



POLICIES AND PROCEDURES

**MULTIPLE LISTING SERVICE 2016
SAN JUAN BOARD OF REALTORS®, INC.**

March 2016

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I. PURPOSE

The San Juan Board of Realtors®, Inc. (herein referred to as SAN JUAN BOARD) shall maintain for the use of its members, and subscribers, a MLS known as PUERTO RICO MLS which shall be subject to the Bylaws of SAN JUAN BOARD, and such Policies and Procedures, also known as Rules and Regulations, as may be hereinafter adopted. These Procedures include the fullest application of the CODE OF ETHICS of the National Association of REALTOR®.

An MLS is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as seller or 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 among the Participants so that participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease).

While offers of compensation made by listing brokers to cooperating brokers through MLS are unconditional, a listing broker's obligation to compensate a cooperating broker who was the procuring cause of sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

In view of the fact that the information disseminated by the Service is of confidential nature; and that the Policies and Procedures are based on the CODE OF ETHICS of the National Association of REALTOR®, the Member/Participant is encouraged to promote the membership in SAN JUAN BOARD, Inc. to all salespeople registered with the Member.

II. SUPERVISION

The MLS shall be operated by the Board of Governors of the San Juan Board of REALTORS® (herein called BOG).

III. DEFINITION OF PARTICIPANT MEMBER

Where the term REALTOR® is used in this explanation of policy in connection with the word member or the word participant, it shall be construed to mean the REALTOR® principal (Broker Owner) or principals, of this or any other association, or a firm comprised of REALTOR® principals participating in a multiple listing service owned and operated by the board. Participatory rights shall be held by an individual principal broker unless determined by the association or MLS to be held by a firm. It shall not be construed to include individuals other than a principal or principals who are REALTOR® members of this or any other association, or who are legally entitled to participate without association membership. However, under no circumstances is any individual or firm, regardless of membership status, entitled to MLS membership or participation unless they hold a current, valid real estate broker's license and offer or accept cooperation and compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by 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. (Amended 11/08)

The REALTOR® Principal of a real estate firm must first join the Puerto Rico Multiple Listing Service (PRMLS) before any

non-principal can join. REALTOR® Principals are defined as: sole proprietors; partners in a firm or majority shareholders of a corporation; or branch office managers acting on behalf of the principal. Once the principal(s) decide to join the PRMLS, then all agents, brokers and appraisers that are licensed or affiliated with him or her have the option of also joining as members of the association.

A. Broker Participant

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 ongoing 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 offers 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 nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by the association's MLS where access to such information is prohibited by law.

The Broker Owner must notify the PRMLS when hiring new agents or assistants, and when any agent or assistant leaves the company. (See Form *New Agents Assistants and Status Change*) (Adopted 3/16)

B. Users/Subscriber

Additionally, the foregoing does not prohibit the association's multiple listing services, from categorizing non-principal brokers, sales licensees, licensed and certified appraisers and others affiliated with the MLS members or participants as Users or subscribers and, holding such individuals personally subject to the rules and regulations and any other governing provisions of the MLS and to discipline for violations thereof. The Association's MLS may, as a matter of SAN JUAN BOARD determination, limit 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. (Amended 5/02)

Users in connection with the MLS owned and operated by the association of REALTORS®, also include a participant's affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers provided that any such individual is under the direct supervision of an MLS participant or the participant's licensed designee. 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.

Under the Board of Choice policy, MLS participatory rights shall be available to any REALTOR® (principal) or any firm comprised of REALTORS® (principals) irrespective of where they hold primary membership subject only to their agreement

to abide by any MLS rules or regulations; agreement to arbitrate disputes with other participants; and payment of any MLS dues, fees, and charges. Participatory rights granted do not confer voting privileges or eligibility for office as an MLS committee member, officer, or director, except as granted at the discretion of SAN JUAN BOARD.

The universal access to services component of Board of Choice is to be interpreted as requiring that MLS participatory rights be available to REALTOR® principals, or to firms comprised of REALTOR® principals, irrespective of where primary or secondary membership is held. MLS may assess REALTORS® not holding primary or secondary membership with SAN JUAN BOARD fees, dues, or charges that exceed those or, alternatively, that are less than those charged participants holding such memberships locally or additional fees to offset actual expenses incurred in providing MLS services such as courier charges, long distance phone charges, etc., or for charging any participant specific fees for optional additional services.

None of the foregoing shall be construed as requiring an association to grant MLS participatory rights, under Board of Choice, where such rights have been previously terminated by action of that association's board of directors. Failure to disclose if membership was suspended (because of an outstanding assessment failure to return leased products/materials or judgment) by another association, will result in immediate suspension and no refund of monies paid.

DEFINITIONS:

Principal/Broker Owner: A REALTOR® with an active Licensed Real Estate which is a sole proprietors; partners in a partnership; corporate officers or majority shareholders of a corporation; or branch office managers acting on behalf of the principal.

User/Subscriber. A non-principal brokers, sales licensees, licensed and certified appraisers and others affiliated with the MLS members or participants, and holding such individuals personally subject to the rules and regulations and any other governing provisions of the MLS and to discipline for violations thereof.

Assistant. An unlicensed person, administrative and clerical staff, or personal assistants, working under the supervision of the Broker Owner. Such individual is under the direct supervision of an MLS participant or the participant's licensed designee. The Assistant cannot do any Real Estate activity such as; sale, rent, show, auction, negotiate and/or advise.

Availability of Listing. A listing shall be made available for showing to cooperative members unless it is under contract, even during contract negotiations which include counter offers.

Data Input Form. A standard property data form used by participants of the Service to enter listing information into the on-line database.

Exclusive Agency Listing Agreement (Semi-exclusive). A written contract between the seller(s) of the property and the participating Broker. This agreement grants the participating Broker the exclusive right to offer the subject property for sale and to compensate other brokers.

The seller(s) of the property retain the right to sell the property without obligation of commission if sold by themselves and without any licensed agents involved. Listings will be identified by an appropriate code (EA) in MLS compilations.

Exclusive Right of Sale Listing Agreement. A written contract between the seller(s) of the property and the participating Broker. This agreement grants the participating Broker the exclusive right to offer the subject property for sale and to compensate other brokers. Listings will be identified by an appropriate code (ER) in MLS compilations.

Geographic Market Area. All of San Juan Board of REALTORS of Puerto Rico, Participants of the MLS may not submitted listings of properties outside of geographic market area of Puerto Rico.

Offer. The written offer to purchase signed by the prospective purchasers only. If executed by the seller(s), this will constitute a contract for sale.

Office Exclusive Listing. An exclusive right of sale listing that the seller(s) has been advised of the benefits of the MLS but does not want his listing published and distributed to other members of the Service and has so indicated in writing.

Public and Private ID Non-Disclosure Form. A form which must be signed by the participants for the purpose of obtaining passwords to be used in accessing the MLS database.

Under Contract (Optioned). A property shall be considered under contract on the date both seller(s) and buyer(s) accept the offer and sign the Sale and Purchase Contract.

Responsibility. It is the responsibility of the Participant to fully comply with these Policies and Procedures, also known as Rules and Regulations.

Sold. A property shall be considered sold on the date of final settlement.

Voluntary/Mandatory System. Once a Participant voluntarily joins the Multiple Listing Service, all residential listings (up to and including four (4) units) and commercial/industrial listings taken within the jurisdiction of the MLS (Puerto Rico Regional system), must be placed in the MLS unless the seller(s) indicated in writing that they do not want their property published and distributed to the other participants of the Service and said written notice is filed with the MLS.

V. MLS ANTITRUST COMPLIANCE POLICY

The purpose of multiple listing is the orderly compilation and dissemination of listing information to participants so they may better serve the buying and selling public. SAN JUAN BOARD and their multiple listing services shall not enact or enforce any rule which restricts, limits, or interferes with participants in their relations with each other, in their broker/client/customer relationships, or in the conduct of their business in the following areas.

San Juan Board and its MLS shall not:

1. Fix, control, recommend, or suggest the commissions or fees charged for real estate brokerage services.
2. Fix, control, recommend, or suggest the cooperative compensation offered by listing brokers to potential cooperating brokers.
3. Base dues, fees, or charges on commissions, listed prices, or sales prices. Initial participation fees and charges should directly relate to the costs incurred in bringing services to new participants.
4. Modify, or attempt to modify, the terms of any listing agreement; this does not prohibit administrative corrections of property information necessary to ensure accuracy or consistency in MLS compilations.
5. Refuse to include any listing in an MLS compilation solely on the basis of the listed price.
6. Prohibit or discourage participants from taking exclusive agency listings or refusing to include any listing in an MLS compilation solely on the basis that the property is listed on an exclusive agency basis.
7. Prohibit or discourage participants from taking "office exclusive" listings; verification may be required from the seller or listing broker that the listing is being withheld from the MLS at the direction of the seller.
8. Give participants or subscribers blanket authority to deal with or negotiate with buyers or sellers exclusively represented by other participants.
9. Establish, or permit establishment of, any representational or contractual relationship between an MLS and sellers, buyers, landlords, or tenants.
10. Prohibit or discourage cooperation between participants and brokers that do not participate in the MLS.
11. Prohibit or discourage participants or subscribers from participating in political activities.
12. Interfere in or restrict participants in their relationships with their affiliated licensees.

As used in this policy, "rule" includes all rules, regulations, bylaws, policies, procedures, practices, guidelines, or other governance provisions, whether mandatory or not. "Multiple listing service" and "MLS" means the MLS of SAN JUAN BOARD.

These policy prohibitions are subject to and limited by applicable statutes, ordinances, and governmental regulations, to agreements entered into by the MLS and SAN JUAN BOARD and an agency of government, and to final decrees of courts or administrative agencies.

This policy does not prohibit SAN JUAN BOARD or their MLS from adopting rules or policies establishing the legitimate uses of MLS information, from prohibiting unauthorized uses of MLS information, or from establishing rules or policies necessary to prevent illegal collective action, including price-fixing and boycotts.

It is the duty and responsibility of all boards and associations of REALTORS® and MLSs owned by or controlled by boards or associations of REALTORS® to ensure that all bylaws, rules, regulations, and other governance provisions comply with all mandatory multiple listing policies of the NATIONAL ASSOCIATION OF REALTORS®. Boards and associations of REALTORS® failing to conform to these policies will be required to show cause why their charters should not be revoked.

VI. TYPE of MLS

SAN JUAN BOARD multiple listing activity is available for voluntary participation, but requires members (principals) who participate to submit all listings of designated types of property, is termed “a mandatory listing service.”

The mandatory service permits each REALTOR® to decide whether or not multiple listing is consistent with the REALTOR®’s method of doing business. If a decision is made to participate in the activity, however, then all listings covered by the rules are required to be submitted.

Every person working full time, part time or under contract, in a firm that conducts Real Estate activity such as; sale, rent, show, auction, negotiate and/or advise in the firm, or any subsidiaries, owned by a Broker Owner, who is a member of the PRMLS, must be a member and will be billed as a Subscriber of the PRMLS. All the rules and regulations will apply to this person. (Adopted 03/16)

Categorization of MLS Services, Information, and Products

The services, information, and products that multiple listing services provide to participants and to subscribers affiliated with participants may be categorized as core, as ancillary to the core but included in a basic package of MLS services as determined locally and provided to all MLS participants and subscribers automatically or on a discretionary basis, or as optional and available to participants and subscribers at their discretion. The following will guide MLSs in categorizing their services, information, and products.

Basic: Basic MLS information, services, and products are essential to the effective functioning of MLS, as defined, and include:

- active listing information
- information communicating compensation to potential cooperating brokers
- sold and comparable information
- pending sales information
- expired listings and “off market” information
- mapping capabilities
- statistical information
- MLS training/orientation

Basic services include the mechanisms (print or electronic or both) by which this information is communicated between participants and the MLS.

Optional: An MLS may not require a participant to use, participate in, or pay for the following optional information, services, or products:

- Advertising or access to advertising (whether print or electronic), including classified advertising, homes-type publications, and electronic compilations, including participant, Subscriber, or firm homepages or websites.
- establishment, maintenance, and promotion of public-facing websites
- iframe Access

Notwithstanding the foregoing, where permitted by law*, an MLS may treat Optional information, services or products as Basic provided that the MLS does not receive an economic benefit from the arrangement as demonstrated by satisfying both of the following conditions:

- 1) The MLS or its shareholder(s) is not the seller, lessor, or licensor of the information, service or product (i.e., the information, service, or product is sourced from an independent third party); and
- 2) The MLS does not make a profit or receive a commission or rebate based on the sale, lease, or license that exceeds the operational costs of providing the information, service, or product.

None of the foregoing precludes an association or MLS from utilizing association or MLS reserves, dues, or fees or special assessments (as otherwise provided for in the association or MLS governing documents) to acquire assets (including hardware and software) necessary to make optional information, services, or products available to participants and subscribers, provided any funds used to acquire assets or initiate services will be reimbursed out of the proceeds realized

from the sale or lease of such information, services, or products. Association MLSs may make nominal administrative expenditures out of reserves, dues, or fees to initiate or maintain optional services and products.

Information Related to Listings of Commercial and Industrial Property

These Rules and Regulations will apply to both Residential and Commercial/Industrial Properties.

Jurisdiction of Association Multiple Listing Services

The jurisdiction of multiple listing services owned and operated by SAN JUAN BOARD is limited to the jurisdiction of the parent association of REALTORS®. Rather, associations are encouraged to establish multiple listing services that encompass natural market areas and to periodically reexamine such boundaries to ensure that they encompass the relevant market area. While boards are encouraged to work cooperatively to establish market area multiple listing services, the absence of such an agreement shall not preclude any association from establishing and maintaining a MLS whose territory exceeds that of the parent association. Where the territory of an MLS exceeds that of the parent association, the authority of the MLS to require offices of a participant or a participant's firm to participate in the MLS is limited to offices located within the jurisdiction of the association of REALTORS® that own and operate the MLS or that are parties to a multi-association or regional MLS service agreement.

VII. ADMINISTRATION

Operational Issues

Procedures to Be Followed by an Association of REALTORS® Upon Demand for Access to the Association's MLS without Association Membership

In states other than California, Georgia, Alabama, and Florida, whenever an association is confronted with a request or demand by an individual for access to the association's MLS without membership in the association, member associations are advised that the association should immediately advise both the state association and the Member Policy Department of the National Association, and the recommended procedures will be provided to the member association with any other pertinent information or assistance. It is important that the state association and National Association be advised immediately if such request or demand for access to the association MLS as described is received.

MLS Indoctrination Requirements Relating to Individuals Entitled to Participation without Association Membership

In processing the application of an individual entitled by law to MLS participation without REALTOR® membership, the listing information and services shall be promptly provided upon completion of the following:

1. Confirmation applicant holds a valid, current, real estate license or certificate
2. Applicant's written application and agreement to abide by the MLS rules and regulations
3. Applicant's completion of any required MLS orientation on MLS bylaws, MLS rules and regulations, other MLS related policies or procedures, and computer training related to MLS information entry and retrieval within a reasonable time not to exceed sixty (60) days , and
4. Payment of all required initial MLS fees or charges

Inclusion of Exclusive Agency Listings in MLS Compilations and Databases

Multiple listing services shall not establish or maintain any rule or policy prohibiting inclusion of exclusive agency listings that would be otherwise acceptable for inclusion in the compilation of current listing information.

Explanation: *This policy shall not be construed as requiring participants to accept exclusive agency listings if they determine acceptance is not in their best interest or the best interest of clients or customers. However, this policy does preclude collective agreements between participants affiliated with different firms or others to refuse to accept exclusive agency listings or to refuse to accept offers of compensation extended through the MLS or otherwise. This policy contemplates multiple listing services will clearly distinguish between exclusive right-to-sell and exclusive agency listings in multiple listing compilations and databases to prevent confusion about the rights and obligations of brokers who cooperate in the sale of such listings.*

Effective Date of Changes in Multiple Listing Policy

To ensure consistent, uniform understanding of and compliance with the multiple listing policies of the National Association, all changes incorporated into the National Association's Handbook on Multiple Listing Policy become effective only upon publication of a new edition of the Handbook and that a new edition of the Handbook be published annually, superseding and replacing all prior editions.

Factual Data Submitted by Appraisers

Association multiple listing services should encourage appraiser-participants to contribute factual data related to properties sold and closed which are not otherwise reported through MLS when the submission of such data is not in violation of the appraiser/client relationship.

Removal of Listings When Participant Refuses - Fails to Timely Report Status Changes

Notwithstanding the limitations established in the Code of Ethics and Arbitration Manual or in other National Association policy, multiple listing services operated as committees of associations of REALTORS® or as separate, wholly-owned subsidiaries of one or more associations of REALTORS® are authorized to remove any listing from the MLS compilation of current listings where the participant has refused or failed to timely report status changes. Prior to the removal of any listing from the MLS, the participant shall be advised of the intended removal so the participant can advise his or her client(s).

Real Estate Transaction Standards (RETS)

The integrity of data is a foundation to the orderly real estate market. The Real Estate Transaction Standards (RETS)

provide a vendor neutral, secure approach to exchanging listing information between the broker and the MLS. In order to ensure that the goal of maintaining an orderly marketplace is maintained, and to further establish Realtor® information as the trusted data source, MLS organizations owned and operated by associations of Realtors® will implement the RESO Standards including: the RESO Data Dictionary by January 1, 2016; the RESO Web API by June 30, 2016 and will keep current by implementing new releases of RESO Standards within one (1) year from ratification. Compliance with this requirement can be demonstrated using the Real Estate Standards Organization (RESO) compliance Certification Process. (Amended 11/15)

VIII. LAW

Compliance with United States Postal Codes

SAN JUAN BOARD and their multiple listing services should comply with the requirements of the United States postal statutes as they relate to delivery of MLS information, and in particular Volume 39, Code of Federal Regulations, Part 320, Suspension of the Private Express Statutes; Extremely Urgent Letters, found in the Federal Register, Volume 44, Number 207, Wednesday, October 24, 1979, page 61178.

Registered MLS Mark of the NATIONAL ASSOCIATION OF REALTORS®

Nature of Service Mark and Necessity to Effect License Agreement to Use

The NATIONAL ASSOCIATION OF REALTORS® has approved for use by chartered associations of REALTORS® and their members, a standard MLS mark. However, the standard service mark may not be used without a license from the NATIONAL ASSOCIATION OF REALTORS®. Such license will be granted only to those associations of REALTORS® that own and/or control the multiple listing activities and only to such associations the governing documents of which have been approved as being in compliance with multiple listing policy of the National Association. Further, the design must not be used as a lapel pin or any type of jewelry.

Special Note Concerning MLS Service Mark

The NATIONAL ASSOCIATION OF REALTORS® grants no variation of the design of the standard MLS service mark. Further, the National Association will not review and authorize any MLS insignia other than its own service mark. Further, the term REALTOR® may not, in any instance, be used in connection with any multiple listing services not owned and/or controlled by an association of REALTORS®.

Use of MLS Logo by Nonmember Participants

In any state where law requires that brokers (principals) who are not REALTORS® be admitted to the MLS of an association of REALTORS®, or in any association which has voluntarily opened its MLS to nonmember brokers and/or appraisers, the official registered MLS logo of the National Association should not be used by such a non- association member. Such use would be a misrepresentation and would violate the registration rights of the NATIONAL ASSOCIATION OF REALTORS®, the lawful owner of said collective service mark. Where such non-association member advertises that he is a member of the MLS of an association of REALTORS®, the multiple listing services may properly require that such participant of the service additionally indicate in his advertisement that he is not a member of the association of REALTORS®. (Amended 11/96)

Section 1. LISTING PROCEDURES

Listing Procedures: All exclusive right to sell and exclusive agency listings on improved residential property up to and including four (4) units which are listed subject to a real estate broker's license, and are located within the territorial jurisdiction of the MLS (also known as Puerto Rico), and are taken by Participants on a listing form acceptable to the Service shall be filed with the MLS within seventy two (72) hours (excepting weekends, holidays and postal holidays) after all necessary signatures of seller(s) have been obtained.

The MLS shall accept exclusive right to sell and exclusive agency listing agreements, and may accept other forms of agreement which make it possible for a listing broker to offer compensation to other Participants of the MLS acting as buyer agents or both.

Note 1: An 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 multiple listing service.

Note 2: The MLS shall accept exclusively listed property that is subject to the following auction types:

- Absolute: Highest Bidder
- Minimum Bid: Non Disclosed Reserve

- Non-Disclosed Reserve: Subject to Seller Approval

The SAN JUAN BOARD Auction Listing Information Form must be included in the MLS listing system as an attachment and can be found on puertorico-mls.com.

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

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

The exclusive right to sell listing is the conventional form of listing submitted to the MLS in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.

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

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

- May reserve the right to refuse to accept a listing form which fails to adequately protect the interests 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/customer (buyer or seller).

Types of Properties: Single Family, Townhomes and Condominiums, Residential Rental, Residential Income, Residential Land/Docks, Commercial/Industrial – includes commercial lease, Commercial Land and Business for Sale.

MLS Property Input Sheets, Status Change with Definitions puertorico-mls.com

Section 1.1.1: Listings Subject to Rules and Regulations of the Service: Any listing taken on a contract to be filed with the MLS is subject to the rules and regulations of the Service upon signature of the seller(s).

Section 1.1.2: Items Not Allowed in the Multiple Listing Service: The following are not to be published through the service, including personal property items listed below but not limited to:

- parking spaces • storage units • furniture
- cars • construction equipment • boats • airplanes
- cabanas (without folio number)
- docks (without a folio number)

Section 1.2: Detail on Listings Filed with the Service: A listing agreement or property data form, 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 (includes but not limited to seller(s) signature, physical address, Tax ID of the Property, compensation to cooperating broker, etc.). A property physical address may be withheld if the listing broker submits, within 72 hours of input, a signed exclusive listing agreement that includes the owner's written request to withhold the address from MLS.

Section 1.2.1: Graphic Images: Multiple Listing Services requires submission of at least one reasonable photograph of the front street view of the property or other graphic representations that accurately depict listed property except where

sellers expressly direct, in writing, that photographs of their property not appear in MLS.

All photographs must be taken under the direction and control of the “Listing Broker” and copies of any photograph or image of the listed property without prior written approval of the owner of the image or photograph are prohibited. No copyright protected photos or photos containing watermarks, logos or text, must not be entered into the MLS under any circumstances.

Note: *Photos (Images) cannot be copied from a previous agent's listing.*

Section 1.3: Exempted Listings: If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing, (“office exclusive”) and such listing shall be filed with the Service but not disseminated to the Participants. Filing of the listing should be accompanied by verification, signed by the seller, that that he does not desire the listing to be disseminated by the Service.

“Seller Opt Out” form can be found at puertorico-mls.com.

Section 1.4: Change of Status of Listing: 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 seventy two (72) hours (excepting weekends, holidays and postal holidays) after the authorized change is received by the listing broker.

Any change in listing status, including pending sale, closed sale, extension of expiration, change in terms, conditions, contingencies, withdrawal, temporarily off market, return to active status or cancelled must be reported to the MLS within seventy two (72) hours (excepting weekends, holidays and postal holidays) after the authorized change is received by the listing broker.

Any changes to the original listing agreement affecting the offer of cooperation and compensation must be properly executed and other participants must be so notified prior to their endeavor to procure a purchaser for the property.

Section 1.5: Withdrawal of Listing Prior to Expiration: Listing 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 authorizes the withdrawal.

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

Section 1.6: Contingencies Applicable to Listings: Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants.

Section 1.7: Listed Price Specified: The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings, unless the property is subject to auction. (Amended 11/92)

Properties subject to auction shall display a listing price representative of the minimum bid, market value or assessed value, to be determined by auction type.

Section 1.8: Listing Multiple Unit Properties: All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the MLS.

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.

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

Section 1.11: Termination Date on Listings: Listings filed with the Service shall bear a definite and final termination date, as negotiated between listing broker and seller.

Section 1.12: Jurisdiction: Only listings of the designated types of property located within the jurisdiction of the MLS are required to be submitted to the Service. Listings of property located outside the MLS's jurisdiction will not be accepted.

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 obligation except failure to pay appropriate fees, or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from SAN JUAN BOARD or MLS (or both) for failure to pay appropriate dues, fees, or charges, the Association is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing Effective Date TBA information. Prior to any removal of a suspended Participant's listing from the MLS, the suspended Participant should be advised in writing, of the intended removal so that the suspended Participant may advise his clients/customers.

Section 1.14: Listings of Expelled Participants: When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e. violation of the Code of Ethics, Association by laws, MLS bylaws, MLS rules and regulations or other membership obligations except to pay appropriate fees or charges), all listings currently filed with the MLS shall, at the expelled Participant's options, be retained in the Service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a Participant has been expelled from SAN JUAN BOARD or MLS (or both) for failure to pay appropriate dues, fees, or charges, the Association is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised, in writing, of the intended removal so that the expelled Participant may advise his clients/customers.

Section 1.15: Listings of Resigned Participants: When a Participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of a resigned Participant's listings from the MLS, the resigned Participant should be advised, in writing, of the intended removal so that the Participant may advise his clients/customers.

Section 1.16: Listing Input Procedures: Offices shall directly input listings and changes into the system without submitting supporting documentation to the Association or the Multiple Listing Service. On listing extensions, the listing office may modify the listing provided the extension is filed with the Service within seventy-two (72) hours. Any extension of a listing must be signed by the Seller(s).

It shall be the responsibility of the listing broker to retain his files, as a good business practice and for personal protection.

Upon request of the Multiple Listing Service, the participants shall produce documentation of the listing agreement or any changes thereto, within seventy-two (72) hours of said request.

"Any matter not specifically addressed in these Policies and Procedures shall be governed by the policies and procedures set forth by the National Association of REALTORS® as from time to time amended."

Section 2. SELLING PROCEDURES

Showings and Negotiations: Appointments for showings and negotiations with the seller for the purchase of listed property filed with the multiple listing service 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 (defined as documented attempt to contact agent, the manager and Broker by phone, fax, text and email) the cooperating broker cannot contact the seller directly; however, the listing broker, at their option, may preclude such direct negotiations by cooperating brokers when a request is received.

Section 2.1: Presentation of Offers: 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)

After reasonable effort (defined as documented attempt to contact the listing broker and/or agent, the manager and Broker by phone, fax, text and email) the cooperating broker can file a cannot contact the seller directly; however, the listing broker, at their option, may preclude such direct negotiations by cooperating brokers when a request is received.

Section 2.2: Submission of Written Offers and Counter-offers: The listing broker must submit to the seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller and the listing broker. If such written agreement is in place and Listing Broker refuses to present an offer, a copy of the written agreement must accompany the offer not being submitted to the seller or a rejected offer. Or 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.

Section 2.4: Right of Listing Broker in Presentation of Counter-Offer: The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 2.5: Reporting Sales to the Service: Status changes, including final closing of sales and sale prices, shall be reported to the MLS by the listing broker within 72 hours after they have occurred. If negotiations were carried on under Section 2 a. or b. hereof, the cooperating broker shall report accepted offers and prices to the listing broker within 72 hours after occurrence and the listing broker shall report them to the MLS within 72 hours after receiving notice from the cooperating broker. (Amended 11/11)

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.

Note 2: *In Puerto Rico, the sale price of a listed property is recorded, the reporting of the sale price is required by the MLS.*

Section 2.6: The listing broker shall report to the multiple listing service within seventy-two (72) hours that a contingency on file with the multiple listing service has been fulfilled or renewed, or the agreement cancelled.

Section 2.7: Advertising of Listing Filed with the Service: A listing shall not be advertised by any Participant other than the listing broker without the prior consent of the listing broker.

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

Section 2.10: Availability of Listed Property: Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

Section 3. REFUSAL TO SELL

Refusal to Sell: 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, the listing will be removed by the listing agent.

Section 4. PROHIBITIONS

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

Section 4.1 "For Sale" Signs: Only the for sale sign of the listing broker may be placed on a property.

Section 4.2 "Sold" Signs: Prior to closing, only the sold sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

Section 4.3 Solicitation of Listing Filed with the Service: Participants shall not solicit a listing on property filed with the service unless such solicitation is consistent with Article 16 of the Realtors® Code of Ethics, its Standards of Practice, and its Case Interpretations.

Note: *This section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4. This section is intended to encourage sellers to permit their properties to be filed with the service by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration.*

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

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

This section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of

Practice related to Article 16 of the Code of Ethics.

Section 4.4 Use of the Terms MLS and Multiple Listing Service: No MLS participant, Subscriber or licensee affiliated with any participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise.

Section 5. DIVISION OF COMMISSION

Compensation Specified on Each Listing: *(NAR Policy Statement 7.23)*

The listing broker shall specify, on each listing filed with the multiple listing service, the compensation offered to other multiple listing service participants for their services in the sale of such listing.

In filing property with the MLS, participants make 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 by the listing broker to the other MLS participants. This is necessary because cooperating participants have the right to know what their compensation will be prior to commencing their efforts to sell.* (Revised 11/04)

The listing broker retains the right to determine the amount of compensation offered to buyer agents, or to brokers acting in other agency or non-agency capacities, which may be the same or different. (Revised 11/96)

This shall not preclude the listing broker from offering any MLS participant compensation other than the compensation indicated on his listings as published by the MLS, provided the listing broker informs the other broker in writing in advance of their 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 05/10)

While offers of compensation made by listing brokers to cooperating brokers through MLS are unconditional (except where MLS rules create specific exceptions as specified elsewhere in this policy statement), a listing broker's obligation to compensate a cooperating broker who was the procuring cause of 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)

The MLS shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the multiple listing service shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The MLS shall not disclose in any way the total commission negotiated between the seller and the listing broker. [The MLS should require the percentage of the commission of the contract between listing agent and the seller.]

Note 1: *The MLS shall not publish listings that do not include an offer of compensation expressed as a percentage of the gross selling price or as a definite dollar amount, nor shall they include general invitations by listing brokers to other participants to discuss terms and conditions of possible cooperative relationships. (Amended 11/96)*

Note 2: *The compensation specified on listings filed with the MLS by the participants of the service shall be expressed as*

a percentage of the gross sales price or as a definite dollar amount. The essential and appropriate requirement by a MLS is that the information to be published shall clearly inform the participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance of their submitting an offer to purchase. (Amended 5/10)

Note 3: The listing broker may, from time to time, adjust the compensation offered to other multiple listing service participants for their services with respect to any listing by advance published notice to the service so that all participants will be advised. (Amended 4/92)

Note 4: PUERTO RICO MLS, has defined 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: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in MLS rules, short sales are defined as a transaction where title transfers, where the sales price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. SAN JUAN BOARD requires participants to disclose short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they must 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 the listing and cooperating participants. SAN JUAN BOARD participants are required 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 the listing and cooperating participants PUERTO RICO MLS requires listing participants to disclose to cooperating participants in writing the total reduction in the gross commission and the amount by which the compensation payable to the cooperating broker will be reduced within 72 hours of receipt of notification from the lender. All confidential disclosures and confidential information related to short sales, must be communicated through Broker Remarks or confidential "remarks" available only to participants and subscribers. (Amended 5/10)

Section 5.0.1 Disclosing Potential Short Sales: Participants must disclose potential short sales (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) when known by the listing participants or their representative. (Amended 5/09)

Section 5.1: Participant as Principal: If a Participant or any licensee (or any licensed or certified appraiser) affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through the Multiple Listing Service, that person shall disclose that interest when the listing is filed with the MLS and such information shall be disseminated to all MLS Participants.

Section 5.2: Participant as Purchaser: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

Section 5.3: Dual or Variable Rate Commission Arrangements: The existence of a dual or variable rate commission arrangement (i.e. one which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the

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

Section 6. SERVICE CHARGES

Section 6 Service Fees and Charges: As approved by the BOGs. The fee schedule of the PRMLS' can be obtain at puertorico-mls.com.

Section 7. COMPLIANCE WITH RULES

Compliance with Rules:

The following action may be taken for non-compliance with the rules:

- a. For failure to pay any service charge or fee within the time specified by the MLS, and provided that at least ten (10) day notice has been given, the Participant's MLS 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 Sections 9 and 9.1 or any provision of the Policies and Procedure Manual of the MLS shall apply.

Section 7.1: Applicability of Rules to Users and/or Subscribers: Non-principal brokers, sales licensees, appraisers and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof provided that the User/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/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/Subscribers with the Participant.

Section 8. MEETINGS

Meetings of Official MLS Business: The BOG may appoint special Task Forces. All recommendations and decisions of the Task Force are subject to the approval of the BOG.

Section 9. ENFORCEMENT OF RULES AND REGULATIONS

Consideration of Alleged Violations: The BOG shall annually select from a list of prequalified MLS Participants to serve on the MLS Hearing Panel. This panel will give consideration to all written complaints having to do with alleged violations of the MLS Rules and Regulations.

To report an error or possible violation in the MLS, it must be file electronically by accessing puertorico-mls.com. (Adopted 3/16)

Section 9.1: Violations of Rules and Regulations: If the alleged offense is a violation of the Rules and Regulations of the service and does not involve a charge of one or more of the provisions of Section 16 (Standards of Conduct) or a request for Arbitration, it may be administratively considered and determined by the MLS Hearing Panel. Alleged violations of Section 16 of the Rules and Regulations shall be referred to the Association's Grievance Committee for processing in accordance with the Code of Ethics and Arbitration procedures of the association. (Amended 2/98)

The affected party may appeal the adverse decision from the Hearing Panel to the San Juan Board of Realtors Board of Directors according to their rules and regulations. The appeal will specify the facts and evidence to support the bases cited. (Adopted 12/15)

Section 9.2: Rules and Regulations: The Rules and Regulations should be designed to guide participants but must avoid arbitrary restrictions on business practices. They should be based on experience and not be restrictive upon the personal rights of participating individuals.

Section 9.3: Complaints of Unethical Conduct: All other complaints of unethical conduct shall be referred by the MLS Hearing Panel for appropriated action in accordance with the professional standards procedures established in the Association's Bylaws.

Generally, warning, censure, and the imposition of a moderate fine is sufficient to constitute a deterrent to violation of the rules and regulations of the multiple listing service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service.

Section 9.4: Financial Penalty Not to Exceed \$15,000: Notwithstanding the limitations established in the National Association of REALTORS® Code of Ethics and Arbitration Manual or in other National Association policy, multiple listing services operated as committees of associations of REALTORS® or as separate, wholly-owned subsidiaries of one or more associations of REALTORS® are authorized to impose financial penalties on participants or subscribers as discipline for violations of MLS rules or other MLS governance provisions not greater than fifteen thousand (\$15,000) dollars.

For the most current list of MLS violations subject to progressive fines go to puertorico-mls.com.

Section 9.4.1: 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 other MLS governance provisions. The MLS may, through established administrative procedures and through the findings of the MLS Hearing Panel established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed must 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) probation for a stated period of time not less than thirty (30) days nor more than one (1) year
- f) suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- g) termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years. (Adopted 11/07)

Section 9.5: MLS Disciplinary Guidelines: Associations of REALTORS® and their multiple listing services have the responsibility of fostering awareness, understanding, and appreciation for the duties and responsibilities of MLS participants and subscribers, and of receiving and resolving complaints alleging violations of the rules and regulations. The REALTOR® organization is firmly committed to vigorous, fair, and uniform enforcement.

Enforcement achieves a number of goals. Where participants or subscribers are wrongly or mistakenly charged with violations, the hearing process provides personal and professional vindication. Where violations are determined, enforcement process educates participants and subscribers about their duties and obligations, and serves as a meaningful deterrent of future violations.

Allegations of conduct inconsistent with the rules are often viewed by respondents as threats to their professional and personal reputations. This can result not only in their mounting vigorous defenses but also, at times, to threats of legal challenge should a violation be determined and discipline imposed. Given that MLS participation can have significant economic value, associations and their MLSs need to strictly adhere to their established procedures when considering potential violations. This caution ensures that the rights of the parties will be observed, and legal exposure of associations and their MLSs will be minimized.

At the same time, well-founded caution should not be confused with reservation, reluctance, or hesitancy. Rules become aspirations at best, and potentially meaningless, if not enforced with vigor and determination.

Fundamental to fair and consistent enforcement is reasonable and judicious use of discipline, as both an educational device and as punishment. Associations and their MLSs have a wide variety of sanctions available to them that may be imposed for violations. These range from simple letters of warning to termination of MLS rights and privileges. Between these extremes are mandatory attendance at remedial education sessions, financial penalties, probation, and suspension.

The National Association does not recommend specific penalties for certain offenses or for violations of particular rules. This is in deference to the wisdom and autonomy of the hearing panel privy to the details of complaints coming before them; in recognition of the fact that no two complaints are identical; and in view of the facts that the details of each hearing, including the experience of respondents, their history of prior violations, and mitigating or extenuating circumstances, may all come into play in determining an appropriate penalty. At the same time, there are key points to be considered with respect to imposition of discipline.

- Discipline that can be imposed is strictly limited to those forms authorized in the National Association of REALTORS® Code of Ethics and Arbitration Manual and to any additional form authorized by the National Association's board of directors.
- Discipline should be commensurate with the offense. Unintentional or inadvertent violations should result in penalties designed to educate respondents about the conduct expected of them. Only authorized forms of discipline may be utilized.
- Discipline should be progressive. The disciplinary emphasis on violations by new members or by long-standing members with no history of prior violations should be primarily educational. Repeated or subsequent violations should be addressed with more serious forms of discipline, including substantial fines, suspension, and termination of MLS rights and privileges.
- A gray area can exist with respect to "first time violations" that are clearly not the result of ignorance or mistake but rather demonstrate flagrant disregard for the rules. While the educational aspect of enforcement cannot be disregarded, the fact that the rules exist to protect clients and customers, the public, and to ensure effective, efficient functioning of the MLS, must also be considered in determining commensurate discipline.
- Mitigating or extenuating circumstances should be considered in determining appropriate discipline. The fact that a respondent recognizes or acknowledges inappropriate conduct or took steps to remediate or minimize harm or injury, should be considered in determining appropriate discipline.
- Respondent's records of earlier violations or, conversely, the fact that they have not violated the rules in the past, can be considered in determining appropriate discipline. Hearing panels cannot consider past violations in deciding whether the conduct currently complained of violates the rules.

Crafting appropriate, meaningful discipline can challenge panels that have concluded the rules have been violated. This discussion is offered as guidance, rather than as a hard and fast template, to assist panels in meeting their responsibility in ensuring the rules' viability and vitality through vigorous and evenhanded enforcement.

Progressive Discipline

Discipline imposed for violation of the rules should be progressive. The severity of discipline should increase incrementally for subsequent violations. The disciplinary emphasis where first time violations occur should be primarily educational. Repeated or subsequent violations should result in more serious forms of discipline being utilized, including substantial fines, suspension, and termination of MLS rights and privileges. At the same time, a gray area can exist where a first-time violation is not attributable to ignorance or oversight, but rather to blatant disregard for the rules. While the educational emphasis of enforcement cannot be disregarded, the fact the rules exist to protect clients and customers, the public and to ensure the effective, efficient functioning of the MLS must be carefully considered in determining appropriate discipline.

For the most current list of MLS violations subject to progressive fines go to puertorico-mls.com.

Factors the MLS Hearing Panel will consider in determining appropriate discipline include, but are not necessarily limited to:

- The nature of the violation.
- Harm caused by the violation. Was the violation a minor mistake causing little or no harm or, alternatively, was a client, customer, member of the public, or another participant harmed?

- Was the violation inadvertent or unintentional or, conversely, was it the result of knowing disregard for the obligations of MLS participants and subscribers?
- How much real estate experience did the violator have? Did he, or should he, have known better?
- Has the violator been found in violation of the rules previously? How often? How recently? Is the current violation related or similar to earlier violations?
- Are there mitigating or extenuating circumstances that should be considered in determining appropriate discipline?
- Did the violator acknowledge the violation? Did the violator express remorse or contrition?
- Are there other factors that ought to be considered?

Section 10. CONFIDENTIALITY OF MLS INFORMATION

Confidentiality of MLS Information: 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.

Section 10.1: MLS Not Responsible for Accuracy of Information: The information published and disseminated by the MLS 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.

Section 10.2: Access to Comparable and Statistical Information: Association members who are actively engaged in real estate brokerage, management, mortgage, financing, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive by purchase or lease all information other than current listing information that is generated wholly or in part by the MLS, including “comparable” information, “sold” information, and statistical reports. This information is provided for the exclusive use of Association members and individuals affiliated with Association members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm, except as otherwise provided in these rules and regulations.

Section 11. OWNERSHIP OF MLS COMPILATION AND COPYRIGHT*

By the act of submitting any property listing content to the Multiple Listing Service, the Participant represents that he has been authorized to grant and also thereby does grant 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.

Section 11.1: All right, title, and interest in each copy of every MLS compilation created and copyrighted by SAN JUAN BOARD and in the copyrights therein, shall at all times remain vested in SAN JUAN BOARD.

Section 11.2: Each Participant shall be entitled to lease from SAN JUAN BOARD 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 compilation. The Participant shall pay for each such copy, or the rental fee set by the Association.** Participants shall acquire by such lease only the right to use the MLS compilation in accordance with these rules.

Note: **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 the Participants, including but not limited to, bound book, loose-leaf binder, computer database, card file, or any other format whatever.*

***This section should not be construed to require the Participant to lease a copy of the MLS compilation for any licensee (or licensed or certified appraiser) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, or appraising the types of properties which are required to be filed with the*

MLS and who does not, at any time, have access to or use of the MLS information or MLS facility of the Association.

Section 12. USE OF COPYRIGHTED MLS COMPILATION

Distribution Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased or sold to them by SAN JUAN BOARD and shall not distribute such copies to persons other than subscribers who are affiliated with such Participants as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by the MLS is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized users 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 the MLS where access to such information is prohibited by law.

Section 12.1: Display Participants and those persons affiliated as licensees with such Participants shall be permitted to display the MLS compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said MLS compilation.

Section 12.2 Reproduction

Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof, except in the following limited circumstances:

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

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. (Amended 05/14)

Section 13. USE OF MLS INFORMATION

Limitations on Use of MLS Information: Use of information from MLS compilation of current listing information, from the Association's "Statistical Report, or from any "Sold" or "Comparable" report of the Association or MLS for public mass-media advertising by an MLS Participant or in other public representations, may not be prohibited. However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the Association or its MLS must clearly demonstrate the period of time over which such claims are based and must include the

following, or substantially similar, notice: “Based on information from the Puerto Rico MLS (PRMLS) or from the Associations participating in the PRMLS for the period (date) through (date).” Sold or Comparable data are treated as services of the San Juan Board and not of the MLS. Therefore, sold or comparable data are not made available to brokers, who are MLS Participants, but not otherwise members of the Association.

Section 14. CHANGES IN RULES AND REGULATIONS

Changes in Rules and Regulations: Amendments to the rules and regulations of the MLS shall be governed and subject to approval by the BOG.

Section 15. ARBITRATION OF DISPUTES

Arbitration of Disputes: By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the Code of Ethics with MLS Participants in different firms arising out of their relationships as MLS Participants subject to the following qualifications:

- a. If all disputants are members of the same Association of Realtors or have their principal place of business within the same Association's territorial jurisdiction, they shall arbitrate pursuant to the procedures of that Association of REALTOR®.
- b. If the disputants are members of different Associations of REALTOR® or if their principal place of business is located within the territorial jurisdiction of different Associations of REALTOR®, they remain obligated to arbitrate in accordance with the procedures of the San Juan Board of REALTOR®.

Interboard Arbitration Procedures: Arbitration shall be conducted in accordance with any existing interboard agreement, or, alternatively, in accordance with the Interboard Arbitration Procedures in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Association of REALTORS®.

Section 16. STANDARDS OF CONDUCT FOR MLS PARTICIPANTS

Section 16.1: MLS Participants shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other MLS Participants have with clients.

Section 16.2: Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the seller/landlord.

Section 16.3: MLS Participants acting as buyer/tenant representatives or brokers shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker.

Section 16.4: MLS Participants shall not solicit a listing currently listed exclusively with another broker. However, if the listing broker, when asked by the MLS Participant, refuses to disclose the expiration date and nature of such listing, (i.e. an exclusive right to sell, exclusive agency, open listing or other form of contractual agreement between the listing broker and the client/customer), the MLS Participant may contact the owner to secure such information and may discuss the terms upon which the MLS Participant might take a future listing, or alternatively, may take a listing to become effective upon expiration of any exclusive listing.

Section 16.5: The Participants shall not solicit buyer/tenant agreements from buyer/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by an MLS Participant, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the MLS Participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the MLS Participant might enter into a future buyer/tenant agreement, or alternatively may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement.

Section 16.6: MLS Participants shall not use information obtained from listing brokers through offers to cooperate made through the multiple listing services or through other offers of cooperation to refer listing brokers' clients to other brokers, or

to create buyer/tenant relationships with listing brokers' clients/customers, unless such use is authorized by listing brokers.

Section 16.7: The fact that an agreement has been entered into with an MLS Participant shall not preclude or inhibit any other MLS Participant from entering into a similar agreement after the expiration of the prior agreement.

Section 16.8: The fact that a prospect has retained an MLS Participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other MLS Participants from seeking such prospect's future business.

Section 16.9: MLS Participants are free to enter contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent.

Section 16.10: When MLS Participants are contacted by the client/customer of another MLS Participant regarding the creation of an exclusive relationship to provide the same type of service, and MLS Participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement.

Section 16.11: In cooperative transactions, MLS Participants shall compensate cooperating MLS Participants (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other MLS Participants without the prior express knowledge and consent of the cooperating broker.

Section 16.12: MLS Participants are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another MLS Participant. A general telephone canvass, general mailing, or distribution addressed to all prospects in a given geographical area or in a given profession, business, club or organization, or other classification or group is deemed "general" for purposes of this rule.

The following types of solicitations are prohibited:

Telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their property with another MLS Participant; and mail or other forms of written solicitations of prospects whose properties are exclusively listed with another MLS Participant when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current listings, "for sale" or "for rent" signs, or other sources of information intended to foster cooperation with MLS Participants.

Section 16.13: MLS Participants, prior to entering into a representative agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service.

Section 16.14: MLS Participants, acting as buyer or tenant representatives or brokers, shall disclose that relationship to the seller/landlord's representative or broker at first contact and shall provide written confirmation of that disclosure to the seller/landlord's representative or broker not later than execution of a purchase agreement or lease.

Section 16.15: On unlisted property, the MLS Participants acting as buyer/tenant representatives or brokers shall disclose that relationship to the seller/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement. MLS Participants shall make any request for anticipated compensation from the seller/landlord at first contact.

Section 16.16: MLS Participants, acting as representatives or brokers of sellers/landlords or as listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable, and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement.

Section 16.17: MLS Participants are not precluded from contacting the client/customer of another broker for the purpose

of offering to provide, or entering into a contract to provide, a different type or real estate service unrelated to the type of service currently being provided (e.g. property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through a MLS or any other offer of cooperation may not be used to target clients of other MLS Participants to whom such offers to provide services may be made.

Section 16.18: MLS Participants, acting as non-agency or buyer/tenant representatives or brokers, shall not use the term of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to non-agents or buyer/tenant representatives or brokers, or make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation.

Section 16.19: All dealings concerning property exclusively listed or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client. Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, MLS Participants shall ask prospects whether they are a party to any exclusive representation agreement. MLS Participants shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects.

Section 16.20: Participants, users and subscribers, prior to or after their relationship with their current firm is terminated, shall not induce clients/customers of their current firm to cancel exclusive contractual agreements between the client/customer and that firm. This does not preclude participants from establishing agreements with their associated licensees governing assignability of exclusive agreements. (Adopted 1/98, Amended 1/10)

Section 16.21: These rules are not intended to prohibit ethical, albeit aggressive or innovative business practices, and do not prohibit disagreements with other MLS Participants involving commission, fees, compensation, or other forms of payment or expenses.

Section 16.22: MLS participants shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices. (Amended 01/12)

Section 16.23 SAN JUAN BOARD participants shall present a true picture in their advertising and representations to the public, including Internet content posted and the URLs and domain names they use, and participants may not:

- a. Engage in deceptive or unauthorized framing of real estate brokerage websites;
- b. Manipulate (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result;
- c. Deceptively use metatags, keywords, or other devices/methods to direct, drive, or divert internet traffic;
- d. Present content developed by others without attribution or without permission; or
- e. Otherwise mislead consumers. (adopted 1/13)

Section 16.24 The services which MLS participants provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate. MLS participants shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth. (Adopted 11/09)

Section 17. ORIENTATION

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 sixty (60) days after access has been provided. (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 additional training remotely. (Adopted 11/09)

Section 18. INTERNET DATA EXCHANGE (IDX)

The IDX policy gives MLS participants the ability to authorize limited electronic display of their listings by other participants. (Adopted 05/12).

Associations of Realtors® and their multiple listing services must enable MLS participants to display aggregated MLS listing information by specified electronic means in accordance with this policy. Electronic display subject to this policy means displays on participants' public websites and displays using applications for mobile devices that participants control. For purposes of this policy "control" means participants must have the ability to add, delete, modify and update information as required by this policy. All displays of IDX listings must also be under the actual and apparent control of the participant, and must be presented to the public as being the participant's display. Actual control requires that the participant has developed the display, or caused the display to be developed for the participant pursuant to an agreement giving the participant authority to determine what listings will be displayed, and how those listings will be displayed. Apparent control requires that a reasonable consumer viewing the participant's display will understand the display is the participant's, and that the display is controlled by the participant. Factors evidencing control include, but are not limited to, clear identification of the name of the brokerage firm under which the participant operates in a readily visible color and typeface, except as otherwise provided for in this policy (e.g., displays of minimal information). All electronic display of IDX information conducted pursuant to this policy must comply with state law and regulations, and MLS rules. Any display of IDX information must be controlled by the participant, including the ability to comply with this policy and applicable MLS rules. (Amended 05/12)

To comply with this requirement MLSs must, if requested by a participant, promptly provide basic downloading of all active listings, a minimum of three (3) years sold* listing data and other listings authorized under applicable MLS rules and may not exclude any listings from the information which can be downloaded or displayed under IDX except those listings for which a participant has withheld consent, or listings for which the seller has prohibited Internet display. Associations and MLSs can also offer alternative display options including framing of board, MLS, or other publicly-accessible sites displaying participants' listings (with permission of the framed site). For purposes of this policy, "downloading" means electronic transmission of data from MLS servers to participants' servers on a persistent or transient basis, at the discretion of the MLS. The MLS's IDX download must be refreshed to accurately reflect all updates and status changes no less frequently than every twelve (12) hours. Data transmitted must exclude the listing or property address, respectively, of any seller who affirmatively directs that the listing or the property address not appear on the Internet or other electronic forms of display or distribution. (Amended 11/14)

***Note:** *If "sold" information is not publicly accessible, sold listings can be removed from the MLSs' IDX feeds/downloads.*
(Adopted 11/14)

MLSs that allow persistent downloading of the MLS database by participants for display or distribution on the Internet or by other electronic means may require that participants' websites (1) utilize appropriate security protection, such as firewalls, provided that any security obligations imposed on participants may not be greater than those employed concurrently by the MLS, and/or (2) maintain an audit trail of consumer activity on participants' websites and make that information available to the MLS if the MLS has reason to believe that a participant's IDX website has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers. This policy does not require associations or MLSs to establish publicly accessible sites displaying participants' listings. (Amended 05/12)

Unless state law requires prior written consent from listing brokers, listing brokers' consent for IDX display may be presumed unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit IDX display of that participant's listings,

then that participant may not display the aggregated MLS data of other participants on an IDX site.

Alternatively, MLSs may require that participants' consent for IDX display of their listings by other participants be affirmatively established in writing. Even where participants have given blanket authority for other participants' IDX display of their listings, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller. (Amended 05/12)

Access to MLS databases, or any part of such databases, may not be provided to any person or entity not expressly authorized such access under the MLS rules. (Amended 11/09)

Participants' Internet websites and other authorized display mechanisms may also provide other features, information, or services in addition to IDX information (including Virtual Office Website ["VOW"] functions) which are not subject to this policy. (Amended 05/12)

Policies Applicable to Participants' IDX Websites and Displays

1. Participants must notify the MLS of their intention to display IDX information and give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. (Amended 05/12)
2. MLS participants may not use IDX-provided listings for any purpose other than IDX display. This does not require participants to prevent indexing of IDX listings by recognized search engines. (Amended 05/12)
3. Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly accessible websites or VOWs) shall not be accessible via IDX display. (Amended 05/12)
4. Participants may select the IDX listings they choose to display 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 or exclusive agency), or the level of service provided by the listing firm. Selection of IDX listings to be displayed must be independently made by each participant. (Amended 05/12)
5. Participants must refresh all MLS downloads and displays automatically fed by those downloads not less frequently than every three (3) days twelve (12) hours. (Amended 11/14)
6. Except as provided elsewhere in this policy or elsewhere in an MLS's rules and regulations, an IDX display or participant engaging in IDX display may not distribute, provide, or make any portion of the MLS database available to any person or entity. (Amended 05/12)
7. When displaying listing content, a participant's or user's IDX display must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. This policy acknowledges that certain required disclosures may not be possible in displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of 200 characters or less). Such displays are exempt from the disclosure requirements established in this policy but only when linked directly to a display that includes all required disclosures. (Amended 05/12)

With respect to any participant's IDX display 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 with respect to the seller's listing at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued by all participants. Except for the foregoing and subject to paragraph 9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying customers that a particular feature has been disabled at the request of the seller. (Amended 05/12)
8. 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 property. The participant 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 that property explaining why the data or information is false. However, the participant shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. (Amended 05/12)
 9. 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. (Adopted 11/14)

Section 18.1: Participants’ consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant’s listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display. (Amended 05/12)

Section 18.2: Participation in IDX is available to all MLS participants who consent to display of their listings by other participants.

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. (Amended 05/12)

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. (Amended 05/12)

Section 18.2.3: Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker 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). (Amended 05/12)

Section 18.2.4: Participants may select the listings they choose to display on their IDX sites 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 or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each participant. (Amended 11/06)

Section 18.2.5: Participants must refresh all MLS downloads and displays automatically fed by those downloads not less frequently than every 12 hours. (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. (Amended 05/12)

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. (Amended 05/12)

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 participant’s IDX display may communicate the participant’s professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. (Adopted 05/12)

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 property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. (Amended 05/12)

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

Section 18.3: Display: 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.

Section 18.3.1: The type of listing agreement (e.g. exclusive right to sell, exclusive agency, etc.) may not be displayed.

Section 18.3.2: 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.) MLS data may be augmented with additional data not otherwise prohibited from display so long as the source of the additional data is clearly identified.

This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized data fields.

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. (Amended 05/12)

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.

Section 18.3.7: All listings displayed pursuant to IDX shall show the MLS as the source of the information. 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. (Amended 05/12)

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, noncommercial 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. SAN JUAN BOARD requires use of other disclaimers as necessary to protect participants and/or the MLS from Liability. Displays of minimal information (e.g. “thumbnails, test 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. (Amended 05/12)

Section 18.3.9: The data consumers can retrieve or download in response to an inquiry shall be limited to 100 listings per search or five percent (5%) of the listings available for IDX display, whichever is fewer.

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 MLSs, from non-participating brokers, etc.) must display the source from which each such listing was obtained. 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. (Amended 11/14)

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.

Section 18.3.12: Display of expired, withdrawn and pending listings are prohibited.

Section 18.3.13: Display of seller’s(s’) and/or occupant’s(s’) name(s), phone number(s), and e-mail address (es) or other confidential information 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. (Amended 05/12)

Section 18.3.15: Participants must maintain an audit trail of consumer activity on their websites and make that information available to the MLS if the MLS believes the IDX site has caused or permitted a breach in the security of the data or a violation of the MLS Rules and Regulations related to use by consumers. (Amended 05/12)

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.

Section 18.4: Service fees and charges for participation in IDX shall be established annually. (Amended 5/05)

Section 19. Virtual Office Websites (VOWs)

Section 19.1: VOW Defined: 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.

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.

“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.

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 MLSs may operate a master website with links to the VOWs of the other offices.
- b. Subject to the provisions of the VOW policy and these rules, a participant’s VOW, including any VOW operated on behalf of a participant by an AVP, may provide other features, information, or functions, e.g., “Internet Data Exchange” (IDX).
- c. Except as otherwise provided in the VOW policy or in these rules, a participant need not obtain separate permission from other MLS participants whose listings will be displayed on the participant’s VOW.

Section 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 e-mail address for each Registrant. The participant must send an e-mail 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 e-mail 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 e-mail 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, e-mail address, user name, and current password of each Registrant. The participant must keep such records for not less than one hundred eighty (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, e-mail address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.
- d. The participant shall require each Registrant to review and affirmatively to express agreement (by mouse click or otherwise) to a terms of use provision that provides at least the following:
 - 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’ ownership of and the validity of the MLS’ 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 uses 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 participant's VOW shall not display the 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 e-mail, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

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 MLS Opt-out Form (if completed must be an addendum to Listing Contract)

1. Check below any that apply.

- a. I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.
- 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.
- c. I have advised my broker or sales agent that I do not want any photographs entered for my property, in the MLS.

2. I understand and acknowledge that if I have selected Option 1a, consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their searches.

Initials of Seller

Seller Opt-out Form can be found with MLS forms on puertorico-mls.com.

The participant shall retain such forms for at least one (1) year from the date they are signed or one (1) 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. to 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 seventy-two (72) 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, in the NATIONAL ASSOCIATION OF REALTORS®, VOW policy, or in 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, withdrawn, or pending ("under contract") 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

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.

Section 19.19: A participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 current listings and not more than 100 sold listings in response to any inquiry or 5% of the listings in the MLS, whichever is less.

Section 19.20: A participant shall require that Registrants' passwords be voided and new passwords issued every 90 days.

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 co-branding. For purposes of this section, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information (or that of at least one participant, in the case of a VOW established and operated on behalf of more than one participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

Section 19.22: A participant shall cause any listing displayed on their 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 their 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 their listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within seventy-two (72) hours.

SAN JUAN BOARD OF REALTORS® VIOLATIONS; MLS POLICIES AND PROCEDURES

For failure to abide by MLS Policies and Procedures, the Participation will be assessed in the following manner: Fines are cumulated on a per listing basis. These items and fines are subject to change as directed by the BOG.

UNAUTHORIZED ACCESS – MISUSE OF MLS INFORMATION

1st Violation: \$1,000;

2nd Violation: \$5,000;

3rd Violation: MLS Hearing Panel \$5,000

- Providing MLS access to any unauthorized party (any non-MLS participant)
- Filing false Membership Application
- Reproducing and Distributing unauthorized portions of the MLS database
- Unauthorized computer download or transmission of MLS data
- Use of MLS data for other than the intended / permitted purposes

LOADING LISTINGS AND REPORTING CHANGES BY DEADLINE

1st Violation: \$500 or No Fine – If corrected within three days of notification,

2nd Violation: \$750;

3rd Violation: \$1,000;

4th Violation: MLS Hearing Panel

- Failure to notify the SAN JUAN BOARD Membership Department of termination, transfer or addition of an associate under the Participant's license within **three business days**
- Listing not loaded within **three business days** of listing start date
- Listing status changes not reported within **three business days**
- Failure to properly specify listing location information, included but not limited to:
 - Property type
 - County
 - City
 - Address
 - MLS Area / MLS GEO map
 - Folio number
 - 5 digit zip code
- Failure to enter accurate information in a required data field
- Failure to maintain current, accurate, listing agent email address
- Failure to provide documentation within **three business days** after requested by SAN JUAN BOARD staff
- Failure to complete and attach required information form for Auction property

DATA INTEGRITY – MANIPULATION OF MLS CONTENT

1st Violation: \$200 or No Fine – If corrected within two days of notification;

2nd Violation: \$350;

3rd Violation: \$500;

4th Violation: MLS Hearing Panel

- Posting a listing on MLS without having a signed listing agreement
- Entering a duplicate listing under same property type
- Entry of inaccurate or non-text information (ie: watermarks, logos) anywhere in a listing
- Off Market/Pocket Listings - Withholding a valid Listing out of MLS without seller written consent
- Use of any data field for a purpose other than its intended use
- Placing URLs, showing instructions, Open House information, access codes, Lockbox combinations, commission/bonus information or contact information in Remarks, Directions or Internet Remarks. This includes but is not limited to names, phone numbers, email addresses or websites.
- No Photo. Minimum three different photos (one must be front of property) is required
- Use or reuse of any photograph without proper authorization
- Inappropriate photos, virtual tours and videos
- Photos, Virtual Tours and Video Images containing text or embedded links
- Branded Slide shows, Virtual Tours or Videos (agent, office or company information). VT must contain the letters “MLS” or “unbranded” or “non-branded” in the URL 4 Failure to update Expected Closing Date (ECD)
- Inaccurate or out dated fees (i.e.: maintenance fee/HOA fee/Rec fee/total fees)
- Bonus or incentives entered in any field other than Broker Remarks
- Conditional offer of compensation and/or zero commission amount
- Invalid value in compensation fields
- Failure to disclose Variable/Dual Rate commission
- Failure to disclose brokerage representation
- Advertising a listing filed with MLS without written permission (does not include IDX or syndication through SAN JUAN BOARD approved providers)
- Extending a listing without written authorization of the seller
- Failure to secure seller(s), broker or office manager signature on MLS Change Form
- Manipulation of Days on Market (DOM)
- Failure to update Expected Closing Date (ECD)
- Violating lockbox or electronic key regulations
- Violating IDX display rules
- Violating VOW rules
- Agent solicitation/recruitment in any MLS integrated service
- Use of Showing Assist remarks for other than intended use
- Entering incorrect selling agent or sale price information when closing a listing
- Failure to correctly record “Buyers Country of Origin” or, if USA, record “Buyers State”
- Entering any data in a knowingly and willful manner to subvert the MLS automated data checker
- Failure to pay assessed MLS fines MLS Policies and Procedures