

Commercial Industrial Handbook

Multiple Listing Policy

Rules and Regulation Policy

Multiple Listing Service of Chattanooga, Inc.

Revised October 2005

Approved by NAR



Rules and Regulations for the Commercial/Industrial MLS of the Multiple Listing Service of Chattanooga, Inc.

Membership in the C/I MLS: Any REALTOR® (principal) of this or any other Board is eligible to participate in the C/I MLS upon agreeing in writing to conform to these C/I MLS rules and regulations and to pay the Service fees and charges specified in Section 6 of these rules.* However, no individual or firm, regardless of Board membership status, is eligible for C/I MLS membership or participant status unless they hold a current, valid real estate broker's license and are capable of accepting and offering 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. Brokers and salespeople other than principals are not "members" or "participants" of the C/I MLS, but have access to and use of the Service through the C/I MLS Participant with whom they are affiliated. (Amended 4/98)

Orientation Program Required: Any applicant for C/I MLS participation and any licensee (including licensed or certified appraisers) affiliated with a C/I MLS Participant who has access to and use of the C/I MLS-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the C/I MLS rules and regulations and computer training related to MLS information entry and retrieval. (Amended 11/96)

Responsibility for Conformance with Rules and Regulations: The C/I MLS 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.

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 C/I MLS.

Listing Procedures:

Section 1—Listing Procedures: Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, located within the territorial jurisdiction of the Board of REALTORS® taken by Participants on exclusive right to sell or exclusive right agency listing form shall be delivered to the C/I Multiple Listing Service within 48 hours after all necessary signatures of seller(s) or lessor(s) have been obtained: (Amended 11/91)

- Cat. 1 - Office space for lease
- Cat. 2 – Office space for sale
- Cat. 3 - Commercial & Retail space for lease
- Cat. 4 – Commercial & Retail space for sale
- Cat. 5 – Warehouse & Mfg. Plants space for lease
- Cat. 6 - Warehouse & Mfg. Plants space for sale
- Cat. 7 - Apts. & Income properties/ business only for sale
- Cat. 8 – Commercial bldg. Sites and Multi Family bldg. Sites for sale
- Cat. 9 - Industrial bldg. Sites for sale
- Cat. 10 – Farms & Acreage sites for sale
- Cat. 11 – Miscellaneous

The Service shall accept exclusive right to sell or lease listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other Participants of the C/I Multiple Listing Service acting as subagents, buyer agents, or both. (Amended 11/96)

The listing agreement must include the seller's written authorization to submit the agreement to the C/I Multiple Listing Service. (Amended 11/96)

The different types of listing agreements include:

- (a) exclusive right to sell or lease
- (b) exclusive agency

The Service may not accept net listings because they are deemed unethical and, in most states, illegal. Open listings are not accepted (except where required by law) because the inherent nature of an open listing is such as to usually not include the authority to cooperate and compensate other brokers and inherently provides a disincentive for cooperation. (Amended 4/92)

The exclusive right to sell or lease listing is the conventional form of listing submitted to the C/I MLS in that the seller or lessor authorizes the listing broker to cooperate with and to compensate other brokers. (Amended 4/92)

The exclusive agency listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell or lease the property on an unlimited or restrictive basis.

Exclusive agency listings and exclusive right to sell or lease listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to sell or lease 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 or lease 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 or lease listings with prospect reservations. (Revised 4/92)

To clarify: All exclusive agency listings, all dual or variable rate commission arrangements, and all exclusive rights to sell listings with name prospects exempted should be clearly distinguished by the placement of double asterisk ** before the street number.

The C/I 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 C/I MLS 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.

Section 1.1—Listings Subject to Rules and Regulations of the Service: Any listing taken on a contract to be filed with the C/I MLS is subject to the rules and regulations of the Service upon signature of the seller(s) or lessor(s).

Section 1.2—Detail on Listings Filed with the Service: A listing agreement or property data form, when filed with the C/I MLS by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form.

Section 1.3—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 certification signed by the seller or lessor that he does not desire the listing to be disseminated by the Service.

Section 1.4—Change of Status 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 or lessor and shall be filed with the Service within• twenty-four (24) hours (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing broker.

Section 1.5—Withdrawal of Listing Prior to Expiration: Listings of property may be withdrawn from the C/I MLS by the listing broker before the expiration date of the listing agreement, provided notice is filed with the Service, including a copy of the agreement between the seller or lessor and the listing broker which authorizes the withdrawal.

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker’s concurrence. However, when a seller(s) can document that his exclusive relationship with listing broker has been terminated, the Multiple Listing Service may remove the listing at the request of the seller. (Adopted 11/96)

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

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

Section 1.8—Listing Multiple Unit Properties: All properties which are to be sold, leased or exchanged or which may be marketed separately, must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, leased, or exchanged, the rules related to notifying the Service shall be observed.

Section 1.9—No Control of Commission Rates or Fees Charged by Participants: The Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non participants.

Section 1.10—Expiration, Extension, and Renewal of Listings: Any listing filed with the Service automatically expires on the dates specified in the agreement, unless renewed by the listing broker and notice of renewal or extension is filed with the Service prior to expiration.

Any extension must be executed by all appropriate parties prior to the expiration of the current listing.

Any renewal dated after the expiration date of the original listing will be published as a new listing. Any extension or renewal of a listing must be signed by the seller(s) and be filed with the Service within 48 hours of execution.

Section 1.11—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 or lessor.

Section 1.12—Jurisdiction: Only listings of the designated types of property located within Hamilton County, Sequatchie County, Tennessee and Dade County, Catoosa County, and Walker County Georgia are required to be submitted to the Service. Listings of property located outside the Board's jurisdiction will be accepted.

Section 1.13—Listings of Suspended Participants: When a Participant of the Service is suspended from the C/I MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board bylaws, C/I MLS bylaws, C/I MLS 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 C/I MLS participation without Board Membership is permitted by law) or C/I MLS (or both) for failure to pay

appropriate dues, fees, or charges, the Service is not obligated to provide C/I MLS services, including continued inclusion of the suspended Participant's listings in the C/I MLS 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.

Section 1.14—Listings of Expelled Participants: When a Participant of the Service is expelled from the C/I MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board bylaws, C/I MLS bylaws, C/I MLS 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 C/I MLS participation without Board Membership is permitted by law) or C/I MLS (or both) for failure to pay appropriate dues, fees, or charges, the Service is not obligated to provide C/I MLS services, including continued inclusion of the expelled Participant's listings in the C/I MLS 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.

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

Selling Procedures

Section 2—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 C/I 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 and/or negotiate directly, or
- (b) 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)

Section 2.1—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)

Section 2.2—Submission of Written 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. (Approved 11/87)

Section 2.3—Right of Cooperating Broker in Presentation of Offer: The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations. (Amended 4/92)

Section 2.4—Right of Listing Broker in Presentation of Counter-Offer: The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions. (Adopted 11/93)

Section 2.5—Reporting Sales to the Service: Sales, leases, or exchanges shall be reported immediately to the C/I MLS by the listing broker unless the negotiations were carried on under Section 2(a) or (b) hereof, in which case the cooperating broker shall report, sending a copy to the listing broker within twenty-four (24) hours after acceptance. (Amended 4/92)

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 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.

Section 2.6—Reporting Resolutions of Contingencies: The listing broker shall report to the C/I MLS within twenty-four (24) hours that a contingency on file with the Service has been fulfilled or renewed, or the agreement cancelled.

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

Section 2.8—Reporting Cancellation of Pending Sale: The listing broker shall report immediately to the Service the cancellation of any pending sale, lease, or exchange and the listing shall be reinstated immediately.

Refusal to Sell

Section 3—Refusal to Sell, Lease, or Exchange: If the seller or lessor of any listed property filed with the Service 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.

Prohibitions

Section 4—Information for Participants Only: Any listing filed with the Service shall not be made available to any broker or firm not a Member of the C/I MLS without the prior consent of the listing broker.

Section 4.1—“For Sale” Signs: Only the “For Sale” sign of the listing broker may be placed on a property. (Amended 11/89)

Section 4.2—“Sold” Signs: Prior to closing, only the “Sold” sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign. (Amended 4/96)

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

Note: This Section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4.

This Section is intended to encourage sellers and lessors to permit their properties to be filed with the Service by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration.

Without such protection, a seller or lessor could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware

through C/I MLS filing of the date the listing will expire and desire to substitute themselves for the present broker.

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

This Section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of the Code of Ethics.

Division of Commissions

Section 5—Compensation Specified on Each Listing: 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 MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. (Amended 11/98)

In filing a property with the C/I MLS of a Board of REALTORS®, the Participant of the Service is making a 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)

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 nonagency 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 C/I MLS, 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)

The Board C/I MLS shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Board C/I MLS shall not publish the total negotiated commission on a listing which has been submitted to the Service by a Participant. The Board C/I MLS shall not disclose in any way the total commission negotiated between the seller or lessor and the listing broker.

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)

The C/I MLS shall make no rule on the division of commissions between Participants and nonparticipants. This should remain solely the responsibility of the listing broker.

*The compensation specified on listings filed with the Service shall appear in one of two forms. The essential and appropriate requirement by a Board C/I MLS is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the listing broker, in writing, in advance of 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)

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 or to lender approval; and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court or by a lender. In such instances, the fact that the gross commission is subject to court or to lender approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they produce an offer that ultimately results in a successful transaction. (Adopted 11/98)

Section 5.1—Participant as Principal: If a Participant or any licensee (including 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 C/I MLS, that person shall disclose that interest when the listing is filed with the Service and such information shall be disseminated to all Participants.

Section 5.2—Participant as Purchaser: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker. (Adopted 2/92)

Section 5.3—Dual or Variable Rate Commission Arrangements: The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code, or symbol as required by the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease. (Amended 2001)

Service Charges

Section 6—Service Fees and Charges: The following service charges for operation of the C/I MLS are in effect to defray the costs of the Service and are subject to change from time to time in the manner prescribed.

(a) Initial Participation Fee: An applicant for participation in the Service shall pay an application fee of \$300 with such fee to accompany the application.

(b) Recurring Participation Fee: The recurring participation fee of each Participant shall be an amount equal to \$340 times each salesperson and licensed or certified appraiser engaged in the listing, sale, or appraisal of C/I properties, whether licensed as a broker, salesperson, or certified appraiser, who is employed by or affiliated as an independent contractor with such participant. Payment of such fees shall be made in two payments before the first days of April and October of the fiscal year of the C/I MLS. Fees shall be prorated on a monthly basis. Exact due dates will be notices to the participants in advance. The recurring participation fee may be assessed to the non principal broker or sales licensee affiliated with the participant at the discretion of the MLS Board of Directors.

(c) Subscription Fees: The participant may be responsible for the payment of a subscription fee semi-annually for each complete set of current listings provided to each individual, employed by or affiliated as an independent contractor with the participant, who is engaged in listing, selling, leasing, or locating C/I properties.

Compliance with Rules

Section 7—Compliance with Rules: The following action may be taken for noncompliance with the rules:

(a) for failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days' notice has been given, the Service shall be suspended until service charges or fees are paid in full

(b) for failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply

Section 7.1 Use of Fines: 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 C/I MLS and may be used from time to time as approved by the Board of Directors.

Meetings

Section 8.Meetings of C/I Board of Directors: The C/I MLS Board of Directors shall meet for the transaction of its business at a time and place to be determined by the President.

Section 8.1 Meetings of C/I MLS Participants: The Board of Directors may call meetings of the participants in the service to be known as meetings of the Commercial/Industrial Multiple Listing Service.

Section 8.2 Conduct of the Meetings: President or President –elect, shall preside at the meetings or, in their absence, a temporary chairman from the membership of the Committee shall be named by the President or, upon failure to do so, by the Directors.

Enforcement of Rules or Disputes

Section 9—Consideration of Alleged Violations: The C/I MLS Board of Directors shall give consideration to all written complaints having to do with violations of the rules and regulations. (Amended 2/98)

Section 9.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged

unethical conduct or a request for arbitration, it may be administratively considered and determined by the Board of Directors of the Service, and if a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Board in accordance with the bylaws and rules and regulations of the Board of REALTORS® within twenty (20) days following receipt of the Directors' decision. (Amended 11/96)

If, rather than conducting an administrative review, the MLS has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the Board of Directors of the MLS within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the Board of REALTORS® for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board of REALTORS®. (Amended 2/98)

Section 9.2—Complaints of Unethical Conduct: All other complaints of unethical conduct shall be referred by the Board of Directors of the Service 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)

Confidentiality of C/I MLS Information

Section 10—Confidentiality of C/I MLS 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)

Section 10.1—C/I MLS Not Responsible for Accuracy of Information: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the Participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

Section 10.2—Access to Comparable and Statistical Information: Board members who are actively engaged in real estate brokerage, management, appraising, land development, or building, but who do not participate in the C/I MLS, are nonetheless entitled to receive by purchase or lease all information other than current listing information that is generated wholly or in part by the C/I MLS, including "comparable" information, "sold" information, and statistical reports.

This information is provided for the exclusive use of Board members and individuals affiliated with Board 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. Any Board member wishing to obtain such information must agree to abide by the applicable C/I MLS rules and regulations regarding use of the information and must agree to pay the costs incidental to receiving the information.

Ownership of C/I MLS Compilation* and Copyright

Section 11—By the act of submitting any property listing data to the C/I MLS, the Participant represents that he has been authorized to grant and also thereby does grant authority for the Board to include the property listing data in its copyrighted C/I MLS compilation and also in any statistical report on comparables.

Section 11.1—All right, title, and interest in each copy of every C/I MLS compilation created and copyrighted by the Chattanooga Association of REALTORS® and in the copyrights therein, shall at all times remain vested in the Chattanooga Association of REALTORS®.

Section 11.2—Each Participant shall be entitled to lease from the Chattanooga Association of REALTORS® a number of copies of each C/I MLS compilation sufficient to provide the Participant and licensees affiliated with the Participant (including licensed or certified appraisers) engaged in the commercial/industrial activity with one copy of such compilation. The Participant shall pay, for each such copy, the rental fee set by the Board.**

Participants shall acquire by such lease only the right to use the C/I MLS compilation in accordance with these Rules.

Use of Copyrighted C/I MLS Compilation

Section 12—Distribution: Participants shall, at all times, maintain control over and responsibility for each copy of any C/I MLS compilation leased to them by the Board of REALTORS®, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by 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 or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 4/92)

*The term “C/I MLS compilation,” as used in Sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to the Participants, including but not limited to bound book, loose-leaf binder, computer database, card file, or any other format whatever.

**This Section should not be construed to require the Participant to lease a copy of the C/I MLS 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 MLS and who does not, at any time, have access to or use of the C/I MLS information or C/I MLS facility of the Board. Further, the C/I MLS 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.

Section 12.1—Display: Participants and those persons affiliated as licensees with such Participants shall be permitted to display the C/I MLS 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 C/I MLS Compilation.

Section 12.2—Reproduction: Participants or their affiliated licensees shall not reproduce any C/I MLS compilation or any portion thereof, except in the following limited circumstances.

Participants or their affiliated licensees may reproduce from the C/I MLS compilation and distribute to prospective purchasers or lessees a reasonable* number of single copies of property listing data contained in the C/I MLS 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 C/I MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and those licensees affiliated with the Participant who are authorized to have access to such information. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client.

However, only such information that a Board or Board-owned C/I MLS 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.
which would be shown to the prospective purchaser or lessee.

Use of C/I MLS Information

Section 13—Limitations on Use of C/I MLS Information: Use of information from the C/I MLS compilation of current listing information, from the Board’s statistical report, or from any sold or comparable report of the Board or C/I MLS for public mass-media advertising by a Participant or in other public representations, may not be prohibited.

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the Board or its C/I MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

Based on information from the Association of REALTORS® (alternatively, from the Multiple Listing Service of Chattanooga, Inc. for the period (date) through (date).
(Revised 11/93)

Changes in Rules and Regulations

Section 14—Changes in Rules and Regulations: Amendments to the rules and regulations of the Service shall be by consideration and approval of the Board of Directors of the C/I Multiple Listing Service, subject to final approval by the Board of Directors of the Chattanooga Association of REALTORS® (shareholder).

INTERNET DATE EXCHANGE (IDX)

Section 18—IDX Defined: IDX affords MLS Participants the option of authorizing display of their active listings on other Participants’ Internet web sites.

Section 18.1—Authorization: Participants’ consent for display of their active listings by other Participants pursuant to these rules and regulations is presumed unless a Participant affirmatively notifies the MLS that the Participant refuses to permit display (either on a blanket or on a listing-by-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.

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

Section 18.2—Participation: Participation in IDX is available to all MLS Participants who are REALTORS[®] and who consent to display of their listings by other Participants.

Note: Participation in IDX may be limited to MLS Participants engaged in real estate brokerage by adoption of one of the following options.

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

Section 18.3—Display: Display of listing information pursuant to IDX is subject to the following rules:

Section 18.3.1—Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited.

Section 18.3.2—Participants shall determine which listings or the types of listings they will display on their websites. Examples include property type (“condos,” “single family detached,” “multi-family,” etc.), price, or location (“downtown”).

Section 18.3.3—Participants shall not modify or manipulate information relating to other Participants’ listings. (This is not a limitation on site design but refers to changes to actual listing data.)

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

Section 18.3.5—Non-principal brokers and sales licensees affiliated with IDX Participants may display information available through IDX on their own websites subject to their Participant’s consent and control and the requirements of state law and/or regulation.

Section 18.3.6—All listings displayed pursuant to IDX shall show the MLS as the source of the information.

Section 18.3.7—Participants (and affiliated licensees, if applicable) must refresh all downloads and refresh all data at least once every 7 days.

Section 18.3.8—Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.

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

Section 18.3.10—No portion of the IDX database shall be used or provided to a third party for any purpose other than those expressly provided for in these rules.