

**SUSSEX COUNTY ASSOCIATION OF REALTORS®**  
**MULTIPLE LISTING SERVICE**  
**RULES AND REGULATIONS**  
**Compliance Guidelines & Fee Schedule- Effective January 1, 2001**  
Updated 3/03, 07/03, updated 7/05, 5/07, **09/07, 05/08, 07/08**

Effective January 1, 2001, the Multiple Listing Service Committee of the Sussex County Association of REALTORS® has updated the MLS Rules and Regulations. These Rules and Regulations have been submitted and reviewed by NAR and are in full compliance with National Association policy.

All written complaints having to do with violations of the MLS Rules and Regulations will be considered by SCAOR staff in accordance with these Compliance Guidelines. All complaints of unethical conduct or requests for arbitration shall be referred to the association Grievance Committee. Any complaint that encompasses a violation of the MLS Rules and Regulations and unethical conduct or requests for arbitration will be separated into two issues and handled by the appropriate adjudicator.

**I. SCHEDULE OF MLS FEES**

- a. Application Fee: An Application fee for a new subscriber or a subscriber who has resigned membership or membership has been terminated is \$150.00. This fee will be paid at time of application. An office fee of \$150.00 will be assessed to any new office in addition to the individual membership fees for any new subscribers in the office.
- b. Subscriber Fees: Subscriber fees will be billed to each Participant 30 days in advance. The fees are due and payable by the first day of the quarter being billed. The fee is subject to change.
- c. Payment of service fees are the responsibility of the Participant. Failure to pay any service charge or fee by the date due shall result in interruption of service for the office until service charges or fees are paid in full. Participants shall be notified of any outstanding fees prior to suspension of service and shall be given five (5) days to pay any outstanding balance. If service is interrupted, Participants will be charged a reconnect fee of \$50 per subscriber.

**II. ORIENTATION**

Any applicant for MLS Participation and any licensee affiliated with an MLS Participant who has access to and use of MLS generated information shall complete an orientation program of no more than three (3) 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 sixty (60) days after access has been provided. Failure to attend orientation will result in denied access to the MLS until such training has been completed.

**III. HOW IT WORKS**

Alleged violations of the MLS Rules and Regulations must be made in writing and accompanied with a completed MLS Violation report and may be initiated by:

- a. MLS Participants and/or subscriber (as defined in the MLS Rules and Regulations);
- b. Licensed and unlicensed administrative and clerical staff affiliated with the MLS Participant;
- c. Staff of SCAOR or of boards/associations of REALTORS® that purchase services from SCAOR;
- d. Members of the public.

In order for a Participant to be fined, a completed MLS Violation Report and a copy of any substantiating documents must accompany the Violation report. Anonymous faxes will not constitute a formal complaint. These forms may be mailed, faxed or delivered to the SCAOR office. The staff will keep all correspondence confidential.

MLS staff will check the database to confirm the violation. If a violation occurs, it will fall into one of the following categories:

- a. Minor violations;
- b. Subsequent Minor Violations;
- c. Failure to correct a listing within 48 hours of a Listing Complaint & Fine Notification, regarding Minor Violations (Section IV);
- d. Serious Violations;
- e. Prohibited activities;
- f. Unauthorized dissemination of system access password;
- g. Failure to correct a listing within 48 hours of a Listing Complaint & Fine Notification, regarding Sections VI, VII & VIII;
- h. Failure to pay a fine.
- i. Violations for Section 16 (IDX) of the MLS rules and regulations

#### **IV. MINOR VIOLATIONS – \$25**

When one of the violations listed below is alleged, the SCAOR staff will send a Listing Complaint & Fine Notification (by fax and verified to the Participant by phone) to the attention of the Participant. The Participant must have the error corrected within 48 hours of verification.

Depending on the information to be corrected, the SCAOR staff may make the required changes.

Violations include:

- a. Failure to enter a listing in the correct area, section, town as identified in the system.
- b. Failure to report the correct sale price on a closed listing.
- c. Failure to report the correct Selling Office and Selling Agent on a closed listing.
- d. Failure to correctly report all required fields on the Property Data Form.
- e. Entries in the cooperative commission field other than a specific dollar amount, percentage, or combination thereof.
- f. Entering status changes relating to amendments to the Participants listing agreement with a seller without the seller's written consent.
- g. Failure to provide the Service with any documentation requested by the Service within 3 business days of request.
- h. Failure to report a correct listing expiration date.
- i. Failure to list properties which are sold or which may be sold separately individually in the listing agreement and on the Property Data Form.
- j. Failure to properly notify the Service when part of a listed property is sold.
- k. Any listing turned in to the MLS with any reference to the listing broker or agent or phone numbers included in the customer "remarks" section of the profile sheet will be automatically deleted by the SCAOR office upon notification and verification.
- l. Any listing turned in to the MLS with any reference to a listing broker, agent or firm on photos or virtual tours.
- m. Entering a listing in more than one property type, for example: Single Family/Condo.
- n. Failure to attach the Sellers Disclosure of Real Property Condition Report or Real Property Condition Exemption Certification, Radon Disclosure or Lead Based Paint Disclosure to the listing in the MLS within 72 hours of listing entry.

#### **V. FAILURE TO CORRECT VIOLATIONS (Category IV,)**

The correction must be made within 48 hours of receiving the Listing Complaint & Fine Notification. If the correction cannot be made by the Participant, they must call the SCAOR office to correct. The minimum fine for these violations is \$25. After the third fine within the calendar year (Jan 1-Dec 31), subsequent

finest will increase to \$100 per incident. The fines are per office Participant, not per office agent. **Failure to correct a listing within 48 hours incurs an additional fine, which is EQUAL to the original fine.**

**V. SERIOUS VIOLATIONS – \$100**

When a complaint alleges one of the violations listed below, the SCAOR staff will confirm a violation in fact. If there is no violation, the matter is closed with SCAOR staff contacting the person who filed the original complaint when that person has requested notification of the alleged violation outcome.

When the Participant has violated the MLS Rules and Regulations, an MLS Listing Complaint & Fine Notification will be sent to the attention of the Participant. The minimum fine for these violations is \$100.00. Serious violations include failure to:

- a. Input a new listing required to be entered into the system within 48 hours.
- b. Report contract pending, contingencies and deletion of contingency flags when a listing is transferred to a contract pending status within 48 hours.
- c. Report closed (sold) listings within 48 hours.
- d. Input a price change within 48 hours.
- e. Notify SCAOR within 7 calendar days of any change for a waived individual under the Participant’s membership. Waiver user I.D.’s, passwords and SafeMLS Tokens are assigned to a specific person. Waivers must be completed. The waiver I.D., password and SafeMLS Token are not transferable.
- f. Notify SCAOR within 7 calendar days of any change in status for a Participant and/or a Subscriber under the Participant’s membership.

**VI. PROHIBITED ACTIVITIES & UNAUTHORIZED ACCESS – \$1,000**

- a. A participant will not provide MLS information to non-member participants for the use in business, marketing or for-profit activities.
- b. When a Participant other than the listing broker places a For Sale sign on a property.
- c. When a Participant other than the listing broker places a Sold sign on a property prior to closing without the listing brokers authorization.
- d. MLS exempted listings. If the seller refuses to permit the listing to be disseminated by the Service, such listing must be filed with the Association office and include a copy of the signed listing agreement and an “office exclusive” form signed by the seller.

First	offense:	\$1,000
Second	offense:	\$1,500
	Third offense:	Revocation of ID and password access

**VII. UNAUTHORIZED DISSEMINATION OF SYSTEM ACCESS PASSWORD OR SAFEMLS TOKEN**

Public and Private IDs and SafeMLS Tokens: Every MLS Participant and every real estate licensee and licensed or certified appraiser who is affiliated with such MLS Participant and who has access to and use of the MLS through the MLS Participant shall be required to obtain a public and private ID and a unique SafeMLS Token issued by the MLS. Each private ID and unique SafeMLS Token shall not be loaned, shared, disclosed, or allowed to come into the possession of any other person, except that the Designated REALTOR®, manager and/or administrator in that person’s real estate company may have access to such private ID and unique SafeMLS Token, and such persons shall be required to keep the private ID and unique SafeMLS Token confidential. The public and private ID and unique SafeMLS Token shall only be used for purposes permitted by the MLS rules and for no other purposes whatsoever. If an individual has been granted a waiver and is found to be accessing the system in any unauthorized way, or a property is found to be listed in the system by anyone in a participant’s office which is not assessed a quarterly fee, the below fine(s) will be immediately assessed upon notification and verification to the participant.

If a property is found to have an agent name attached to the sign of a person not currently paying MLS fees, a fine(s) will be assessed immediately upon notification and verification. An MLS Fine Notification form will be sent (faxed) to the attention of the Participant and will be confirmed with a phone call.

In the event that any disclosure of Public or Private ID or unique SafeMLS Token or any information provided by a participant in any form including a disk, file, email, etc. resulting in access to the MLS by an

unauthorized third party, regardless if such disclosure is intentional, negligent, or inadvertent, the ID holder shall be liable to the MLS as follows:

First offense:	\$1000
Second offense:	\$1,500
Third offense:	Revocation of ID and password access

## **VIII. VIOLATION OF SECTION 16--\$500**

Section 16.1—Authorization: Participants' consent for display of their active 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 or frame the aggregated MLS data of other Participants. Participant's consent to display of their listings by other Participants is required to have their listings transmitted by the MLS to authorized aggregators.

Section 16.2—Participation: 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. This requirement can be met by maintaining an office or Internet presence from which Participants are available to represent real estate sellers or buyers (or both).

Section 16.3—Display: Display of listing information pursuant to IDX is subject to the following rules:

Section 16.3.1—Displays can be downloaded via IDX or framed using the Association website, but the information shown on a Participants' or subscribers' website shall not include any information not accessible by the Associations' public website. The public site carries only certain fields of information as approved by the MLS Committee and the SCAOR Board of Directors. Additional information supplied by the MLS fact sheet is prohibited.

**Section 16.3.2—Participants shall determine which listings or the types of listings they will display on their Web sites. Examples include property type (“condos,” “single family detached,” “multi-family,” etc.), price, or location (“downtown”).**

**Section 16.3.3—Participants shall not modify or manipulate information relating to other Participants' listings. (This is not a limitation on site design but refers to changes to actual listing data.)**

**Section 16.3.4—All listings displayed pursuant to IDX shall identify the listing firm.**

**Section 16.3.5—Non-principal brokers and sales licensees affiliated with IDX Participants may display information available through IDX on their own Web sites subject to their Participant's consent and control and the requirements of state law and/or regulation.**

**Section 16.3.6—All listings displayed pursuant to IDX shall show the MLS as the source of the information.**

**Section 16.3.7—Participants (and affiliated licensees, if applicable) must refresh all downloads and refresh all data at least once every seven days.**

**Section 16.3.8—Participants (and their affiliated licensees, if applicable) shall indicate on their Web sites that IDX information is provided exclusively for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.**

**Section 16.3.9—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 16.3.10—Listings obtained through IDX must be identified separately from listings**

obtained from other sources, including information provided by other MLSs.

**Section 16.3.11—No portion of the IDX database shall be used or provided to a third party for any purpose other than those expressly provided for in these rules.**

**IX. FAILURE TO CORRECT WITHIN 48 HOURS (Category VI, VII, VIII, & IX)**

When an MLS Listing Complaint & Fine Notification has been sent, the Participant must make the correction within 48 hours. Failure to correct a listing within 48 hours incurs an additional minimum fine of \$200.

X. Failure to pay fines within thirty 30 days will result in termination of service and will result in a hearing before the MLS hearing panel.

**XI. HEARING REQUEST**

Any Participant, having reason to believe that the fine imposed on that Participant by the Service is without merit, may file an MLS Compliance Hearing Request form. The request for a Hearing must:

- a. Include proof of correction where applicable;
- b. Include copies of any relevant documents;
- c. Include payment of assessed fine;
- d. Be sent to the SCAOR Executive Officer within thirty (30) days after the MLS Listing Complaint & Fine Notification.

The Hearing will be held by the MLS Hearing Committee, consisting of five (5) members of the MLS Committee. If the outcome is not satisfactory to the Participant, the Participant may request a hearing before a panel of the Board of Directors. The decision by the Board of Directors will be final. The hearing will be held within sixty (60) days of the date of the filing.

**XII. MLS HEARING COMMITTEE**

The MLS Hearing Committee will consist of 5 members of the MLS Committee. Members of the MLS Hearing Committee shall not be:

- a. Executives or staff of Association, or
- b. Members of the Board of Directors of SCAOR

Members of the MLS Hearing Committee will be scheduled to serve on panels as primary and alternate participants on a rotating basis. Each Hearing panel shall elect its own Chairperson.

All Hearings and procedures shall be conducted in accordance with the Code of Ethics and Arbitration Manual for the National Association of REALTORS® and such Rules as promulgated hereunder.

**XIII. CANCELLATION OF HEARING REQUEST**

The Participant who requested the MLS Hearing may cancel the request. The request must be in writing and received via mail or fax by noon of the business day preceding the hearing date. The Participant forever waives the right to contest the fine, which was the subject of the hearing.

**XIV. HEARING OUTCOME**

The MLS Hearing panel will submit their decision in writing, signed by all panel members to the SCAOR staff and the Participant who requested the Hearing, within 10 days. If a majority of the MLS panel finds that a rule or regulation has been violated, the fine will stand. If a majority of the MLS panel finds that the Participant appeal prevails on its merits, the panel will revoke the disputed fine.