

**PUEBLO ASSOCIATION OF REALTORS®
RULES AND REGULATIONS
MULTIPLE LISTING SERVICE (MLS)**

Section 1. LISTING PROCEDURES: Listings of properties of the following types located within the territorial jurisdiction of the Pueblo Association of REALTORS®, Inc. ("PAR") taken by Participants on exclusive right to sell listing contracts and exclusive agency listing contracts shall be delivered to the Multiple Listing Service (MLS) within 72 hours, including weekends but excluding holidays, after all necessary signatures of seller (s) have been obtained:

- (a) Single family homes for sale or exchange.
- (b) Vacant lots and acreage for sale or exchange.
- (c) Two-family, three-family, and four-family residential buildings for sale or exchange.
- (d) Mobile Homes with and with-out land

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" is required as approved by the MLS. However, the MLS, through its legal counsel:

- 1. May reserve the right to refuse to accept a listing form which fails to adequately protect the interests of the public and the Participants.
- 2. Assure that no listing form filed with MLS establishes, directly or indirectly, any contractual relationship between the MLS and the client (Buyer or Seller).

The MLS shall accept exclusive right to sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other Participants of the MLS acting as subagents, buyer agents, or both, or transaction brokers. The listing agreement must include the seller's authorization to submit the agreement to the MLS.

- 3. The different types of listing agreements include:
 - a. Exclusive Right To Sell: The exclusive right to sell listing is the conventional form of listing submitted to the MLS in that the seller authorized the listing broker to cooperate with and to compensate other brokers.
 - b. Exclusive Agency: The exclusive agency listing also authorized the listing broker, as exclusive agent, to offer cooperation and compensation on blanket

unilateral bases, but also reserves the seller that 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.

- c. Open
- d. Net

PAR does not accept Net or Open listings in its MLS.

NOTE 2: A MLS does not regulate the type of listings its members may take. This does not mean that MLS must accept every type of listings. The MLS shall decline to accept open listings and net listings and it may limit its service to listings of certain kinds of property. But if it chooses to limit the kind of listings it will accept, it shall leave its Members free to accept such listings to be handled outside the MLS.

NOTE 3: PAR does not accept auctioned properties in its MLS.

Section 1.1 TYPES OF PROPERTIES: The following are some of the types of parties that may be published through the Service, including types described in the preceding paragraph that are required to be filed with the Service and other types that may be filed with the Service at the Participant's option provided, however, that any listing submitted is entered into within the scope of the Participant's licensure as a real estate broker:

- 1. Residential
- 2. Residential Income
- 3. Subdivided Vacant Lot
- 4. Land and Ranch
- 5. Business Opportunity
- 6. Motel-Hotel
- 7. Mobile Homes
- 8. Mobile Home Parks
- 9. Commercial Income
- 10. Industrial

Section 1.1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE:

Any listing taken on a contract to be input in the Multiple Listing Service is subject to the Rules and regulations of the Service upon signature of the seller (s).

Section 1.2. DETAIL ON LISTINGS INPUT WITH THE SERVICE: The listing Broker, shall input complete detail as specified on the Property Data Form as well as a copy of the listing agreement delivered to PAR within 72 hours. When listings are Broker loaded, only the listing agreement documentation needs to be submitted to PAR.

Section 1.2.a. For all residential listings a "main" picture is required. The main picture

must be of the front of the home only, no other pictures are allowed for a “main” picture.

Section 1.2.b. If the listing entry indicates no picture is required or indicates a photo will be provided but no main picture is provided within one week, the Association will have the main picture taken and the participant will be assessed a Ten Dollar (\$10) fee.

Section 1.2.c Company logos will be acceptable for Land Only listings.

Section 1.2.1 LIMITED SERVICE LISTINGS: Listing Agreements under which the listing Broker will not provide one, or more, of the following services:

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

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

Section 1.3 EXEMPTED LISTINGS: If the seller refuses to permit the listing to be disseminated by the MLS, 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 certification signed by the seller that the seller does not desire the listing to be disseminated by the Service.

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 input with the Service within twenty four (24) hours (excepting weekends, holidays and postal holidays) after the authorized change is received by the listing broker.

Section 1.4.1 MLS listings which are active shall be promptly reported as under contract or sold upon such change occurring. Upon being notified by the Association

that a listing is being inaccurately reported as active a Participant shall make the necessary corrections within 72 hours. If the Participant fails to make the change the Participant will be assessed a fee of \$100 and for each additional period of 72 hours the listing is not corrected an additional fee of \$100 will be assessed.

Section 1.5 WITHDRAWAL OF LISTING PRIOR TO EXPIRATION: Listings of property may be withdrawn from the Multiple Listing Service by the listing broker before the expiration date of the listing agreement provided notice is filed with the MLS including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal. Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller(s) can document that his exclusive relationship with the listing broker has been terminated, the Multiple Listing Service 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 LISTING 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.

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 Multiple Listing Service.

Section 1.9 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS: The Multiple Listing Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Multiple Listing Service shall not fix, control, recommend, suggest or maintain the division of commissions or fees between cooperating Participants or between Participants and non-participants.

Section 1.10 EXPIRATION, EXTENSION, AND RENEWAL OF LISTINGS: Any listing input with the Multiple Listing Service automatically expires on the dates specified in the agreement unless renewed by the listing broker and notice of renewal or extension is input with the Service prior to expiration. A copy of the listing agreement extension shall be filed with PAR within 72 hours. If notice of renewal or extension is dated after the expiration date of the original listing, then a new listing must be secured for the listing to be input with the Service. It should then be published as a new listing. Any extension

or renewal of a listing must be signed by the seller(s).

Section 1.11 TERMINATION DATE ON LISTINGS: Listings input with the Service shall bear a definite and final termination date as negotiated between the listing broker and the seller.

Section 1.12 JURISDICTION: Only listings of the designated types of property located within the jurisdiction of the Pueblo Association of REALTORS are required to be input to the Service. Listings of property located outside the Association's jurisdiction will be accepted if input voluntarily by a Participant, but cannot be required by the Service.

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

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 By-Laws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently input with the MLS shall, at the expelled Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a Participant has been expelled from the Association or MLS (or both) 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 the Participant's clients.

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 resigned Participant's listings from the MLS, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise the Participant's clients.

SELLING PROCEDURES

Section 2. SHOWINGS AND NEGOTIATIONS: Appointments for showings and negotiations with the seller for the purchase of listed property input 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, the cooperating broker cannot contact the listing broker or the listing broker's representative. However, the listing broker may, at the option of the listing broker, preclude such direct negotiations by the cooperating broker.

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.

Section 2.2 SUBMISSION OF WRITTEN OFFERS: The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, regulations, or agreed otherwise in writing between the seller and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer.

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

Section 2.3 RIGHT OF COOPERATING BROKER IN PRESENTATION OF OFFER: The cooperating broker (subagent or buyer agent or transaction broker) or their representative has the right to participate in the presentation to the seller or lessor of any offer he/she secures to purchase or lease. The cooperating broker 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-OFFERS: The listing broker or their representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. They do 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 INPUTTING SALES TO THE SERVICE: Status changes, including final closing of sales shall be reported to the Multiple Listing Service by the listing broker within seventy-two (72) hours after they have occurred. If negotiations were carried on under Section 2 (a) and (b) hereof, the cooperating broker shall report accepted offers to the listing broker with twelve (12) hours after occurrence and the listing broker shall report them to the MLS within seventy-two (72) hours after receiving notice from the cooperating broker.

Note: 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 the sale of the property. If determined desirable by the MLS to publish sales information prior to the 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.

Section 2.6 REPORTING RESOLUTIONS OF CONTINGENCIES: The listing broker shall report to the Multiple Listing Service within 24 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 Multiple Listing Service the cancellation of any pending sale and the listing shall be reinstated immediately.

REFUSAL TO SELL

Section 3. REFUSAL TO SELL: If the seller of any listed property input with the Multiple Listing Service refused to accept a written offer satisfying the terms and conditions stated into the listing, such fact shall be transmitted immediately to the Service and to all Participants.

PROHIBITIONS

Section 4. 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" signs 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 Ethics.

Section 4.4 USE OF THE TERMS MLS AND MULTIPLE LISTING SERVICE: No MLS participant or licensee affiliated with any participant shall, through the name of their firm, their URLs, their email 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 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 licensees affiliated with participants. This does not prohibit participants from representing that any information they are authorized under MLS rules to provide to their clients or customers is available on their websites or otherwise.

Section 4.5 Any participant, or licensee affiliated with a participant, shall not share their MLS ID and password with any other person. Any participant, or licensee affiliated with a participant found to have violated this provision will be assessed a fee of Five Hundred Dollars (\$500). Additional violations of this provision will be grounds for the suspension of MLS privileges for a period of up to ninety (90) days.

DIVISION OF COMMISSIONS

Section 5. COMPENSATION SPECIFIED ON EACH LISTING: The listing broker shall specify, on each listing filed with the MLS, the compensation offered to other MLS Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of sale (or lease) or as otherwise provided in this rule. The listing broker's obligation to compensate any cooperating broker as 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 filing a property with the MLS , the participant of the service is making blanket unilateral offers of cooperation to the other MLS participants, and shall therefore specify on each listing filed with the Service, the compensation being offered to the other MLS participants. Specifying the compensation on each listing is necessary because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell. *

*The compensation specified on listings filed with the MLS shall appear in one of two forms. The essential requirement 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 the cooperating broker producing an offer to purchase. The compensation specified in listings published in the MLS shall be either by showing a percentage of the gross selling price, except as modified herein, or by showing a definite dollar amount. Participants may offer compensation as a percentage of the net sales price, with the net sales price defined as the gross sales price minus buyer upgrades (new construction) and seller concessions.

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

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

Note 1: The MLS shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in their listing contract, and the MLS shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The Association MLS shall not disclose in any way the total commission negotiated between the seller and the listing broker.

Note 2: The listing broker may, from time to time, adjust the compensation offered to other MLS participants for their services with respect to any listing by advance published notice to the Service so that participants will be advised.

Note 3: The MLS shall make no rule on the division of commissions between participants and nonparticipants. This remains solely the responsibility of the listing broker.

Note 4: The MLS may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval or to lender approval; and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court or by a lender. In such instances, the fact that the gross commission is subject to court or to lender approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they produce an offer that ultimately results in a successful transaction.

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.

Note 6: A short sale, for the purpose of the MLS Rules, is a transaction in which upon closing and transfer of title the sale price is insufficient to pay the total of all liens and costs of sale and the seller does not bring sufficient good funds to closing to cure all deficiencies. Any confidential disclosures or confidential information relating to a short sale is to be communicated in MLS fields restricted to MLS participants.

Section 5.01 DISCLOSING POTENTIAL SHORT SALES

Participants must disclose potential short sales when reasonably known to the listing participants. When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing agreement, required by the lender as a condition of approving the sale, will be apportioned between the listing and cooperating participants.

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

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 no 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 in which the seller / landlord agrees to pay a specified commission if the property is sold / leased by the listing broker without assistance and a different commission if the sale / lease results through the efforts of a cooperating broker; or one in which the seller / landlord agrees to pay a specified commission if the property is sold / leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale results through the efforts of a seller / landlord) shall be disclosed by the listing broker by a key, code or symbol are 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.

SERVICE CHARGES

Section 6. SERVICE FEES, CHARGES AND PENALTIES: The following service charges for operation of the Multiple Listing Service are in effect to defray the costs of the Service and are subject to change from time to time in the manner prescribed:

- (a) Initial Participation Fee: An applicant for participation in the Service shall pay \$500 Participation Fee for Designated Realtor/Appraiser, \$25.00 for each additional user in Designated REALTORS® office.
- (b) Subscription Fees; Listing books and computer data access will be furnished to each participant at a cost that will be established by the board of directors from time to time to cover all costs incurred by the Association in producing and distributing the information. The Participant broker shall be responsible for the fees set forth in Paragraphs 6 (a) & (b), for those individuals in his office who are employed by or affiliated as an independent contractor (including registered, licensed or certified Appraisers) with the Participant, who have access to and who utilize the service and who have not been granted an MLS Exemption.
- (c) Access Levels: The Board of Directors may establish various access levels and fees for the Service.
- (d) Transfer fee: If control of a Participant firm is sold, assigned, or transferred, participation of the firm in the Service shall be automatically suspended subject to approval of the new Broker's membership in the Association. If more than 50 % partnership or corporate interest in the participating firm is transferred, then a transfer fee of \$100.00 shall be paid to the

Service to cover the cost of recording such change in ownership. No participation shall be transferred unless same is current with monthly and annual fees paid. Any participant who has not been a member of the Service within the previous 6 months must make new application and pay all initial application fees.

- (e) Upon notification by the Association of mistakes in listing input (to include a change of status) a participant has 72 hours to make the necessary changes. If the necessary changes are not made within the 72 hours a penalty of \$50 will be assessed. If the necessary changes are not completed within an additional 72 hours the penalty will be increased to \$100. If after a third 72 hour period the necessary changes have still not been made the listing will be withdrawn from the MLS until properly submitted.
- (f) A late payment penalty of \$25.00 will be assigned for all payments not received by the first of the month.

COMPLIANCE WITH RULES

Section 7. COMPLIANCE WITH RULES – AUTHORITY TO IMPOSE DISCIPLINE:

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

- a. letter of warning
- b. letter of reprimand
- c. attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location and duration
- d. appropriate, reasonable fine not to exceed \$15,000
- e. 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.

Section 7.1 COMPLIANCE WITH RULES: The following action may be taken for noncompliance with the rules:

- (a) For failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days notice has been given, the Service shall be suspended until service charges or fees are paid in full.
- (b) For failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply.

Section 7.2 APPLICABILITY OF RULES TO USERS AND/OR SUBSCRIBERS

Non-principal brokers, sales licensees, appraisers and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the participant to the same or other discipline. This provision does not eliminate the participant's ultimate responsibility and accountability for all uses or subscribers affiliated with the participant.

MEETINGS

Section 8. MEETINGS OF MLS COMMITTEE: The MLS Committee shall meet for the transaction of its business at a time and place to be determined by the committee or at the call of the Chairperson.

Section 8.1 MEETINGS OF MLS PARTICIPANTS: The committee may call meetings of the Participants in the Service to be known as meetings of the MLS.

Section 8.2 CONDUCT OF MEETINGS: The Chairperson, or Vice Chairperson, shall preside at all meetings or, in their absence, a temporary Chairperson from the membership of the Committee shall be named by the chairperson or, upon the Chairperson's failure to do so, by the Committee.

ENFORCEMENT OF RULES OR DISPUTES

Section 9. CONSIDERATION OF ALLEGED VIOLATIONS: The Committee shall give consideration to all written complaints from Participants having to do with violations of the Rules and Regulations.

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 alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the MLS committee, and if a violation is determined, the

Committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Association in accordance with the By-Laws of the Pueblo Association of REALTORS® within twenty (20) days following the receipt of the committee's decision.

If, rather than conducting an administrative review, the MLS committee has a procedure established to conduct hearings, the decision of the MLS committee may be appealed to the board of directors of the Association within twenty (20) days of the tribunal's decision being rendered. Alleged violations involving unethical conduct shall be referred to the Association's Grievance Committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the Association.

Section 9.2 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the Pueblo Association of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Association's By-Laws.

CONFIDENTIALITY OF MLS INFORMATION

Section 10. CONFIDENTIALITY OF MLS INFORMATION: Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and real estate licensees affiliated with such Participants and those Participants who are registered, licensed or certified by the State of Colorado to engage in the appraisal of real property and registered, 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 Service is communicated verbatim, without change by the Service, as input with the Service by the Participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

Section 10.2 ACCESS TO COMPARABLE AND STATISTICAL INFORMATION: REALTORS® who are actively engaged in real estate brokerage, management, 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.

OWNERSHIP OF MLS COMPILATIONS AND COPYRIGHTS

Section 11. By the act of submitting any property listing content to the MLS, the Participant represents that the Participant 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, remark, narratives, pricing information, and other details or information related to the listed property.

Section 11.1 All right, title, and interest in each copy of every Multiple Listing Compilation created and copyrighted by the Pueblo Association of REALTORS®, and in the copyrights therein, shall at all times remain vested in the Pueblo Association of REALTORS®.

Section 11.2 Each Participant shall be entitled to lease from the Pueblo Association of REALTORS a number of copies of MLS compilation sufficient to provide the Participant and each person affiliated as a licensee (including registered, licensed or certified appraiser) with such Participant with one copy of such Compilation. The participant shall pay, for each such copy; the rental fee set by the Association. Participants shall acquire by such lease only the right to use the MLS Compilations in accordance with these rules.

Note 1: The term MLS Compilation, as used in Sections 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 data base, card file, or any other format whatever.

Note 2: This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee 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 nor use of the MLS information or MLS facility of the Association. Requests for MLS exemptions must be presented by the participant in writing for approval by the Association Board of Directors. These exemption requests must be renewed in writing annually. Exemptions for MLS fees and Services will be granted upon

certification from the licensed broker Designed REALTOR for licenses who do not utilize the service and do not list, sell, or appraise real estate within the territorial jurisdiction of the Association.

USE OF COPYRIGHTED MLS COMPILATIONS

Section 12. DISTRIBUTION: Participants shall at all times maintain control over and responsibility for each copy of any MLS Compilation leased to them by the Pueblo Association of REALTORS®, and shall not distribute any such copies to persons other than person who are affiliated with such Participant as licensees or those individuals who are registered, licensed or certified by the State of Colorado to engage in the appraisal of real property. Use of information developed by or published by the MLS is strictly limited to the activities authorized under a Participant's registration, licensure (s), or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey any right of access to information where access to such information is prohibited by law.

Section 12.1 DISPLAY: Participants, and those person 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 under no circumstances reproduce any MLS Compilation or any portion thereof. 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.

USE OF MLS INFORMATION

Section 13. 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 notice, or substantially similar, notice: "Based on information from the Association of REALTORS® (alternatively, from the Pueblo MLS) for the period (date) through (date). Data maintained by the Association

may not reflect all real estate activity in the market and the accuracy of the data is not guaranteed by the Association"

CHANGES IN RULES AND REGULATIONS

Section 14. CHANGES IN RULES AND REGULATIONS: Changes in the Rules and regulations of the Service may be made by a two-third (2/3) favorable vote of the Multiple Listing Service committee, subject to the approval of the Board of Directors.

Section 14.1 CHANGES INITIATED BY BOARD: Changes in the Rules and Regulations of the Service may be initiated by the Board of Directors. In such event, the proposed changes shall be submitted to the Multiple Listing Service committee for its review and recommendations at least fifteen days prior to the adoption of such rule changes.

- Section 15 & 16 – Left Blank Intentionally

ORIENTATION

Section 17 ORIENTATION. Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of the MLS generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided.

INTERNET DATA EXCHANGE (IDX)

Section 18 INTERNET DATA EXCHANGE ("IDX) Defined: IDX affords MLS Participants the option of authorizing display of their active listings on other Participants' Internet web sites.

Section 18.1 AUTHORIZATION: Participants' consent for display of their active listings by other participants pursuant to these rules and regulations is presumed unless a Participant affirmatively notifies the MLS that the Participant refuses to permit display (either on a blanket or on a listing – by basis). If a Participant refuses on a blanket basis to permit the display of that Participant's listings, that Participant may not download or frame the aggregated MLS data of other Participants . 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 as instructed by

the seller.

Section 18.2.PARTICIPATION. Participation in IDX is available to all MLS Participants who are REALTORS® who are engaged in real estate brokerage and who consent to display their listings by other Participants. This requirement can be met by maintaining an office or Internet presence from which Participants are available to represent real estate sellers or buyers (or both).

Section 18.2.1 Participants must notify the MLS of their intention to establish an IDX site and must make their site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 18.2.2 Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent “scraping” or other unauthorized accessing, reproduction, or use of the MLS database.

Section 18.2.3 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 Web sites or VOWS) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers.

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 must be independently made by each participant.

Section 18.2.5 Participants must refresh all MLS downloads and refresh all MLS data at least once every three (3) days.

Section 18.2.6 Except as provided in these rules, an IDX site or participant or user operating an IDX site may not distribute, provide, or may any portion of the MLS database available to any person or entity.

Section 18.2.7 When displaying listing content, a participant’s or user’s IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.

Section 18.3 DISPLAY

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

Section 18.3.1 Participants shall not modify or manipulate information relating to other Participants' listings. (This is not a limitation on site design but refers to changes to actual listing data.)

Section 18.3.1.1 The type of listing agreement (e.g. exclusive right to sell, exclusive agency, etc.) may not be displayed on IDX sites.

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 in the 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 the 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 readily visible color and typeface not smaller than the median used in the display of the listing data.

Section 18.3.4 All listings displayed pursuant to IDX shall identify the listing agent.

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 18.3.6 Intentionally omitted.

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

Section 18.3.8 Participants (and their affiliated licensees, if applicable) shall indicate on their Web sites that IDX information is provided exclusively for consumer's personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its

discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability.

Section 18.3.9 The right to display other participants' listings pursuant to IDX shall be limited to a participant's office(s) holding participatory rights in this MLS.

Section 18.3.10 Listings obtained through IDX must be displayed separately from listings obtained from other sources, including information provided by other MLSs. 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.

18.3.11 Service Fees and Charges. Service Fees and charges for participation in IDX shall be as established annually by the Board of Directors.

VIRTUAL OFFICE WEBSITE ("VOW")

Section 19.1 (a): A Virtual Office Website ("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.

(b) As used in Section 19 of these Rules, the term "Participant" includes a Participant's affiliated non-principal brokers and sales licensees – except when the term is used in the phrases "Participant's consent" and "Participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner ("AVP") on behalf of a Participant.

(c) "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

(d) As used in Section 19 of these Rules, the term "MLS Listing Information" refers to

active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 19.2 (a): The right of a Participant's VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different 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 email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.

(iii) The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password.

(b) The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of

each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.

(c) If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.

(d) The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, 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 use of MLS Listing Information. A Participant's VOW shall utilize appropriate security protection such as those employed concurrently by the MLS.

Section 19.6 (a): A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

(b) A Participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that includes the following (or a substantially similar) provision:

Seller Opt-Out Form

1. Please check either Option a or Option b

a. I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.

OR

b. I have advised my broker or sales agent that I do not want the address of the listed property to be displayed on the Internet.

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

initials of seller

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

Section 19.7:

(a) Subject to subsection (b), a Participant's VOW may allow third-parties (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing

(b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 19.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller."

Section 19.8: A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 19.9: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 19.10: Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS[®] VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

Section 19.11: A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 19.12: A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 19.13: A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies.

Section 19.14: A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

Section 19.15: A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:

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

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.

Section 19.20: A Participant shall require that Registrants' passwords be reconfirmed or changed 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 his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

Section 19.23: A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.

Section 19.24: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 19.25: Where a seller affirmatively directs 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 48 hours.

LOCK BOX POLICY

Section 20 LOCK BOXES: The Multiple Listing Service is offering lock boxes to all Participants under conditions authorized by the board of Directors in accordance with the policies of the NATIONAL ASSOCIATION OF REALTORS with regard to lock boxes. This Lockbox system is an association owned service its administration is operated by the MLS Committee.

Section 20.1 POSSESSION OF SUPRA KEY: Supra keyholder may lease and possess only one Supra key at a time. The Supra key operates the Keybox. If Supra keyholder loses or requires a replacement of the Supra key for any reason, the Supra keyholder shall pay the current list price for each replacement Supra key and forfeit their deposit and require another deposit of said Supra key. PAR shall maintain current records as to all Supra keys and Keyboxes issued and in inventory. This requirement may be satisfied by a receipt of a statement signed by the designated broker/REALTOR annually, or in the case of an affiliate member, by a principal, partner, or corporate officer of the Supra key holders firm, attesting that the Supra key is currently in possession of the Supra key holder. If, at the time of inventory, a Supra key or Keybox is unaccounted for, or if a Supra keyholder refuses or is unable to demonstrate that the Supra key and/or Keybox is within their physical control; then the Supra key and/or Keybox will be considered unaccounted for and any funds on deposit for the Supra key will be forfeited to the Association and the designated broker/REALTOR will be charged a replacement cost of the Keyboxes.

Section 20.2 CURRENT UPDATE CODE: Supra keyholder acknowledges that the Supra key has an update code which expires every thirty (30) days, which prohibits further use of the Supra key until a new current update code is obtained from SUPRA and entered by the Supra keyholder into the Supra key. Update codes shall be issued only to Supra keyholders in good standing with organization and who are in compliance with the lease, including these rules and regulations.

Section 20.3 TERMINATION OF SERVICE:

- (a) A Supra keyholder may terminate their use of the service at any time by paying any delinquent fees then estimated by PAR to be past due and by concurrently returning to PAR, at such place as PAR shall designate, the Supra key and Keyboxes. Any unused portion of any fee for use of the service previously paid shall be forfeited by Supra keyholder.
- (b) PAR may terminate a Supra keyholders' use of the service at any time with cause, with no notice, or without cause, on thirty- (30) day's notice. Supra keyholders have the right to request a hearing, pursuant to Section 9.1 of these MLS rules.
- (c) Upon termination of a Supra keyholders use of the service, or in the event that PAR

determines that it must take action for security purposes, PAR may deactivate the Supra key and demand return of all Keyboxes.

Section 20.4 SECURITY OF SUPERSUPERKEY AND SUPERKEYBOXES: Supra keyholder acknowledges that it is necessary to maintain the security of the Supra key and its personal identifications number ("Pin") to prevent its use by unauthorized persons. Therefore, Supra keyholder agrees as follows:

- (a) to keep the Supra key in Supra keyholders possession or in a safe place at all times;
- (b) Not to allow Supra keyholders pin to be attached to the Supra key for any purpose whatsoever or to be disclosed by Supra keyholder to any third party.
- (c) Not to lend or otherwise transfer the Supra key to any other person or entity, or permit any other person or entity to use the Supra key for any purpose whatsoever, whether or not such other person or entity is a real estate broker or salesperson
- (d) Not to duplicate the Supra key or allow any other person to do so;
- (e) Not to assign, transfer or pledge the Supra key;
- (f) Not to destroy, alter, modify, disassemble or tamper with the Supra key or knowingly or unknowingly allow anyone else to do so;
- (g) To notify PAR immediately by phone (within 24 hours) and in writing (within 48 hours) of a loss or theft of the Supra key or any Keyboxes, and of all circumstances surrounding such loss or theft;
- (h) To complete and deliver to the PAR a stolen Supra key affidavit prior to and as a condition of the issuance of a replacement Supra key;
- (i) To follow all additional security procedures as specified by PAR or SUPRA and;
- (j) To safeguard the code for each Keybox from all other individuals and entities, whether or not they are authorized Supra keyholders of the service.

Section 20.5 STATUS/ISSUANCE PROCEDURE: To be eligible to enter into a lease and use the service, Supra keyholder must (a) (1) hold a valid real estate broker license (Broker) or be a licensed appraiser in the State of Colorado (2) be an independent contractor affiliated with a broker and hold a valid real estate agent licensee in the applicable geographic region where the service will be used (Agent), (3) be in the employ of a real estate broker and have been authorized to use the service by such real estate broker in a writing in form and substance satisfactory to PAR in its sole discretion, or (4) have joined the organization as an affiliate member, and not be in default under the lease. If the Supra keyholder is an agent, Supra keyholder shall notify PAR (within 24 hours) in writing following the termination of their affiliation with the broker. Upon such termination, Supra keyholder may continue using the service pursuant to this lease, provided that Supra keyholder becomes affiliated with another broker within one (1) business day of such termination and notifies PAR in a manner satisfactory to the new broker. Supra keyholder may not sell, transfer or assign the

Supra key to any other individual or entity, including, but not limited to, another broker or agent. A Supra key shall be issued upon completion of a Pueblo Supra key agreement and payment of required fees and viewing of training video on usage of said Supra key and Keybox. Failure to comply with the provisions of this paragraph shall constitute a breach of these rules and regulations.

Section 20.6 AUTHORIZATION/SUPERKEYBOX PLACEMENT: Before the Supra keyholder installs, or uses any Keybox on real property, Supra keyholder shall obtain written authorization established in the listing contract or in a separate document created for this purpose; from the property owner to do so, as well as from any tenant(s) in possession of the property, if applicable. Supra keyholder shall use extreme care to ensure that all doors to the listed property and the Keybox are locked. Supra keyholder agrees to disclose to the property owner and tenant(s), if applicable, that the Keybox is not designed or intended as a security device.

Section 20.7 DEFAULT: The occurrence of any the following events shall constitute and event of default by Supra keyholder under these rules and regulations (1) if the Supra key is lost or stolen, (2) if Supra keyholder permits an unauthorized person or entity to possess or use the Supra key (3) if Supra keyholder fails to pay when due any amount required to be paid by it in connection with the use or financing of the service (4) if Supra keyholder breaches or fails to observe, keep and perform each of these rules and regulations or any obligation or provision of any agreement executed and delivered by Supra keyholder in connection with the use or financing of the service; or (5) if SUPRA or PAR, in its respective discretion, determines that it must declare a default and take appropriate action for security purposes.

Section 20.8 REMEDIES: Upon the occurrence of an event of default by Supra keyholder under the lease and/or these rules and regulations, Supra and/or PAR may (a) cause Supra keyholders Supra key to be deactivated (b) take legal action against Supra keyholder to recover all damages incurred by SUPRA and/or PAR resulting from such default and/or improper use of the Supra key; (c) demand a return of all Keyboxes; and/or (d) pursue any other remedy available at law or in equity.

Section 20.9 STATEMENT OF ADMINISTRATIVE PROCEDURE AND OPERATING STANDARDS: Supra keyholder acknowledges that the use of the service is also subject to the terms and conditions of the administration agreement and the statement of administrative procedures and operating standards for the service (the "statement"), and that failure of SUPRA, the organization or the PAR to perform any of its obligations under the administration agreement or the statement may detrimentally affect Supra keyholders use of the service. Supra keyholder expressly waives any right to exercise any right or remedy arising under relating to or by virtue of any default by any person under the administration agreement, the statement and/or under any other agreement

executed and delivered In connection with the use or leasing of the service. Supra keyholder further acknowledges and agrees that SUPRA, PAR may exercise any remedies any of them may have under the administration agreement or the statement.

Section 20.10 SYSTEM FEES. Supra keyholder acknowledges that the annual system fee and other fees payable in connection with the use and lease of the service shall be adjusted pursuant to the terms and provisions of the lease and the statement. Any appraiser or affiliate member may join the Keybox system but must pay fees set by PAR. No one shall be required to lease a Suprakeypad from the vendor/PAR but it is highly recommended that they participate.

Section 20.11 SOFTWARE LICENSE: No title or ownership of any software or any of its components is transferred to Supra keyholder, and Supra keyholders use of any software in connection with the service constitutes a revocable license. Title to all applicable rights in patents, copyrights and trademarks shall remain with SUPRA and PAR, and Supra keyholder agrees to take appropriate action to maintain the confidentiality of the software and its components.

Section 20.12 INDEMNITY: Supra keyholder agrees to indemnify, defend and hold harmless PAR and their respective officers, directors, employees, agents, representatives, successors and assigns, from and against any and all claims, demands, actions, losses, liabilities, costs and expenses of every kind and nature, including reasonable attorneys' fees, arising out of, relating to or incurred by reason of or in connection with the use by Supra keyholder of the Supra key, Keyboxes, the service or any other component of the service. The provisions of this paragraph shall survive indefinitely.

Section 20.13 ACKNOWLEDGEMENT: Supra keyholder acknowledges that neither the service, the Keyboxes nor the Supra keys nor any other SUPRA product used in connection with the service is a security system. The service is marketing convenience Supra key control system and such, any loss of Supra keys or disclosure of personal identification numbers compromised the integrity of the service. Supra keyholder shall use its best efforts to insure the confidentiality and integrity of all components of the service.

Section 20.14 CALL BEFORE SHOWING ("CBS") – The listing agent can require a showing agent to call prior to showing a property. The office must keep a log sheet to use to keep track of all CBS codes. Each Keybox must have a different CBS code.

PASSED, ADOPTED AND APPROVED BY:
MULTIPLE LISTING SERVICE COMMITTEE:

By _____ Dated: _____, 2009

PUEBLO ASSOCIATION OF REALTORS by its Directors this ____ day of _____,
2009.

President

Secretary

MLS Policy

The following MLS policies are applicable to all Participants in the Multiple Listing Service (MLS) of the Pueblo Association of Realtors and to all licensees who are affiliated with a MLS Participant. MLS Participants and licensees affiliated with a Participant are referred to herein as "Broker:."

1. After being notified by the Association office of mistakes in listing input (to include change of status not properly changed) a Broker has 72 hours to make the necessary changes, after 72 hours the Broker will be assessed a \$50 fine.
 - a. If the Broker has not completed the necessary changes within an additional 72 hours the Broker will then incur a \$100 fine.
 - b. After a third 72 hour period and the Broker has still failed to make the necessary changes the listing will be withdrawn from the MLS.
2. MLS listings which are active shall be promptly reported as under contract or sold upon such change occurring. Upon being notified by the Association office that a listing is being inaccurately reported as active a Broker shall make the necessary corrections within 72 hours. If the Broker fails to make the change the Broker will be assessed a \$100 fine for every 72 hours the Broker fails to make the change.
3. If a Broker gives their MLS ID and password to anyone, upon the first offense a \$500 fine will be assessed, upon the second offense their MLS privileges will be suspended for 90 days.
4. For all residential listings a main picture is required. This main picture must be of the front of the home only, no other pictures will be allowed.
5. If the Broker, in the listing entry, indicates no picture is required or indicates a photo is provided but fails to provide a main photo for the listing, after 1 week the Broker will be assessed a \$10 fee.
6. Company logos will be acceptable for Land only listings.
7. Room sizes are required on all residential listings.
8. Real Estate signs in main photo are permitted only if contact/company info is not legible.
9. Contact info i.e. person, phone, websites, email is not allowed in public remarks. Only agent remarks.
10. For all homes built prior to January 1, 1978, the Lead-Based paint disclosure must be signed by the seller(s) and delivered to the prospective purchaser(s) along with the lead hazard information pamphlet prior to the purchaser(s) becoming obligated under any contract. This is a Federal requirement. The lead-based paint disclosure, signed by the seller(s), must be uploaded by the listing broker, upon its execution by the seller(s), in the documents section in Navica. If you do not have a scanner, fax the document(s) to PAR and they will scan and upload the document for you.
11. Public Remark: Only information describing the PROPERTY is allowed in Public Remarks. Everything else goes into MLS Agent remarks.

I _____ have received, read and fully understand the above MLS Policies.

Dated: _____