

FLINT AREA ASSOCIATION OF REALTORS®

**RESIDENTIAL MULTIPLE LISTING SERVICE
RULES AND REGULATIONS**

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FORWARD

ALL MEMBERS... of the Flint Area Association of REALTORS®, MULTIPLE LISTING SERVICE, who are principals of their real estate firms are governed by the "rules and regulations." All participants agree to be bound by them when they apply for membership in the Multiple Listing Service. Multiple Listing Service Participants, as principals of their firms, are responsible for the actions of all licensees affiliated with their firms as employees or as independent contractors with respect to compliance with the "rules and regulations" of the Multiple Listing Service. As long as non-principal licensees are not considered "Members" of the Multiple Listing Service, they cannot be required, as a matter of MLS policy to comply with the "rules and regulations" of the Multiple Listing Service. However, the MLS Participant as a principal of his firm can be held accountable for the activities of the licensees affiliated with his firm, partnership or corporation. This distinction is important because the licensees working with a MLS Participant are not responsible for the decisions related to the listing agreements establishing an agency relationship with a property owner (seller). This responsibility rests with the listing broker as a principal of his firm.

Through this arrangement, unethical practices, misunderstandings between participants and improper business conduct can be avoided. PROFESSIONALISM demands that you study this policy and procedural manual and fully understand the rules. By doing so the Service will work smoothly, our clients will realize a greater service...and our members realize greater prosperity. You are urged to keep this manual with you in your work kit so that you may refer to it when in doubt.

MULTIPLE LISTING SERVICE COMMITTEE

MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as entered into 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.

HOLD HARMLESS: Each Participant agrees to hold the Service harmless and, to the maximum extent permitted by law, defend and indemnify the Service from any and all loss, claim action, demand, penalty, and any liability whatsoever, including attorney's fees and costs, which may arise out of or result from any inaccuracy or inadequacy of the information provided by such participant. Notwithstanding anything in this Agreement to the contrary, the Participant's obligation shall survive the termination of this agreement.

SYNOPSIS OF THE FAAR MLS DEFINITIONS OF TERMS

- Active:** Available, ready to be shown.
(Article II, Section 2)
- Advertising:** Any means of action, paid or unpaid, of marketing or calling attention of the property to the public.
(Article V, Section 5.1)
- Blind Listing:** A listing in which an MLS subscriber co-lists with one or more non-member subscriber(s)
(Article II, Section 2)
- Contingent:** The property is for sale, however one or more situations exist that could have a bearing upon an offer's acceptance.
(Article II, Section 2.7)
- “D”:** Different compensation arrangement exists if sold by listing Broker/agent.
please call listing agent for details.
(Article VI, Section 6.1)
- Exclusive Agency:** Listing agreement that authorizes the listing broker to offer cooperation and compensation on a blanket unilateral basis, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis.
(Article II, Section 2.3)
- Exclusive Right To Sell:** Listing agreement in which the seller authorizes the listing broker to cooperate with and to compensate other brokers.
(Article II, Section 2)
- Hold:** Still listed but temporarily off the market and cannot be shown. A property can be on hold for no more than 4 weeks.
- On Internet:** Listings are sent via data feed to REALTOR.com, Flinthomes.net and member IDX websites
- Pending:** A property on which there is an accepted purchase agreement awaiting fulfillment of the terms (conditions) of contract.
(Article III, Section 3.5, 3.7)
- Pre-Active:** Input information before or directly after obtaining a listing but awaiting remaining information before making listing “active”
- Withdrawn:** Seller, with Broker approval, has removed the property from the market and is no longer available for sale.
(Article II, Section 2.6)

For further information please refer to noted references.

RULES AND REGULATIONS OF THE MULTIPLE LISTING SERVICE

ARTICLE I - NAME, AUTHORITY, PURPOSE & OPERATION

Section 1. NAME: The name of the organization shall be the Flint Area Association of REALTORS® Multiple Listing Service.

Section 1.1 AUTHORITY: The Association of REALTORS® shall maintain for the use of its Members a Multiple Listing Service, which shall be subject to the Bylaws of the Association of REALTORS® and such Rules and Regulations as may be hereinafter adopted.

Section 1.2 PURPOSE: A Multiple Listing Service is:

A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law); by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals and other valuations of real property; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information among the Participants so that they may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of sale (or lease).

Section 1.3 PARTICIPANTS:

A. Any REALTOR® of this or any other Board/Association who is principal, partner, corporate officer, or individual, acting on behalf of a principal, without further qualification, except as otherwise stipulated in these Bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs required. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless they hold a current, valid real estate broker's license and are capable of offering and accepting cooperation and compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed by or published by an Association Multiple Listing Service where access to such information is prohibited by law. Additionally, the foregoing does not prohibit Association Multiple Listing Services, at their discretion, from categorizing non-principal brokers, sales licensees, licensed and certified appraisers and others affiliated with the MLS 'Members' or 'Participants' as 'Users' or 'subscribers' and, holding such individuals personally subject to the Rules and Regulations and any other governing provisions of the MLS and to discipline for violations thereof.

Where the term ‘subscriber’ or ‘user’ is used in connection with a Multiple Listing Service owned or operated by an Association of REALTORS®, it refers to non-principal brokers, sales licensees, and licensed and certified real estate appraisers affiliated with an MLS Participant and may, as a matter of local option, also include a Participant’s affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers provided that any such individual is under the direct supervision of an MLS Participant or the Participant’s licensed designee. If such access is available to unlicensed or uncertified individuals, their access is subject to the Rules and Regulations, the payment of applicable fees and charges (if any), and the limitations and restrictions of state law. None of the foregoing shall diminish the Participant’s ultimate responsibility for ensuring compliance with the Rules and Regulations of the MLS by all individuals affiliated with the Participant.

Under the “Board of Choice” policy, MLS Participatory rights shall be available to any REALTOR® (principal) or any firm comprised of REALTORS® (principals) irrespective of where they hold primary membership subject only to their agreement to abide by any MLS rules or regulations; agreement to arbitrate contractual disputes with other Participants; and payment of any MLS dues, fees and charges. The universal access to services component of Board of Choice is to be interpreted as requiring that MLS Participatory rights be available to:

A. REALTOR® principals, or to firms comprised of REALTOR® principals, irrespective of where primary or secondary membership is held. This does not preclude an MLS from assessing REALTORS® not holding primary or secondary membership locally, fees, dues, or charges that exceed those or, alternatively, that are less than those charged Participants holding such memberships locally or additional fees to offset actual expenses incurred in providing MLS services such as courier charges, long distance phone charges, etc., or for charging any Participant specific fees for optional additional services.

B. A non-member applicant for MLS Participation who is a principal, partner, corporate officer or individual acting on behalf of a principal, shall supply evidence satisfactory to the Association that he has a place of business; has no record of recent or pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS Rules and Regulations and computer training related to MLS information entry and retrieval, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the MLS; and shall agree that if elected as a Participant, he will abide by such Rules and Regulation and pay the MLS fees and dues, including the non-member differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS Participation or Membership unless they hold a current, valid real estate broker’s license and are capable of offering and accepting cooperation and compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under Participant’s licensure(s) or certification and unauthorized use is prohibited. Further, none of the foregoing is intended to convey Participation or Membership or any right of access to information developed by or published by an Association Multiple Listing Service where access to such information is prohibited by law.

Section 1.4 SUPERVISION: The activity shall be operated under the supervision of the Multiple Listing Committee in accordance with the Rules and Regulations, subject to the approval of the Board of Directors.

Section 1.5 APPOINTMENT OF COMMITTEE: The President shall appoint, subject to confirmation by the Board of Directors, a Multiple Listing Committee of at least five (5) REALTOR® Members. A majority of the Committee shall be Designated REALTORS® (Participants) in Multiple Listing Service except, the Committee Members so named shall serve two-year terms. The Board of Directors shall elect annually, the Chairman of the Committee who shall be a member of the Board of Directors.

Section 1.6 VACANCIES: Vacancies in unexpired terms shall be filled as in the case of original appointees.

Section 1.7 ATTENDANCE: Any Committee Member who fails to attend two (2) consecutive regular or special meetings of the Committee, without excuse acceptable to the Chairman of the Committee, shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointments.

Section 1.8 AGENCY: In the Multiple Listing Service of an Association of REALTORS®, the cooperating broker in a cooperative real estate transaction is the subagent of the listing broker, the agent of the buyer or acts in another recognized agency or non-agency capacity. Such relationships must be fully disclosed to all parties to the contract and to all brokers involved.

ARTICLE II - LISTINGS

Section 2. LISTING PROCEDURES: Listings of real or personal property of the following types, which are listed subject to a real estate brokers license, taken by Participants on an exclusive right to sell or an exclusive agency listing form must be placed on active status in the MLS system within three *(3) business days after all necessary signatures of the seller(s) have been obtained, except as excluded below:

A. All listings must be listed by School District. If a listing office wants to also list by county, dual use, etc., a second listing may be submitted. A listing may be entered into multiple school districts if a statement from all the school districts concerned, allowing unconditional enrollment, is on file with the MLS.

B. Residential properties up to and including four (4) units must be entered into the FAAR MLS. Units including tenant's interest in leased premises or membership in a cooperative are excluded.

C. Original Sale of New Homes

D. Farms with residences

E. Vacant Lots and Vacant Land

F. Repossessed (all repossessed homes)

G. The following are some of the types of properties that may be published through the Service, including types described in the preceding paragraphs, B, C, D and E, that are required to be entered into the Service, and other types which may be filed with the Service, at the Participant's option provided, however, that any listing entered into the system is within the scope of the Participant's Licensure as a real estate broker:

1. Business Opportunities
2. Industrial - Commercial
3. Property Management - except when such property is exposed for sale
4. Repossessed (FHA - VA) Homes

* **Fines:** Failure to comply with the time frames listed, will result in a fine levied against the broker for each offense. *see appendix a

H. A Multiple Listing Service 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 Multiple Listing Service shall decline to accept open listing (except where acceptance is required by law) and net listings and it may limit its service to listings of certain kinds of property. But if it chooses to limit the kind of listings it will accept, it shall leave its Members free to accept such listings to be handled outside the Multiple Listing Service. However;

May reserve the right to refuse to accept a listing which fails to adequately protect the interest of the public and the Participants.

The Participants must assure that no listing entered with the Multiple Listing Service establishes, directly or indirectly, any contractual relationship between the Multiple Listing Service and the client (buyer or seller).

1. The exclusive right to sell listing is the conventional form of listing entered into the Multiple Listing Service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.

2. The exclusive agency listing authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on a blanket unilateral basis, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with named prospects exempted should be clearly distinguished by a simple notation in the agent remarks section, 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.

3. Net listings may not be entered into the system because they are deemed unethical and, in most states, illegal. Open listings are not accepted except where required by law because the inherent nature of an open listing is such as to usually not include the authority to cooperate and compensate other brokers and inherently provides a disincentive for cooperation. "Blind Listings" are not allowed. A Blind Listing is defined as a listing in which an MLS subscriber co-lists with one or more non-subscriber(s). The Listing will be considered a non-member listing and the Participant will be charged the non-member listing fee.

Section 2.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE: Any listing taken on a contract to be entered into the Multiple Listing Service is subject to the Rules and Regulations of the Service upon signature of the sellers(s), and, in the event the property is sold before entering it into the MLS, the appropriate data must be entered into the MLS in order that the data may be included in such statistical information as the Association, from time to time, may compile.

Section 2.2 DETAIL ON LISTINGS ENTERED INTO THE SERVICE: The original copy of the Listing Agreement shall be retained by the listing office and one copy of the Listing Agreement shall be retained by the owner.

Section 2.3 EXEMPTED LISTINGS: If the seller refuses to permit the listings to be disseminated by the Service, the REALTOR® must have the seller(s) sign an MLS Exclusion Letter. The listing broker shall forward a copy of the Seller Exemption letter, copy of the Listing Agreement and a completed MLS profile form to FAAR MLS to be kept on file and reported only when sold or inputted as a listing in the MLS database.

Section 2.4 CHANGE IN STATUS OF LISTING AGENT: All active and pending listings automatically revert back to the Broker when licensee's status changes.

Section 2.5 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 entered into the Service within three business days after the authorized change is received by the listing broker.

Section 2.5 POSSESSION: All listings must have a specific time period indicated for "Possession". Any listing which indicates possession as "Negotiable" will be prohibited.

Section 2.6 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 the seller and the listing broker have authorized 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. (Adopted 11/96)

Section 2.7 CONTINGENCIES APPLICABLE TO LISTINGS: Any contingency must be reported in the MLS and participants must then call the listing broker for more information. The listing broker shall enter immediately into the MLS within three (3) business days, that a contingency on file with the MLS has been fulfilled or renewed, or the agreement canceled.

Section 2.8 LISTING PRICE SPECIFIED: The full gross listing price should be stated in the listing contract will be included in the information published in the MLS Compilation of current listings.

Section 2.9 SQUARE FOOTAGE SPECIFIED: Square Footage must be indicated on all listings, or action will be taken by the Multiple Listing Service Committee. Deliberately/incorrectly reporting above grade square footage, in violation of the ANSI Standards Z765-1996, will be a violation of the MLS Rules and Regulations.

Section 2.10 YEAR BUILT SPECIFIED: Approximate Year Built must be indicated on ALL properties.

Section 2.11 TAX I.D. SPECIFIED: All listings are required to have correct Tax I.D. Number entered.

Section 2.12 PUBLIC REMARKS: Information included in the Public and Agent Remarks is limited to the sale or promotion of real estate. It is a violation of the MLS Rules and Regulations to place an agent's name, telephone number or website address into the public remarks section.

Section 2.13 PARTIAL SALE OF LISTED PROPERTY: When part of a listed property has been sold, proper notification should be entered into the Multiple Listing Service.

Section 2.14 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS: The Multiple Listing Service does not now and shall not hereafter 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 2.15 EXPIRATION, EXTENSION, AND RENEWAL OF LISTINGS: Any listing entered into the Multiple Listing Service automatically expires on the date specified in the agreement unless renewed by the listing broker and notice of renewal or extension is entered into the Service prior to expiration.

Section 2.16 TERMINATION DATE ON LISTINGS: Listings filed with the Service shall bear a definite and final termination date as negotiated between the listing broker and the seller.

Section 2.17 LISTINGS OF SUSPENDED PARTICIPANTS: When a Participant of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Association Bylaws, MLS Rules and Regulations, or other membership obligations EXCEPT failures to pay appropriate dues, fees or charges), all listings currently entered into the MLS by the suspended Participant shall, at the Participant's option, if paid in advance, be retained in the Service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a participant has been suspended from the Association (except where MLS participation without Association Membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an Association

MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of the current listing information. Prior to any removal of a suspended Participant's listings from the MLS, the suspended Participant and all Licensees affiliated with the Participant will be advised in writing of the intended removal so that the suspended Participant may advise his clients.

Section 2.18 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., violations of the Code of Ethics, Association Bylaws, MLS Rules and Regulations, or other membership obligations EXCEPT failures to pay appropriate dues, fees, or charges) all listings currently entered into the MLS by the expelled Participant shall, at the Participant's option, if paid in advance, 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 (except where MLS participation without Association Membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an Association MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised in writing of the intended removal so that the expelled Participant may advise his clients. Listings in the MLS will be withdrawn 10 days after a participant has been suspended or terminated.

Section 2.19 LISTING OF RESIGNED PARTICIPANTS: When a Participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the Resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of a resigned Participant's listings from the MLS, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise his clients.

Section 2.20 BONUS: Any specific amount of bonus offered in a listing shall not be circulated in the MLS information.

Section 2.21 PHOTOS: All listings entered in the MLS must have a photo or image. Image or photo number one must be of the exterior of the property, can not contain multiple images made into one and must not include any text or graphics.

Section 2.22 OUT OF AREA LISTINGS: All out of area listings entered into the MLS must include township, county and school district.

ARTICLE III - SELLING PROCEDURES

Section 3. SHOWINGS: Appointments for showings with the seller for the purchase of listed property entered into the MLS shall be conducted through the listing broker except under the following circumstances:

a. The listing broker gives the cooperating broker specific authority to show, or
b. All dealings concerning property exclusively listed or with buyers who are exclusively represented shall be carried on with the client's agent or Broker, and not with the client, except with the consent of the client's agent or Broker, or except where such dealings are initiated by the client. However if after reasonable effort, of not less than 24 hours, excluding weekends and Holidays, the cooperating broker cannot contact the listing broker or his representative, all MLS participants, hereby, give authorization for the cooperating broker to contact the seller directly, to show the property.

c. Any licensee to be excluded from showing/selling a property in the MLS SHALL NOT be published in the MLS but shall be handled by letter from listing broker with a copy to the Licensee and the Flint Area Association of REALTORS®.

Section 3.1 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 3.2 SUBMISSION OF WRITTEN OFFERS: The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller and 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.

Section 3.3 - 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.

Section 3.4 RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER-OFFERS: The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except where the cooperating broker is a subagent). However,

if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 3.5 ENTERING PENDING AND SOLD TRANSACTION TO THE SERVICE: All Pending, Contingent and Sold Transactions shall be entered within three (3) business days into the Multiple Listing Service by the listing broker. Sold Transactions shall correctly indicate the name of the selling office and selling agent, sale price, sale date, and buyer costs paid by seller at closing. The recording selling agent will be the agent who signs the purchase agreement.

Section 3.7 REPORTING CANCELLATION OF PENDING SALES: The listing broker shall report within three (3) business days the cancellation of any pending sale to the MLS and the listing shall be reinstated immediately.

ARTICLE IV - REFUSAL TO SELL

Section 4 REFUSAL TO SELL: If the seller of any listed property entered into the MLS refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the Service and to all Participants.

ARTICLE V - PROHIBITIONS

Section 5 ADVERTISING OF LISTING ENTERED INTO THE SERVICE: A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker. Any advertising must conspicuously include the listing broker's office name and broker's address or office phone number.

Section 5.1 "FOR SALE" SIGNS: Only the "For Sale" signs of the listing broker may be placed on the property.

Section 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.

Section 5.3 SOLICITATION OF LISTING ENTERED INTO THE SERVICE: MLS Participants shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the MLS Participant, refuses to disclose the expiration date and nature of such listing: i.e. an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client, the MLS Participant may contact the owner to secure such information and may discuss the terms upon which the MLS Participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing.

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

ARTICLE VI - DIVISION OF COMMISSION

Section 6 COOPERATIVE COMPENSATION SPECIFIED ON EACH LISTING: The listing broker shall specify, on each listing entered into the Multiple Listing Service, the compensation offered to other Multiple Listing Service Participants and participants of data share partners for their services in the sale of such listing. This will appear in one of two (2) ways as 1) As a percentage of the sales price or 2) By showing a definite dollar amount.

Section 6.1 The Association Multiple Listing Service shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Association Multiple Listing Service shall not publish the total negotiated commission on a listing which has been entered into the MLS by a Participant. The Association Multiple Listing Service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

Section 6.2 The listing broker may, from time to time, adjust the compensation offered to other Multiple Listing Service Participants for their services with respect to any listing. MLS Participants shall be able to rely upon the compensation offered, based upon the amount published, as of the date of the Purchase Agreement.

Section 6.3 DUAL OR VARIABLE RATE COMMISSION ARRANGEMENTS: The existence of a dual or variable rate commission arrangement (i.e., one in which the seller agrees to pay a specified commission if the property is sold by the listing broker without assistance and a different commission if the sale results through the efforts of a cooperating broker; or one in which the seller agrees to pay a specified commission if the property is sold 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), shall be disclosed by the listing broker by inserting the letter "D" to the offer of compensation in the MLS listing. 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 that results through the efforts of the seller. If the cooperating broker is a buyer representative, the buyer representative must disclose such information to their client.

***NOTE 1:** The compensation specified on listings entered into the Multiple Listing Service shall appear in one of two forms. The essential and appropriate requirement by an Association Multiple Listing Service is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance of their producing an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

1. By showing a percentage of the gross selling price
2. By showing a definite dollar amount.

Section 6.4 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 entered into the MLS and such information shall be disseminated to all Multiple Listing Service Participants.

Section 6.5 PARTICIPANT AS PURCHASER: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed with

another Participant, such contemplated interest shall be disclosed in writing to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

Section 6.6 The Multiple Listing Service should make no rule on the division of commissions between Participants and non-participants. This should remain solely the responsibility of the listing broker.

Section 6.7 Multiple Listing Services shall not publish listings that do not include an offer of compensation expressed as a percentage of the gross selling price or as a definite dollar amount, nor shall they include general invitations by listing brokers to other Participants to discuss terms and conditions or possible cooperative relationships.

ARTICLE VII - SERVICE CHARGES

Section 7 CHARGES: The following charges are in effect to defray costs of operation of the MLS, subject to change from time to time in the manner prescribed:

(a) An initiation fee, as set by the Board of Directors after recommendation by the MLS and Budget/Finance Committee, shall accompany each application submitted.

(b) Recurring Participation Fee: The annual participation fee of each Participant shall be an amount, as determined by the Board of Directors, for each salesperson who has access to and use of the Service, whether licensed as a broker or salesperson, who is employed by or affiliated as an independent contractor with such Participant. Payment of such fees shall be made as determined by the Board of Directors after recommendation by the MLS and Budget/Finance Committees.

(c) All MLS fees and charges shall be NON-REFUNDABLE.

Section 7.1 CHARGES ASSESSED TO PARTICIPANT, ONLY: All MLS fees, dues, and charges, including, but not limited to initial participation fees, etc. shall be assessed only to the MLS Participant. Payment of such fees may only be accepted from the MLS Participant and not from non-principal brokers or sales licensees affiliated with the Participant. None of the foregoing is intended to preclude the MLS Participant from being reimbursed by affiliated licensees for fees or charges incurred on their behalf pursuant to any in-house agreement that may exist.

ARTICLE VIII - COMPLIANCE WITH RULES AND ENFORCEMENT OF THE RULES

Section 8 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 40 days 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, pursuant to the provisions of ARTICLE X, Sections 10 and 10.1, probation of not more than 90 days, upon such terms as the committee may deem reasonable; a fine of not more than Ten Thousand Dollars (\$10,000), suspension of not more than six (6) months; expulsion; or any combination of the above. *Refer to Appendix A.

Section 8.1 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 8.2 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 unethical conduct or

request for arbitration, it may be Administratively considered and determined by the Multiple Listing Service 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 Panel before the Professional Standards Committee of the Association in accordance with the Bylaws and Rules and Regulations of the Flint Area Association of REALTORS® within twenty (20) days following receipt of the committee's decision. If the Multiple Listing Committee has a procedure established to conduct Hearings, the decision of the Multiple Listing Committee tribunal may be appealed to the Board of Directors within twenty (20) days of the Tribunal's decision being rendered.

Section 8.3 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the Association of REALTORS® for appropriate action in accordance with the Professional Standards procedures established in the Association's Bylaws.

ARTICLE IX - MEETINGS

Section 9 MEETING OF MLS COMMITTEE: The Multiple Listing Service 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 Chairman.

Section 9.1 MEETINGS OF MLS PARTICIPANTS: The Committee may call meetings of the Participants in the Service to be known as meetings of the Multiple Listing Service.

Section 9.2 CONDUCT OF THE MEETINGS: The Chairman, or Vice Chairman, shall preside at all meetings or, in their absence; a temporary Chairman from the membership of the Committee shall be named by the Chairman or, upon his failure to do so, by the Committee.

ARTICLE X - ARBITRATION PROCEEDURES

Section 10 ARBITRATION OF DISPUTES: By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the Code of Ethics with MLS Participants in different firms arising out of their relationship as MLS Participants subject to the following qualifications:

If all disputants are members of the same Board/Association of REALTORS®, or have their principal place of business within the same Board/Association territorial jurisdiction, they shall arbitrate pursuant to the procedures of that Board/Association of REALTORS®.

If the disputants are members of different Boards/Associations of REALTORS®, or if their principal place of business is located within the territorial jurisdiction of different Boards/Associations of REALTORS®, they remain obligated to arbitrate in accordance with the procedures of the Michigan Association of REALTORS®.

Interboard Arbitration Procedures: In instances where the State Association does not provide arbitration services, arbitration shall be conducted in accordance with any existing Interboard agreement or, alternatively, in accordance with the Interboard Arbitration Procedures in the Code of Ethics and Arbitration Manual of the National Association of REALTORS® as amended in accordance with the laws of the State of Michigan by the Michigan Association of REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Board/Association of REALTORS®.

Section 10.1 - STANDARD OF CONDUCT FOR MLS PARTICIPANTS:

Section 10.2 MLS Participants shall not engage in any practice or take any action inconsistent with the agency of other MLS Participants.

Section 10.3 Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the seller/landlord.

Section 10.4 Information entered into the service must be as accurate as possible and cannot be misleading.

Section 10.5 MLS Participants acting as subagents, or as buyer/tenant agents, or brokers shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker.

Section 10.6 MLS Participants shall not use information obtained by them from the listing broker, through offers to cooperate received through Multiple Listing Services or other sources authorized by the listing broker, for the purpose of creating a referral prospect to a third broker, or for creating a buyer/tenant prospect unless such use is authorized by the listing broker.

Section 10.7 The fact that an agency agreement has been entered into with a MLS Participant shall not preclude or inhibit any other MLS Participant from entering into a similar agreement after the expiration of the prior agreement.

Section 10.8 The fact that a client has retained a MLS Participant as an agent in one or more past transactions does not preclude other MLS Participants from seeking such former client's future business.

Section 10.9 MLS Participants are free to enter into contractual relationships or to negotiate with sellers/landlords, buyer/tenant or others who are not represented by an exclusive agent but shall not knowingly obligate them to pay more than one commission except with their informed consent.

Section 10.10 When MLS Participants are contacted by the client of another MLS Participant regarding the creation of an agency relationship to provide the same type of service, and MLS Participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agency agreement or, alternatively, may enter into an agency agreement which becomes effective upon expiration of any existing exclusive agreement.

Section 10.11 In cooperative transactions, MLS Participants shall compensate cooperating MLS Participants (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other MLS Participants without the prior express knowledge and consent of the cooperating broker.

Section 10.12 MLS Participants are not precluded from making general announcements to prospective clients describing their services and the terms of their availability even though some recipients may have entered into agency agreements with another MLS Participant. A general telephone canvass, general mailing or distribution addressed to all prospective clients in a given geographical area or in a given profession, business, club, or organization, or other classification or group is deemed "general" for purposes of this rule.

The following types of solicitations are prohibited:

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

Section 10.13 MLS Participants are not precluded from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g. property management as opposed to brokerage). However, information received through a Multiple Listing Service or any other offer of cooperation may not be used to target clients of other MLS Participants to whom such offers to provide services may be made.

Section 10.14 ORIENTATION: Any applicant for MLS Participation and any licensee affiliated with an MLS Participant who desires access to 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 (30) days after access has been provided.

ARTICLE XI-CONFIDENTIALITY OF MLS INFORMATION

Section 11 CONFIDENTIALITY OF MLS INFORMATION: Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Service and is so copyrighted. 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.

ARTICLE XII - OWNERSHIP OF THE MLS COMPILATIONS AND COPYRIGHTS

Section 12 OWNERSHIP OF THE MLS COMPILATIONS AND COPYRIGHTS: By the act of submission of any property listing data to the Association MLS the Participant represents that he has been authorized to grant and also thereby does grant authority for the Association to include the property listing data in its copyrighted MLS compilation and also in any statistical report on "Comparables". All photos that are submitted to the MLS shall not contain text or graphics and once submitted, become the property of the Flint Area Association of REALTORS® MLS.

ARTICLE XIII - USE OF COPYRIGHTED MLS COMPILATIONS

Section 13 DISTRIBUTION: Participants shall at all times maintain responsibility for any MLS Compilation created by the Flint Area Association of REALTORS®. Use of information developed by or published by an Association Multiple Listing Service is strictly limited to the activities authorized under a Participant's Licensure(s) or certification and unauthorized uses are prohibited. Further, none of

the foregoing is intended to convey "Participation", or "Membership" or any right of access to information developed by or published by an Association Multiple Listing Service where access to such information is prohibited by law. This extends to the publishing of MLS data, electronically.

Section 13.1 DISPLAY: Participants and those persons affiliated as licensees with such Participants shall be permitted to display the MLS Compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing and able buyers for the properties described in said MLS Compilation. This extends to the publishing of MLS data, electronically.

Section 13.2 REPRODUCTIONS: Participants or their affiliated licensees shall not reproduce any MLS Compilation or any portion thereof except in the following limited circumstances:

Participants or their affiliated licensees may reproduce from the MLS Compilation, and distribute to prospective purchasers, a reasonable* number of single copies of property listing data contained in the MLS Compilation which relate to any properties in which the prospective purchasers are, or may, in the judgment of the Participants or their affiliated licensees, be interested. Provided, however, that nothing contained herein shall be construed to preclude any Participant from utilizing, displaying, distributing or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the Participant.

Any MLS information, whether provided in written or printed form, electronically, or in any other form or format, is 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, except as may otherwise be provided for in these rules.

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 an Association or Association-owned Multiple Listing Service has deemed to be non confidential 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.

*It is intended that the Participant be permitted to provide a prospective purchaser with listing data relating to properties which the prospective Purchaser has a bona fide interest in purchasing or in which the Participant is seeking to promote interest. The term "reasonable", as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchasers' decision making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to, the total number of listings in the MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective buyer.

ARTICLE XIV - USE OF MLS INFORMATION

Section 14. LIMITATIONS ON USE OF MLS INFORMATION: Use of information from the 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 Association or its MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

NOTE: Based on information from the Flint Area Association of REALTORS® (alternatively, from the Flint Area Association of REALTORS® Multiple Listing Service) for the period of __ (date) __ through __ (date) __. Neither the Association nor its MLS guarantees or is in any way responsible for its accuracy.

Section 14.1. CHANGES IN RULES AND REGULATIONS: Amendments to the Rules and Regulations of the Service shall be by a majority vote of the Members of the Multiple Listing Service Committee, subject to approval by the Board of Directors of the Flint Area Association of REALTORS®.

ARTICLE XV ELECTRONIC DATA DISPLAY POLICIES

Section 15 GENERAL RULES:

1. Associations of REALTORS® and their Multiple Listing Services enable Member Participants to display on Member Participants' public web sites aggregated MLS listing information subject to the requirements of state law and regulation. To comply with this requirement MLSs must, if requested by a Member Participant, promptly provide basic "downloading" of listing information. Associations and MLSs can also offer alternative display options including framing of Board, MLS, or other publicly-accessible sites displaying Member Participants' listings (with permission of the framed site). FAAR will provide an electronic transmission of data from the MLS server to member participant's server (s) upon request, to be used exclusively for public display of the IDX data on websites whose domain names are registered to the member participant. For purposes of this policy, "downloading" means electronic transmission of data from MLS servers to Member Participants' servers on, at the discretion of the MLS, a persistent or transient basis. This policy does not require associations or MLSs to establish publicly assessable sites displaying Member Participants' listings. For purposes of this policy, "display" refers to consumer-directed search and retrieval of MLS information. Sales agents will be limited to only frame the flinthomes.net database.

If a third party vendor, hired by a member broker to assist in their IDX data feed to their web site, sends a data feed to a non-member web site the following procedures will apply: 1st offense: a letter of warning is sent and vendor will have 72 hours to pull down the non-member's FAAR listing data. A 2nd offense would result in permanent restriction of the data feed.

2. FAAR MLS's listing brokers' consent for such display will be presumed unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit display (either on a blanket or on a listing-by-listing basis). If a Member Participant refuses on a blanket basis to permit the display of that Member Participant's listings, then that Member Participant may not display on the Internet or by other electronic means the aggregated MLS listing data of other Member Participants.

3. FAAR MLS shall prohibit the display of a listing or confidential data fields at the direction of the seller.

4. Access to the FAAR MLS database of listing data, or any part of such databases, may not be provided to any person or entity not expressly authorized such access under the MLS rules.

5.1. FAAR MLS prohibits display of confidential data fields intended for cooperating brokers rather than consumers (such as showing instructions, cooperating broker compensation, the type of listing agreement i.e., exclusive right to sell or exclusive agency).

5.2. FAAR MLS requires that any listing displayed identify the listing firm.

5.3. It is required that MLS data fields authorized for display not be modified, however this is not intended to restrict the format of display or to prevent the display of fewer listings or fewer authorized data fields.

5.4. FAAR MLS requires that any display of other Member Participants' listings identify FAAR MLS as the source of the information being displayed. Member Participants must refresh all downloads and refresh all data at least once every seven (7) days.

5.5. Member Participants are required to indicate on their web sites that the information being provided is for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.

5.6. FAAR MLS reserves the right to establish reasonable limits on the amount of data/number of listings that consumers may retrieve or download in response to an inquiry, which number can vary depending on the status of the listing involved.

5.7. FAAR MLS prohibits the display of listings that have expired or been withdrawn or for which sales are pending (but not prohibit the display of "pending – continue to show").

5.8. FAAR MLS limits the right to display other Member Participants' listings on a Member Participant's office(s) holding participatory rights in the same MLS.

6.1. FAAR MLS limits the right to display listing information on the Internet or by any other electronic means to MLS Member Participants engaged in real estate brokerage. This requirement can be met by maintaining an office or Internet presence from which Member Participants are available to represent real estate sellers or buyers (or both).

6.2. Non-principal brokers and sales licensees affiliated with FAAR MLS Member Participants have a right to display on the Internet or by any other electronic means MLS listing data on their web sites with written permission by the Designated REALTOR® filed with the FAAR MLS. Even if the ability to display MLS data on the Internet is provided to non-principal brokers and sales licensees affiliated with MLS Member Participants, such use is subject to Member Participants' consent and control and the requirements of state law and/or regulation. Member Participants must authorize FAAR MLS, in writing, of such authorization. Non-principal brokers and sales licensees can display only the framed flinthomes.net database on their personal web sites.

6.3. FAAR MLS does not prohibit Member Participants from displaying other brokers' listings obtained from other sources, e.g., other MLS's non-participating brokers, etc., but requires that listings obtained from FAAR MLS be searched separately from listings obtained from other sources, including other MLS's or For Sale By Owner properties.

7. FAAR MLS may charge the costs of adding or enhancing their "downloading" capacity to Member Participants who will download listing information. Assessment of such costs will be reasonably related to the actual costs incurred by the MLS.
8. FAAR MLS will allow the display of all property addresses. The listing information will be withheld from the Internet if the seller requests that their address not be published.
9. All non-member listings will be withheld from the Internet.
10. It is mandatory that web sites displaying FAAR MLS data include a data field labeled "listing office" with the font size and color of the listing office to be the same as the font size and color for the 'contact information for showings' data.

ARTICLE XVI ELECTRONIC MAIL POLICY

Section 16 GENERAL RULES: REALTORS® using Kinnexus e-mail are representing our Industry. All communications should be for professional reasons and used in an effective, ethical and lawful manner. The Association maintains the ability and the right to monitor electronic mail use by any member or staff.

Section 16.1 ADDITIONAL REQUIREMENTS

1. The Flint Area Association of REALTORS® Multiple Listing Service maintains an electronic mail system to assist in the conduct of the Real Estate business by participants of the MLS and Association staff. The electronic mail hardware and software are the property of the Association. Additionally, all messages composed, sent, or received on the electronic mail system are and remain the property of the Association's MLS. They are not the private property of any member.
2. Electronic mail must not be used to create and send any offensive or disruptive messages. This includes any messages which contain sexual implications, racial slurs or any other comment that offensively addresses someone's age, sex, race, color, religion, height, weight, marital status, national origin or disability. Electronic mail is subject to all of the Association's harassment policies and procedures. Electronic mail is subject to the National Association of REALTORS® Code of Ethics, the Flint Area Association of REALTORS® Bylaws and MLS Rules and Regulations. Any violation is prohibited.
3. Electronic mail should not be used to send (upload) or receive (download) copyrighted materials, trade secrets, or similar materials.
4. Electronic mail should not be used to propagate any type of electronic chain letter or pyramid scheme.
5. Electronic mail should not be used for any purpose that violates any local, state, national or international laws.

6. The confidentiality of any message should not be assumed. Even when a message is erased, it is still possible to retrieve and read that message. Further, the use of passwords for security does not guarantee confidentiality.
7. Any member or staff has the right to request to be removed from mailing lists. A member, who receives a request for the removal of an individual from a mailing list, must remove the individual from the list, within 48 hours of the request or be found in violation of this policy.
8. Any member or employee who violates this policy or uses the electronic mail system for improper purposes will be subject to discipline, up to and including loss of MLS participation privileges.

APPENDIX A:

Current Fines:

Late Listing Fee	\$100
Pending exceeding 90 without justification, in writing to MLS	\$ 50
Failure to submit a FAAR Exclusion Letter	
First Offense	\$500
Each Subsequent Offense	\$1000
Failure to report "Contingent" listing	\$ 20
Incorrect School District	\$ 20
Incorrect style of home reported	\$ 20
1st photo not being the property's front exterior	\$ 20
Incorrectly reporting listing withdrawn when it is actually sold	\$ 20
Failure to report a status change	\$ 20
Failure to report seller's costs	\$ 20
All three lines of the directions are mandatory	\$ 20
Deliberately/incorrectly reporting above grade square footage	\$100

Kinnexus Auditor Fines:

VIOLATION OF TEST #1-29 RESULT IN A \$20.00 FINE

- Test #1** Waterfront property checked with no lake name specified
- Test #2** Listing office-Flint Area Assn. of REALTORS®
- Test #3** Selling office-Flint Area Assn. of REALTORS®
- Test #4** Residential-"type of ownership" not specified
- Test #5** Square foot-0, if commercial business opportunity, exempt
- Test #6** SAC, BBC, TRANSACTION-one of these must be >0
- Test #7** "Listing Date"(or internal Initial Listing Date) in the future
- Test #8** Word "Bonus" in the remarks, with a dollar amount
- Test #9** Possession not equal to "NEG" or "Negotiable"
- Test #10** TAX ID must be filled in with something, if commercial business opportunity, exempt
- Test #11** No street number, not vacant, build date <2003
- Test #12** "Date Created" is in the future (agent's computer date/time is off). Whenever a listing is created, The listing is stamped (and hidden) with the date from the agent's computer.
- Test #13** No directions
- Test #14** No Legal-at least 10 characters long. If commercial business opportunity, exempt
- Test #15** No lot size specified-exclude commercial and condo

- Test #16** Winter/Summer taxes missing-no vacant, <2002, at least one of the taxes must be filled in
- Test #17** Room name missing-residential only
- Test #18** No Sq. ft. specified for a multi-level residential-must be > 1.5 story but no Bi-Level
- Test #19** If fireplace features chosen, fireplace has to be >0
- Test #20** Fair housing guidelines potential violation
- Test #21** Residential and Commercial terms not specified, if it is a lease then it is exempt
- Test #22** Garage features chosen, yet the number of garages =0, except “car port”
- Test #23** Phone number in public remarks
- Test #24** Basement features specified with no basement checked
- Test #25** Minimum deposit required
- Test #26** Word “Lister” in public remarks
- Test #27** Room sizes not given
- Test #28** No sold date
- Test #29** Listings on hold longer then 4 weeks

VIOLATION OF TEST #50-54 RESULT IN A FINE OF \$50.00

- Test #50** No sales price
- Test #51** Sold property with no terms of sale specified, ie, Cash, FHA, etc.
- Test #52** Sales Price < or > 20% of current list price
- Test #53** Withdrawn listing when in fact it is actually expired
- Test #54** Missing photo longer than 5 days (when agent submit photo box is checked)

Fines will be assessed after the following:

- FAAR staff to notify the agent and broker via the “To Do” list and via e-mail informing them that they have five (5) business days to make the correction in Kinnexus and notify FAAR staff of the correction.]
- After five (5) business days without notification of the correction, staff will bill the participant.
- Staff authorized to remove a listing that remains in violation of the rules and regulations 15 days after a fine has been assessed.

Note: Fines pertaining to non-compliance of MLS Rules and Regulations are listed in ARTICLE VIII. Section 8 (b).