner. The separate fund may be an interest bearing account with the interest retained by the association unless as a requirement of law, or at the discretion of the association such interest shall be paid to the depositors.

Note 1: GFAR Deposit refunds will be issued to the Participant. (GFAR amended 02/13)

If, at the time of inventory, a key/equipment is unaccounted for, or if a key holder refuses or is unable to demonstrate that the key/equipment is within their physical control, then the key/equipment will be considered unaccounted for and any funds on deposit will be forfeited to the association.

Keys/equipment not returned within five (5) business days of notice of termination shall forfeit the deposit to the association.

The costs for replacing keys/equipment that are lost, damaged or destroyed are the responsibility of the key holder and/or participant. The security deposit paid pursuant to the lease shall be applied to the replacement cost. The key holder and/or participant are responsible for any difference in the cost of replacements.

Note 2: Effective 06/20/18 new participants and/or subscribers who request a physical key card or accompanying equipment will purchase the equipment. Any existing member in need of a new or replacement piece of equipment will pay the purchase price and own the device. Deposits will no longer be applicable.

Equipment Replacement Costs: (GFAR 02/13, amended 10/13, 09/15, 12/15, 02/17, 09/17) Lock Box \$100
Non-warranty/damaged Lock Box \$35
Lock Box Shackle \$10
Home Card Reader \$40

SECTION 20.7

<u>Issuance of Lock Box Keys:</u> Each participant and subscriber to whom a key/equipment is issued shall sign the Authorized User Agreement. The participant shall pay a key/equipment deposit in an amount determined by the association prior to the issuance of a lock box key/equipment. Upon the return of lock box key/equipment, said deposit will be refunded to the participant according to the payment record on file at GFAR. (GFAR 02/13)

SECTION 20.8

<u>Equipment Vendor Specifications:</u> It is necessary to maintain the security of each key card and the personal identification number ("PIN") of each key card to prevent the use of the key card by unauthorized persons. Each party in possession of a key card, whether such key card is being actively used or not, shall abide by the following conditions:

- a. To keep the key card in Authorized User's possession or in a safe place at all times.
- b. To not allow the PIN for the key card to be displayed on or attached to the key card for any purpose whatsoever or to be disclosed to any third party.
- c. TO NOT LOAN THE KEY CARD TO ANY PERSON FOR ANY PURPOSE WHATSOEVER OR TO PERMIT THE KEY CARD TO BE USED FOR ANY PURPOSE BY ANY OTHER PERSON.
- d. Not to duplicate, destroy, alter, modify, disassemble or tamper with the key card allow anyone else to do so.
- e. To not assign, transfer or pledge the rights of the key card.
- f. To notify GFAR within one (1) business day of the loss or theft of a key card and/or any related equipment. The Participant/Subscriber shall sign and provide a statement to GFAR with respect to the circumstances surrounding the loss or theft. GFAR shall charge for the replacement of key cards and/or related equipment either lost, stolen or damaged.
- g. To follow all additional security procedures as specified by GFAR.
- h. To safeguard the code for each key box from all other individuals and entities, whether or not they are authorized users of the service.

SECTION 20.9

Access to the Lock Box Database: Only licensed Participants/Subscribers will have access to the lock box database. If a licensed Participant/Subscriber gives his or her access codes to an unlicensed individual or an unauthorized user whether licensed or not, the Broker associated with that licensee, and the Broker-Manager (or other appropriate title) associated with that licensee, and the licensee will be subject to discipline as outlined in Section 7 Compliance with the Rules. This will be administered in accordance with Section 9. (GFAR 02/13)

SECTION 20.10

<u>Unlicensed Assistant and/or Secretarial access/input to the Lock Box Database system</u>: The lock box system is designed for use by licensed individuals. If a participant wants an individual who is unlicensed, such as a secretary, clerical staff, or unlicensed assistant, to have access to the lock box database, access is allowed as long as the individual is under the direct supervision of an MLS participant or the participant's licensed designee. Access will be granted only after a signed authorization has been filed with GFAR. If such access is available to unlicensed or uncertified individuals, their access is subject to the rules and regulations, the payment of applicable fees and charges (if any), and the limitations and restrictions of state law. None of the foregoing shall diminish the participant's ultimate responsibility for ensuring compliance with the rules and regulations of the MLS by all individuals affiliated with the participant. GFAR requires each unlicensed assistant and/or uncertified assistant to have and use their own access codes. (Definition of unlicensed or uncertified assistant is anyone who does not have an active real estate and/or appraiser license.) (GFAR 08/13)

RESIDENTIAL RENTAL UNITS

SECTION 21

Residential Rental Units

For the purpose of this document, Section 20 relates to listings of residential rental units which are defined as: A single unit to include an apartment, condominium, townhouse, mobile home, house, or any single unit of a multi-unit property available for rent or lease. Each individual unit is to be filed separately with the MLS. Such units requiring entry by staff may be filed with the MLS for a charge approved by the Board of Directors and will be billed in accordance with current billing procedures.

Such units must be owned or managed by Participants or Subscribers of the MLS and located within the state of Montana. Participants and Subscribers are not required to file their rental listings with the MLS. The intention is to provide an accessible compilation of rental data as a benefit to Participants and Subscribers.

RENTAL LISTING PROCEDURES

SECTION 21.1

<u>MLS Rules & Regulations</u>: Residential Rental Units are subject to the rules and regulations of the MLS.

SECTION 21.2

Listing procedures: Participants and Subscribers or their authorized staff may upload listings.

MLS Staff may upload listings at a fee of \$10.00 per listing. Listings that are submitted for staff to upload must be submitted on a thoroughly completed Rental Input Form, or other form that has been approved by the MLS.

No listing form filed with the MLS can establish, directly or indirectly, any contractual relationship between the MLS and the property owner or property manager.

The MLS reserves the right to refuse to accept a listing that fails to adequately protect the interest of the public and/or the Participants. (Example: Fair Housing)

All listings will bear a definite termination date no longer than 30 days based on the original date filed with the MLS. Listings filed with the MLS will automatically be removed from the compilation of current listings on the expiration date specified unless prior to that date the MLS receives notice that the listing has been extended or renewed.

Property that is listed for sale in the MLS may also be entered into the MLS as a Rental Property Type but must clearly state that the property is for sale.

Listing procedures may also be administered as outlined in Sections 1.13, 1.14, and 1.15. Lockboxes 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. Inclusion in MLS compilations cannot be required as a condition of placing lock boxes on listed property. (GFAR amended 04/14 per NAR request)

SECTION 21.3

<u>Change of Status of Listing</u>: Listings may be cancelled or withdrawn from the MLS before the expiration date.

Listings no longer available for rent or lease should be reported to the MLS within two (2) business days from the date of occurrence of the change in status.

A listing may be extended for up to 30 days at a time for no additional fee for a period not to exceed a total listing time of 90 days. After 90 days, if the Participant or Subscriber wants to continue the listing, a new entry must be made, and the appropriate fees charged.

Listings that are cancelled, withdrawn or closed within the initial 90 day period based on the original list date, may be returned to active status without additional fees and will follow the same rules for extensions.

SECTION 21.4

<u>Publication and Distribution of Residential Rental Data:</u> Participants and Subscribers and the MLS Staff may provide copies of the available rentals to the general public as requested.

Rental data is not to be published or provided to outside media, 3rd party websites or other MLS Databases without prior written consent from GFAR. The data may not be reproduced in any manner without the written consent of GFAR. (GFAR amended 04/14 per NAR request)

SECTION 21.5

Enforcement of Rules: The MLS Staff is charged with performing random audits of Residential Rental Listings. The staff may perform additional audits in order to protect the integrity of the data in the MLS and the interest of the public or Participants, or if abuse of the MLS is suspected or reported. Compliance with rules will be administered in accordance with Sections 7 and 9*. (GFAR amended 04/14 per NAR request)

*GFAR will administer in accordance with the GFAR MLS Rules Violation Policy. (GFAR adopted 11/13)

Any rental unit listing filed with the MLS, not owned or managed by a Participant or Subscriber may be removed from the MLS.

SECTION 21.6

Landlord Tenant Conflicts:

The Great Falls Association of REALTORS® does not offer grievance assistance or conflict resolution assistance for Landlords or Tenants. Inquirers will be encouraged to contact outside assistance.