

**Quad City Area REALTOR® Association
Peoria Area Association of REALTORS®**

**Commercial Multiple Listing Service
Rules and Regulations**

1.0 Authority: The Board of REALTORS® shall maintain for the use of its members a Commercial Multiple Listing Service, which shall be subject to the bylaws of the QCARA and the PAAR and such rules and regulations as may be hereinafter adopted. M

1.1 Purpose: A Commercial Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale (or lease). (Amended 11/04) M

2.0 Participation: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as stipulated otherwise in these bylaws*, shall be eligible to participate in the CMLS upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to CMLS "participation" or "membership" unless they hold a current, valid real estate broker's license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 11/08)

2.1 Responsibility for Conformance with Rules and Regulations: The CMLS Participant is responsible to the Service for compliance with the rules and regulations by all of the firm's licensees (including licensed or certified appraisers) who have access to and use of the Service.

2.2 Access to Current Listing Information: Only Participants and their affiliated licensees (including licensed or certified appraisers) may have access to and use of the current listing information generated by the CMLS.

2.3 Orientation: Any applicant for CMLS Participation and any licensee affiliated with a CMLS Participant who has access to and use of CMLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the CMLS rules and regulations and computer training related to CMLS information entry and retrieval. (Amended 11/96) M

Listing Procedures

3.0 All Commercial, Industrial and Farm and other appropriate properties listed on an exclusive right to sell, exclusive agency listing, lease or exchange form as accepted by the Service, shall be submitted to the PAAR CMLS or the QCARA Commercial Multiple Listing Service (hereinafter referred to as "the Commercial MLS or CMLS") within five

(5) business days after obtaining the same for distribution to other Commercial MLS members. However, the following classes of property shall not be required to list with the Commercial MLS:

1. Property belonging to members
2. Properties listed with any participant, accompanied by Notice of Exception form signed by seller and filed with the Association

3.1 The following rules shall apply on certain properties for submission to the Commercial MLS:

1. Business opportunities are specifically excluded unless the real estate is being sold and represents more than 50% of the offering price
2. Single family residential properties, including single family residential land of less than five (5) acres, are not permitted

3.2 The following types of property listings taken by members of the Commercial Industrial Division will be entered into the residential service of their primary Association and if the property is located in the jurisdiction of the other Association may be entered in that residential service:

1. All residential (single family)
2. All multi-family listings of 5 units or less
3. All vacant single family residential lots
4. All acreage up to and including five (5) acres

3.2.1 Listing Category Definitions are to be followed when entering listings into the Residential MLS as well as the Commercial MLS. Definitions are as follows:

Residential MLS Listings to be entered into:

Category 1: Single Family Residential

Single Family homes currently rented are to be in Category 1

Category 2: Condo/ Zero lot Line/ Townhome

Condos are to be entered into Category 2 not Category 1

Category 3: Residential Income

Duplexes, Tri-Plexes and Four-Plexes

Category 5: Single lots or Acreage under five acres with or without residence

Listings must be zoned Residential

Listings must have a primary use of Residential Purpose

Properties with more than 5 acres can be entered in the Residential MLS if the zoning is agricultural or residential as well as in the CMLS due to the amount of acres

Commercial MLS Listings to be entered into:

Category 6: Industrial Properties

Category 7: Office Property

Category 8: Retail Property

Category 9: Land and Acreage Property

Land or Farm can be zoned Agricultural or Commercial

Category 10: Multi-Family

Apartment buildings– 5 units or more

Multi-Family/ Apartments can be in a Residential area but must have more than four units

3.3 Any change in the original listing agreement shall be made only when authorized in writing by the owner and shall be filed with the Commercial MLS within five (5) business days after notice is received by listing broker.

3.4 All properties which are to be sold or which may be sold separately must be listed individually.

3.5 The Commercial MLS shall not fix, control, recommend, suggest or maintain commission rates or fees for services to be rendered by participants. Further, the Commercial MLS shall not fix, control, recommend, suggest or maintain the division of commission or fees between cooperating participants or between participants and nonparticipants.

3.6 Any listing filed with the Commercial MLS automatically expires unless authorized renewal and notice of renewal or extension is filed with the Commercial MLS prior to expiration provided:

1. If notice of renewal or extension is dated after expiration then a new listing must be submitted or an extension form sent to the association to be placed back on market with new expiration date
2. Any extension or renewal must be signed by the sellers and be filed with the Commercial MLS

3.7 Listings submitted to the Commercial MLS shall bear a definite and final termination date as negotiated between the listing broker and the owner.

3.8 Exclusive Listings: Exclusive Listings may be filed on the standard form of the CMLS Listings shall bear a definite and final termination date. Exclusive agency listings shall be identified as "Exclusive Agency" in the remarks section of the input form (profile sheet).

Note 1: The CMLS does not regulate the type of listings its Members may take. This does not mean that a Multiple Listing Service must accept every type of listing. The CMLS cannot 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 must leave its Members free to accept such listings to be handled outside the Service.

Note 2: A Multiple Listing Service may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the CMLS compilation of current listings. (Adopted 11/92) M

3.9 Listings Subject to Rules and Regulations of the Service: Any listing taken on a contract to be filed with the CMLS is subject to the rules and regulations of the Service upon signature of the seller(s) or lessor(s). R

3.10 Exempted Listings: If the seller or lessor refuses to permit the listing to be disseminated through 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 Notice of Exception signed by the seller or lessor that he does not desire the listing to be disseminated by the Service.

3.11 Withdrawal of Listing Prior to Expiration: Listings of property may be withdrawn from the CMLS by the listing broker before the expiration date of the listing agreement, provided notice is filed with the Service, including the signature of the seller and the listing broker which authorizes the withdrawal.

Sellers do not have the unilateral right to require a CMLS 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 CMLS may remove the listing at the request of the seller. (Adopted 11/96) M

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

Note: Boards must choose whether the Service will accept listings from beyond its jurisdiction into the CMLS compilation. M

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

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

Selling Procedures

4.0 Showings and Negotiations: Appointments for showings and negotiations with the seller or lessor for the purchase, lease, or exchange of listed property filed with the CMLS shall be conducted through the listing broker, except under the following circumstances:

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

4.1 Presentation of Offers: The listing broker, upon receipt of an offer from a cooperating 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) M

4.2 Submission of Written Offers and Counter-offers: The listing broker shall submit to the seller or lessor all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller or lessor 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 or lessor 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) M

4.3 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 written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations. (Amended 4/92) M

4.4 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. (Adopted 11/93) M

4.5 Reporting Sales to the Service: Status changes, including final closing of sales, shall be reported to the multiple listing service by the listing broker within 48 hours after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating broker shall report accepted offers to the listing broker within 24 hours after occurrence and the listing broker shall report them to the MLS within 48 hours after receiving notice from the cooperating broker. (Amended 11/08)

Note: The listing agreement of a property filed with the Service by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the Service; to provide timely notice of status changes of the listing to the Service; and to provide contract information including selling or rental price to the Service upon the sale, lease, or exchange of the property. If deemed desirable by the Service to publish contract information prior to final closing (settlement) of the transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the Service to its Participants. M

4.7 Reporting Resolutions of Contingencies: The listing broker shall report to the CMLS within twenty-four (24) hours that a contingency on file with the Service has been fulfilled or renewed, or the agreement cancelled. M

4.8 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. M

4.9 Reporting Cancellation of Pending Sale: The listing broker shall report immediately to the Service the cancellation of any pending sale, lease, or exchange and the listing shall be reinstated immediately. M

Prohibitions

5.0 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 CMLS without the prior consent of the listing broker. M All information concerning listing properties shall be treated in strict confidence by all participants. Listing books and forms shall not be given to any one that is not a Commercial MLS participant. Unauthorized distribution of these items is a violation of these rules and is subject to a \$100 fine.

5.1 "For Sale" Signs: Only the "For Sale" sign of the listing broker may be placed on a property. (Amended 11/89) M

5.2 “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. (Amended 4/96) M

5.3 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.

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. M

5.4 Use of the Terms CMLS and Commercial Multiple Listing Service: No CMLS 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 a CMLS, or that they operate a CMLS. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to CMLS databases, or that consumers or others are able to search CMLS databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under CMLS rules to provide to clients or customers is available on their websites or otherwise. (Adopted 11/07) O

Division of Commissions

6.0 The listing broker shall specify, on each listing filed with the Service, the compensation offered to other Participants for their services in the sale or lease of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker’s performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker’s obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through CMLS 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)

6.1 In filing a property with the CMLS of a Board of REALTORS®, the Participant of the Service is making blanket unilateral offers of compensation to the other Participants, and shall therefore specify on each listing filed with the Service, the compensation being offered to the other 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 find a purchaser or lessee.* (Amended 11/96)

6.2 The listing broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents, or in other agency or non agency capacities defined by law) which may be the same or different. (Amended 11/96)

This shall not preclude the listing broker from offering any Participant compensation other than the compensation indicated on any listing published by the CMLS, provided the listing broker informs the other broker, in writing, in advance of his producing an offer to purchase, and provided that the modification in the 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 11/95)

Note 1: The Boards' CMLS shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Boards' CMLS shall not publish the total negotiated commission on a listing which has been submitted to the Service by a Participant. The Boards' CMLS shall not disclose in any way the total commission negotiated between the seller or lessor and the listing broker.

Note 2: The listing broker may, from time to time, adjust the compensation offered to other Participants for their services with respect to any listing by advance published notice to the Service so that all Participants will be advised. (Amended 4/92)

Note 3: The CMLS shall make no rule on the division of commissions between Participants and nonparticipants. This should remain solely the responsibility of the listing broker.

Note 4: Multiple Listing Services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval; 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 produce an offer that ultimately results in a successful transaction. (Adopted 5/08)

Note 5: Nothing in these CMLS 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) M

6.3 Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they must also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers (Adopted 5/08) M

6.3.1 Participants may, but are not required to, disclose potential short sales to other participants and subscribers. When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing contract, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants. (Adopted 5/08)

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

6.5 *The compensation specified on listings filed with the Service shall appear in one of two forms. The essential and appropriate requirement by a Boards' CMLS is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the listing broker, in writing, in advance of his producing an offer to purchase. The compensation specified on listings published by the Service shall be shown in one of the following forms:

1. by showing a percentage of the gross selling or lease price
2. by showing a definite dollar amount (Amended 11/95)

Note: CMLSs may also, as a matter of local discretion, allow participants to offer cooperative 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 (as defined by the CMLS unless otherwise defined by state law or regulation). (Adopted 5/08)

6.6 Participant as Purchaser: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in a property listed with another Participant, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker. (Adopted 2/92)

6.7 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/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 CMLS. 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. (Amended 5/01)

Compliance with Rules

7. Compliance with Rules – Authority to Impose Discipline: By becoming and remaining a participant or subscriber in this CMLS, each participant and subscriber agrees to be subject to the rules and regulations and any other CMLS governance provision. The CMLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other CMLS 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 CMLS 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 CMLS 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)

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 Section 8 and 8.1 shall apply

Note: Generally, warning, censure, and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the rules and regulations of the CMLS. 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. If the CMLS desires to establish a series of moderate, escalating fines, they should be clearly set forth in the rules and regulations.

7.2 For failure to pay any fee or charge within thirty (30) days of the due date, the participant shall be notified of his delinquency. Failure to pay within ten (10) days immediately following such notice shall cause all services to be suspended until fees or charges are paid in full. Failure to pay within twenty (20) days immediately following such suspension shall result in the participant's termination.

Note: For failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply.

Enforcement of Rules

8.0 The Commercial MLS Committee shall give consideration to all written complaints from participants having to do with violations of the Rules and Regulations.

8.1 If the alleged offense is a violation of the Rules and Regulations of the Commercial MLS and does not involve a charge of professional misconduct or request for arbitration, it may be considered and determined by the Commercial MLS Committee. If a violation is determined, the Committee may direct the imposition of a sanction, provided the recipient of such sanction may request a hearing by the Professional Standards Committee in accordance with the By-Laws of the PAAR and the QCARA. A sanction as used herein is generally a warning, censure or imposition of a moderate fine sufficient to constitute a deterrent to violation of the Rules and Regulations. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the Rules and Regulations of the Commercial MLS.

8.2 The Commercial MLS Committee shall provide the Professionals Standards Committee of each Board/Association with five (5) members from the Commercial MLS. At least three (3) of the five (5) members shall be empaneled in hearings when complaints involve members of the Commercial MLS.

8.3 Complaints of Unethical Conduct: All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the Board of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Board's bylaws. (Amended 11/88) M

Confidentiality of CMLS Information

9.0 Confidentiality of CMLS Information: Any information provided by the 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 licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants. (Amended 4/92) M

9.1 The information published and disseminated by the Commercial MLS is communicated verbatim, without change by the Commercial MLS, as filed with the Commercial MLS by the participant. The Commercial MLS does not verify the information provided and disclaims any responsibility for its accuracy. Each participant agrees to hold the Commercial MLS harmless against any liability arising from any inaccuracy or inadequacy of the information such participant provides. Each participant should verify the accuracy of its information as disseminated by the Commercial MLS to all other participants and immediately notify the Commercial MLS of any corrections.

9.2 Board Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, who do not participate in the Commercial MLS, are qualified to participate as Affiliate

members, and as affiliated member shall be entitled to receive all information other than current listing information that is generated wholly or in part by the Commercial MLS including “sold” information, and statistical reports. This information is provided for the exclusive use of Board/Association Members and Affiliated 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 CMLS Compilation* and Copyright

10.0 By the act of submitting any property listing content to the CMLS, 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 CMLS 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. M

10.1 All right, title, and interest in each copy of every CMLS compilation created and copyrighted by the Peoria Area Association of REALTORS® and the Quad City Area REALTOR® Association and in the copyrights therein, shall at all times remain vested in the Peoria Area Association of REALTORS® and the Quad City Area REALTOR® Association.

Each participant shall be entitled to use the information contained in the Commercial MLS Compilation by acquiring, for a fee, such information from the Commercial MLS or, at its discretion, its vendor. Participants shall only have the right to use the Commercial MLS Compilations in accordance with these rules.

Use of Copyrighted CMLS Compilation

11.0 Use of information from the Commercial MLS Compilation of current listing information, from the Board/Association’s “Statistical Report,” or from any “sold” or “comparable” report of the Board/Association or Commercial MLS for public representations may not be prohibited. However, any advertisement or other forms of public representations based in whole or in part on information supplied by the Board/Association or its Commercial MLS must clearly demonstrate the period of time over which such claims are based and must include the following Notice:

NOTE: This representation is based in whole or in part on data supplied by the Peoria Area Association of REALTORS® or the Quad City Area REALTOR® Association or its Commercial MLS.

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

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

*The term “CMLS 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 database, card file, or any other format whatsoever.

**This Section should not be construed to require the Participant to lease a copy of the CMLS compilation for any licensee (including licensed or certified appraisers) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, leasing, or appraising the types of properties which are required to be filed with the CMLS and who does not, at any time, have access to or use of the CMLS information or CMLS facility of the Board. Further, the CMLS Participant may not purchase or lease more copies of the compilation of current listing information than the number of licensees affiliated with his firm who are engaged in the commercial/industrial activity.

Participants or their affiliated licensees may reproduce from the CMLS compilation and distribute to prospective purchasers or lessees a reasonable* number of single copies of property listing data contained in the CMLS compilation which relate to any properties in which prospective purchasers or lessees 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 or lessee 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 or lease with the Participant.

Any CMLS 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 an estimate of value on a particular property for a particular client. However, only such information that a Board or Board-owned CMLS has deemed to be nonconfidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

Changes in Rules and Regulations

12.0 Changes in Rules and Regulations of the Commercial MLS may be made by a majority vote of the members of the Commercial MLS subject to approval by the Board of Directors of the Quad City Area REALTOR® Association and the Peoria Area Association of REALTORS®.

Meetings

13.0 The Commercial MLS Committee shall meet for the transaction of its business at a time and place determined by the committee or at the call of the chairman.

13.1 The Commercial MLS Committee may call meetings of the participants of the Commercial MLS.

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

INTERNET DATA EXCHANGE (“IDX”)

14.0 **IDX Defined:** IDX affords CMLS Participants the option of authorizing display of their listings on other Participants’ Internet websites. (Amended 11/09) M

14.1 **Authorization:** Participants’ consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the CMLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant’s listings, that participant may not download or frame the aggregated MLS data of other participants. 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. (Amended 11/09)

14.2 Participation: Participation in IDX is available to all CMLS Participants engaged in real estate brokerage who consent to display of their listings by other Participants. (Amended 11/09)

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

14.2.2 CMLS Participants may not use IDX-provided listings for any purpose other than display on their websites. This does not require participants to prevent indexing of IDX listings by recognized search engines. (Amended 11/09) M

14.2.3 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. (Amended 11/09) M

14.2.4 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, 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) M

14.2.5 Participants must refresh all CMLS downloads and refresh all CMLS data at least once every three (3) days. (Amended 11/09)

14.2.6 Except as provided in these rules, an IDX site or a Participant or user operating an IDX site may not distribute, provide, or make any portion of the CMLS database available to any person or entity. M

14.2.7 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. M

14.2.8 Any IDX site 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,

shall disable or discontinue either or both of those features as to the seller’s listings at the request of the seller. The listing broker or agent shall communicate to the CMLS that the seller has elected to have one or both of these features disabled or discontinued on all participants’ websites. Except for the foregoing and subject to Section 14.2.9, a participant’s IDX site may communicate the participant’s professional judgment concerning any listing. Nothing shall prevent an IDX site from notifying its customers that a particular feature has been disabled at the request of the seller. (Adopted 11/09) M

14.2.9 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 CMLS and that relates to a specific property displayed on the IDX site. 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. (Adopted 11/09)

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

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

14.3.2 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.) CMLS 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 CMLS data display or display of fewer than all of the available listings or fewer authorized data fields.

14.3.3 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. (Amended 11/09)

14.3.4 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.

14.3.5 Listing information downloaded and/or otherwise displayed pursuant to IDX shall be limited to properties listed on an exclusive right to sell basis.

14.3.6 All listings displayed pursuant to IDX shall show the CMLS as the source of the information.

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

14.3.8 The data consumers can retrieve or download in response to an inquiry shall be determined by the CMLS but in no instance shall be limited to fewer than one hundred (100) listings or five percent (5%) of the listings available for IDX display, whichever is fewer. (Amended 11/09)

14.3.9 The right to display other Participants' listings pursuant to IDX shall be limited to a Participant's office(s) holding participatory rights in this CMLS.

14.3.10 Listings obtained through IDX can be displayed separately from listings obtained from other sources, including information provided by other CMLSs. Listings obtained from other sources (e.g., from other CMLSs, from non-participating brokers, etc) must display the source from which each such listing was obtained.

14.3.11 Display of expired, withdrawn, pending, and sold listings is prohibited. (Amended 11/09)

14.4 Service Fees and Charges: Service fees and charges for participation in IDX shall be as established annually by the PAAR or QCARA Board of Directors.

Vow Policy (Virtual Office Website)

15.1 (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 CMLS 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. M

(b) As used in Section 17 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. M

(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 CMLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use CMLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to CMLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW. M

(d) As used in Section 17 of these Rules, the term “CMLS Listing Information” refers to active listing information and sold data provided by Participants to the CMLS and aggregated and distributed by the CMLS to Participants. M

15.2 (a): The right of a Participant’s VOW to display CMLS Listing Information is limited to that supplied by the CMLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different CMLSs may operate a master website with links to the VOWs of the other offices. M

(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”). M

(c) Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other CMLS Participants whose listings will be displayed on the Participant’s VOW. M

15.3 (a): Before permitting any consumer to search for or retrieve any CMLS 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. M

(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 one hundred eighty (180) days after the expiration of the validity of the Registrant's password. M

(c) If the CMLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of CMLS Listing Information or a violation of CMLS rules, the Participant shall, upon request of the CMLS, 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 CMLS, provide an audit trail of activity by any such Registrant. M

(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 CMLS's ownership of, and the validity of the CMLS's copyright in the CMLS database. M

(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. M

(f) The Terms of Use Agreement shall also expressly authorize the CMLS, and other CMLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with CMLS 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. M

15.4: 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. M

15.5: A Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of CMLS 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 CMLS. M

15.6 (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 CMLS 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. M

(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: M

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 searches.

initials of seller

(c) 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. M

15.7: (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) 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 CMLS 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 17.8, 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." M

15.8: 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 CMLS 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. M

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

15.10: Except as provided in these rules, in the National Association of REALTORS® VOW Policy, or any other applicable CMLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the CMLS Listing Information to any person or entity. M

15.11: 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. M

15.12: 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®. M

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

15.14: 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. M

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

15.21: 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. O

15.22: A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another CMLS or from a broker not participating in the CMLS, to identify the source of the listing. O

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

15.24: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the CMLS. O

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