

**THE RULES AND REGULATIONS OF THE MULTIPLE LISTING SERVICE  
OF THE EAST TENNESSEE REALTORS®  
2026**

**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.

**Purpose**

A multiple listing service is a means by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public.

**Participation**

Any REALTOR® of this or any other association who is a principal, partner, corporate officer, or branch office manager 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 incidental thereto.\* 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 cooperate, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.\*\* Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients. 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.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm cooperates means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS, share information on listed property and make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interests of their client(s). "Actively" means on a continual and ongoing basis during the operation of the Participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law. \*Optional qualifications which may be adopted at the local association's discretion: Any applicant for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval within thirty (30) days after access has been provided.

Associations are not required to establish prerequisites for MLS participation beyond holding REALTOR® (principal) membership in an association. However, if the association wishes to establish these requirements for MLS participation or for access to MLS-generated information, the requirement of attendance at an orientation program is the most rigorous requirement that may be established.

The key is that the Participant or potential Participant actively endeavors to cooperate with respect to properties of the type that are listed on the MLS in which participation is sought. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates a "Virtual Office Website" (VOW) (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to cooperate. An MLS may evaluate whether a Participant or potential Participant actively endeavors during the operation of its real estate business to cooperate only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all Participants and potential Participants.

**Subscribers:** Subscribers (users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants. Subscriber shall maintain the confidentiality of its user ID and password and the ETNR Database; Subscriber shall not provide its ID and password to any third party. To maintain the confidentiality of all user IDs, passwords, the ETNR Database, and the ETNR System, Subscriber shall take the greater of reasonable care or the care it takes to protect its own confidential information. Subscriber may disclose information confidential under this Agreement if, and to the extent, the order of a court or other tribunal with jurisdiction requires disclosure; provided however, Subscriber first gives reasonable notice to ETNR to permit ETNR to seek a protective order. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

## **MULTIPLE LISTING COMMITTEE**

**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 of the association of REALTORS®

**APPOINTMENT OF COMMITTEE:** The president shall appoint, subject to confirmation by the board of directors, a multiple listing committee of Realtor® members. All members of the committee shall be Participants in multiple listing except, at the option of the local association, Realtors® affiliated with Participants may be appointed to serve in such numbers as determined by the local association. The committee members so named shall serve two-year staggered terms. The chairperson may be designated by the president.

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

**ATTENDANCE:** Any committee member who fails to attend three (3) regular or special meetings of the committee, without excuse acceptable to the chairperson of the committee, shall be deemed to have resigned from the committee and the vacancy shall be filled as herein provided for original appointees.

## **SECTION ONE LISTING PROCEDURES**

Listings of real property of the following types, which are subject to a real estate broker's license, and are located within the service area of the Multiple Listing Service of the East Tennessee REALTORS®, and taken by Participants on an Exclusive Right to Sell or an Exclusive Agency Listing Contract, shall be delivered to the Multiple Listing Service within 2 business days after all necessary signatures of \*Seller(s) have been obtained and list/effective date. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

*\*Seller means the owner of record of the real property, or a person or legal entity that has lawful authority to convey fee simple title to the property when listed.*

A **Coming Soon** listing may be entered into the MLS for up to five (5) days prior to the property being ready for active marketing. No showings are permitted during the Coming Soon period. A Pre-Marketing Addendum must be signed by the seller and submitted to the Association upon request. On the sixth (6th) day, the listing will automatically convert to Active status, at which time Days on Market (DOM) will begin to accrue. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

- (a) Single family homes for sale or exchange.
- (b) Vacant lots and acreage for sale or exchange.
- (c) Multi-family residential buildings for sale or exchange.
- (d) Commercial Industrial property for sale or exchange.
- (e) Auction Properties.
- (f) Rental Properties.

The Multiple Listing Service does not require a Participant to submit listings on a form other than the form the Participant individually chooses to utilize provided the listing is of a type accepted by the Service, although the "Property Data Form" is required. However, the Multiple Listing Service, through its legal counsel:

1. May reserve the right to refuse to accept a listing form, which fails to adequately protect the interest of the public and the Participants.
2. Assure that no listing form filed with the Multiple Listing Service establishes, directly or indirectly, any contractual relationship between the Multiple Listing Service and the client (buyer or seller).

The multiple listing service shall accept Exclusive Right-to-Sell listing contracts and Exclusive Agency listing contracts and may accept other forms of agreement which make it possible for the listing broker to cooperate with other Participants of the multiple listing service acting as subagents, buyer agents, or both.

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

**Business Opportunity Listings Prohibited:** The Service does not accept Business Opportunity or Wholesale listings. Entering a listing that markets an interest in real property other than fee simple ownership, including but not limited to business opportunity, wholesale, assignment, contract-for-sale, equitable interest, investor-only, novation agreement or similar non-fee simple interest listings into the MLS is prohibited.

For purposes of these rules, a Business Opportunity Listing is any listing that markets an interest in real property other than fee simple ownership, including the sale or assignment of a contract, option, or equitable interest, where the party offering the property does not hold legal title or does not have lawful authority to convey fee simple title when listed. Listings that attempt to market an interest other than fee simple ownership shall be treated as prohibited regardless of how they are labeled. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy.**

The Service will not accept net listings because they are deemed unethical and illegal in the state of Tennessee. Open listings are not accepted. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients.

The **exclusive right-to-sell** listing is the form of listing where the seller authorizes exclusive authorization to the listing broker to cooperate with other brokers in the sale of the property.

The **exclusive agency** listing also authorizes the listing broker, as exclusive agent, to cooperate with other brokers in the sale of the property 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 exempt should be clearly distinguished by a simple designation such as a code or symbol from exclusive right-to-sell listings with no named prospects exempt, 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 exempt. 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.

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.

**Section 1.01 CLEAR COOPERATION:** Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS Participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.

**Note:** Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Policy. This applies to listings filed under Section 1 and listings exempt from distribution under Section 1.3 of the NAR model MLS rules, and any other situation where the listing broker is publicly marketing an exclusive listing that is required to be filed with the service and is not currently available to other MLS Participants. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

**Section 1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE:** Any listing taken on a contract to be filed with the Multiple Listing Service is subject to the Rules and Regulations of the Service upon signature of the seller(s).

**Section 1.2 DETAIL ON LISTINGS FILED WITH THE SERVICE:** A listing agreement or Property Data Form when filed with the Multiple Listing Service by the listing broker, shall be complete in every detail, which is ascertainable as specified on the Property Data Form.

**Section 1.2.0 ACCURACY OF LISTING DATA:** Participants and Subscribers are required to submit accurate listing data and required to correct any known errors. Misleading information is not allowed in the multiple listing service. The number of bedrooms advertised for a property must not exceed the capacity permitted by the on-site sewage disposal system, unless no septic permit exists. This requirement is consistent with Tennessee Department of Environment and Conservation (TDEC) Rules, Chapter 0400-01-01, governing subsurface sewage disposal systems.

Misrepresentation is prohibited; these examples are illustrative and not exhaustive:

- Advertising more bedrooms than the septic system is permitted to support; If septic capacity cannot be documented after reasonable diligence, the listing must include a clear disclosure that septic capacity has not been verified.
- Falsely representing property characteristics, such as advertising a property as lakefront when it is lakeview only.
- Advertising a manufactured, modular, or mobile home as site-built when it is not.
- Stating square footage that includes unfinished space, garages, basements, porches, or areas not permitted or not heated/cooled.
- Advertising listings as *waterfront*, *riverfront*, or *lakefront* unless the property directly abuts a natural or man-made body of water. The property boundary must be in direct physical contact with the water, with **no** intervening land, roadway, easement, or separately owned parcel. Advertising a property as waterfront, riverfront, or lakefront when the property is only water-adjacent, offers a water view, or requires crossing another parcel is considered misleading and is not permitted.
- For a Single-Family listing, the number of bedrooms, bathrooms, square footage, and similar details from an accessory dwelling unit, second residence on the same parcel, pool house, guest house, or any additional living space without interior access to the main home may not be combined with the main dwelling's specifications. Details regarding any additional living unit may be included in the public remarks.

**See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

**Section 1.2.1 LIMITED-SERVICE LISTINGS:** Listing agreements under which the listing broker will not provide one, or more, of the following services:

- a. arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s)
  - b. accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s)
  - c. advise the seller(s) as to the merits of offers to purchase
  - d. assist the seller(s) in developing, communicating, or presenting counteroffers
  - e. participate on the seller's(s') behalf in negotiations leading to the sale of the listed property
- must be identified with an appropriate code or symbol (e.g., LR or LS) in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property.

**Section 1.2.2 MLS ENTRY-ONLY LISTINGS:** Listing agreements under which the listing broker will not provide any of the following services:

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

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

**Section 1.3 OFFICE EXCLUSIVE EXEMPTED LISTINGS:** Where a Seller directs the listing broker not to publicly market the property and not to disseminate the listing to other MLS Participants or Subscribers, the Participant may take an **Office Exclusive Listing**. Such listing must be filed with the MLS but shall not be disseminated to other Participants or Subscribers.

The filing of an Office Exclusive Listing must be accompanied by a seller-signed [Office Exclusive Waiver](#) certification, confirming that the Seller does not authorize dissemination of the listing by the MLS and may not be entered into the MLS after closing, as the seller's election not to disseminate the listing applies to the sale itself.

**Note:** If an Office Exclusive Listing is publicly marketed in any manner, the listing must be distributed through the MLS within one (1) business day, in accordance with Section 1.01, Clear Cooperation Policy.

**Section 1.4 CHANGE OF LISTING:** Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with the Multiple Listing Service within twenty-four (24) hours (excepting weekends, holidays, and postal holidays) after the change is received by the listing broker.

**Section 1.5 WITHDRAWAL OF LISTING PRIOR TO EXPIRATION:** Listings of property may be withdrawn from the Multiple Listing Service by the listing broker before the expiration date of the listing agreement, provided notice is filed with the Service, including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal.

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

**Section 1.6 CONTINGENCIES APPLICABLE TO LISTINGS:** Any contingency or conditions of any term in the 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 Multiple Listing Service compilation of current listings unless the property is subject to auction. Auction Listing cannot have a list price unless the property can be purchased for the list price without going through the auctions.

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

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

**Section 1.10 EXPIRATION OF LISTINGS:** Listings filed with the multiple listing service will automatically be removed from the compilation of current listings on the expiration date specified in the agreement unless prior to that date the MLS receives notice that the listing has been extended or renewed.

If notice of renewal or extension is received after the listing has been removed from the compilation of current listings, the extension or renewal will be published in the same manner as a new listing. Extensions and renewals of listings must be signed by the seller(s) and filed with the service. This is required because, once expired, the original listing agreement is no longer in effect and the MLS no longer has authority to display or disseminate the listing. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

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

**Section 1.12 SERVICE AREA:** Only listings of the designated types of property located within the service area of the MLS are required to be submitted to the service. Listings of property located outside the MLS's service area will be accepted if submitted voluntarily by a Participant but cannot be required by the service.

**Section 1.13 LISTINGS OF SUSPENDED PARTICIPANT:** When a Participant of the service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective.

If a Participant has been suspended from 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 current listing information. Prior to any removal of a suspended Participant's listings from the MLS, the suspended Participant should be advised, in writing, of the intended removal so that the suspended Participant may advise his clients.

**Section 1.14 LISTINGS OF EXPELLED PARTICIPANT:** When a Participant of the service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the expelled Participant shall, at the Participant's option, be retained in the service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the 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.

**Section 1.15 LISTINGS OF RESIGNED PARTICIPANTS:** When a Participant resigns from the Multiple Listing Service, the Multiple Listing Service is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the Multiple Listing Service compilation of current listing information. Prior to any removal of a resigned Participant's listings from the Multiple Listing Service, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise his clients.

**Section 1.19. PROPERTY ADDRESS:** At the time of filing a listing, participants and subscribers must include a property address available to other participants and subscribers, and if an address doesn't exist, a parcel identification number can be used. Where an address or parcel identification number are unavailable, the information filed with the MLS must include a legal description of the property sufficient to describe its location.

## **SECTION TWO SELLING PROCEDURES**

**Section 2 SHOWINGS AND NEGOTIATIONS:** Appointments for showings and negotiations with the seller for the purchase of listed property filed with the Multiple Listing Service shall be conducted through the listing broker except under the following circumstances:

- a. the listing broker gives the cooperating broker specific authority to show and/or negotiate directly or
- b. after reasonable effort, 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.

**Section 2.1 REPORTING SALES TO THE SERVICE:** Status changes, including final closing of sales and sales prices, shall be reported to the multiple listing service by the listing broker within 72 hours after they have occurred. If negotiations were carried on under Section 2 a. or b. hereof, the cooperating broker shall report accepted offers and prices to the listing broker within 72 hours after occurrence and the listing broker shall report them to the MLS within 72 hours after receiving notice from the cooperating broker. In disclosure states, if the sale price of a listed property is recorded, the reporting of the sale price is required by the MLS. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

**Section 2.2 REPORTING RESOLUTIONS OF CONTINGENCIES:** The listing broker shall notify the MLS within twenty-four (24) hours when a contingency on file with the MLS has been fulfilled, renewed, or the agreement has been canceled. Upon fulfillment or removal of the contingency, the listing must be updated from "Pending – Continue to Show" to "Pending" status,

**Section 2.3 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 2.4 REPORTING CANCELLATION OF PENDING SALE:** The listing broker shall report immediately to the Multiple Listing Service the cancellation of any pending sale and the listing shall be reinstated immediately.

**Section 2.5 DISCLOSING THE EXISTENCE OF OFFERS:** Listing brokers, in response to inquiries from buyers or cooperating brokers shall, with the seller's approval, disclose the existence of offers on the property. Where disclosure is authorized, the listing

broker shall also disclose if asked whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a cooperating broker.

**Section 2.6 AVAILABILITY OF LISTED PROPERTY:** Listing Brokers shall not misrepresent the availability of access to show or inspect a listed property. Properties in Active status must be available for showings, subject only to seller-approved and clearly disclosed restrictions. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

### **SECTION THREE REFUSAL TO SELL**

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

### **SECTION FOUR PROHIBITIONS**

**Section 4 INFORMATION FOR PARTICIPANTS ONLY:** Any listing filed with the MLS shall not be advertised, posted, or promoted, including on social media, websites, or other public platforms, by any broker or firm that is not a Member of the Multiple Listing Service, without the prior consent of the listing broker.

**Section 4.1 "FOR SALE" SIGNS:** Only the "For Sale" sign of the listing broker may be placed on a property.

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

**Section 4.3 SOLICITATION OF LISTING FILED WITH THE MULTIPLE LISTING SERVICE:** Participants shall not solicit a listing on property filed with the Multiple Listing Service unless such solicitation is consistent with Article 16 of the REALTORS® Code of Ethics, its Standards of Practice, and its Case Interpretations.

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

Without such protection, a seller could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware through Multiple Listing Service 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 Multiple Listing Service by assuring them that other Participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by this section, listing brokers would be most reluctant to generally disclose the identity of the seller or the availability of the property to other brokers.

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

**Section 4.4. USE OF THE TERMS MLS AND MULTIPLE LISTING SERVICE:** No MLS Participant, Subscriber or licensee affiliated with any Participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants, Subscribers and licensees affiliated with Participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to Participants and Subscribers. This does not prohibit Participants and Subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise.

**Section 4.5 SERVICES ADVERTISED AS "FREE":** MLS Participants and Subscribers must not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the Participant or Subscriber will receive no financial compensation from any source for those services.

**SECTION 4.6 NO FILTERING OF LISTINGS:** Participants and Subscribers must not filter out or restrict MLS listings that are communicated to customers or clients based on the existence or level of compensation offered to the cooperating broker or the name of a brokerage or agent.

## **SECTION FIVE NO COMPENSATION SPECIFIED ON MLS LISTINGS**

**Section 5: No Compensation Specified or Communicated in MLS Listings.** Participants, Subscribers, or their sellers may not make offers of compensation to buyer brokers and other buyer representatives in the MLS. Use of MLS data or data feeds to directly or indirectly establish or maintain a platform to make offers of compensation from multiple brokers to buyer brokers or other buyer representatives is prohibited and must result in the MLS terminating that Participant's access to any MLS data or data feeds. Participants, Subscribers, and their sellers must not offer, advertise, communicate, or reference compensation to buyer brokers or other buyer representatives in any part of the MLS. No MLS fields, public or private remarks, listing descriptions, or MLS-provided tools may contain any reference to compensation, commission amounts, incentives, or payment arrangements. MLS data or feeds must not be used—directly or indirectly—to create, support, or maintain any system or platform that facilitates the display or dissemination of offers of compensation from multiple brokers to buyer representatives. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

**Section 5.0.0 REQUIRED CONSUMER DISCLOSURE:** Disclosure of Compensation: MLS Participants and Subscribers must:

1. Disclose to prospective sellers and buyers that broker compensation is not set by law and is fully negotiable. This must be included in conspicuous language as part of any listing agreement, buyer written agreement, and pre-closing disclosure documents (if any).
2. Conspicuously disclose in writing to sellers, and obtain the seller's authority, for any payments or offer of payment that the listing Participant or seller will make to another broker, agent, or other representative (e.g. real estate attorney) acting for buyers. This disclosure must include the amount or rate of any such payment and be made in writing in advance of any payment or agreement to pay.

**Section 5.0.1 DISCLOSING POTENTIAL SHORT SALES:** Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing Participants.

**Section 5.0.2 WRITTEN BUYER AGREEMENT:** Unless inconsistent with state or federal law or regulation, all MLS Participants working with a buyer must enter into a written agreement with the buyer prior to touring a home. The written agreement must include:

- a. a specific and conspicuous disclosure of the amount or rate of compensation the Participant will receive or how this amount will be determined, to the extent that the Participant will receive compensation from any source.
- b. the amount of compensation in a manner that is objectively ascertainable and not open-ended.
- c. a term that prohibits the Participant from receiving compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer; and
- d. a conspicuous statement that broker fees and commissions are not set by law and are fully negotiable.

**See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

**Section 5.1 PARTICIPANT AS PRINCIPAL:** If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through the multiple listing service, that person shall disclose that interest when the listing is filed with the multiple listing service and such information shall be disseminated to all multiple listing service Participants. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

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

## **SECTION SIX FEES AND CHARGES**

**Section 6. FEES AND CHARGES:** To defray the costs of the operation of the Multiple Listing Service, a schedule of fees is in effect and is subject to change from time to time when deemed appropriate by the Multiple Listing Service Committee.

**Section 6.1 RECURRING PARTICIPATION FEE:** The annual participation fee of each Participant (the Principal Broker - Designated REALTOR®) shall be the scheduled amount times each sales associate and licensed or certified appraiser who has access to and use of the Multiple Listing Service, whether licensed as a broker or sales associate or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such Participant. Payment of such fees shall be paid in advance of the scheduled date due. Fees shall be prorated on a monthly basis. However, MLSs must provide Participants the option of a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser who can demonstrate

subscription to a different MLS where the principal broker participates. MLSs may, at their discretion, require that broker Participants sign a certification for nonuse of its MLS services by their licensees, which can include penalties and termination of the waiver if violated.

**Section 6.2 USE OF THE MULTIPLE LISTING SERVICE:** If a licensee brings listings to the Participant for properties to be published by the Multiple Listing Service, this constitutes use of the Multiple Listing Service. **See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

## **SECTION SEVEN COMPLIANCE WITH THE RULES**

### **SECTION 7, COMPLIANCE WITH RULES / AUTHORITY TO IMPOSE DISCIPLINE**

By becoming and remaining a Participant or Subscriber in this MLS, each Participant and Subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions.

Discipline that may be imposed may only consist of one or more of the following:

- a. letter of warning
- b. letter of reprimand
- c. attendance at MLS orientation or other appropriate courses or seminars which the Participant or Subscriber can reasonably attend taking into consideration cost, location, and duration
- d. appropriate, reasonable fine not to exceed \$15,000
- e. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- f. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

A Participant (or user/Subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a Participant (or user/Subscriber, where appropriate) is placed on probation the discipline is held in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS rules during the probationary period may, at the discretion of the Board of Directors, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and the individual's record will reflect the fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance.

MLS Participants and Subscribers can receive no more than three (3) administrative sanctions in a calendar year before they are required to attend a hearing for their actions and potential violations of MLS rules, except that the MLS may allow more administrative sanctions for violations of listing information provided by Participants and Subscribers before requiring a hearing. The MLS must send a copy of all administrative sanctions against a Subscriber to the Subscriber's Participant and the Participant is required to attend the hearing of a Subscriber who has received more than three (3) administrative sanctions within a calendar year.

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

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

**Section 7.2 APPLICABILITY OF RULES TO USERS AND/OR SUBSCRIBERS:** Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the Multiple Listing Service are subject to these rules and regulations and may be disciplined for violations thereof provided that the user or Subscriber has signed an agreement acknowledging that access to and use of Multiple Listing Service information is contingent on compliance with the rules and regulations. Further, failure of any user or Subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the Participant to the same or other discipline. This provision does not eliminate the Participant's ultimate responsibility and accountability for all users or Subscribers affiliated with the Participant.

## **SECTION EIGHT MULTIPLE LISTING COMMITTEE MEETINGS**

**Section 8 MEETINGS OF THE 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 8.1 MEETINGS OF THE PARTICIPANTS:** The Committee may call meetings of the Participants in the Service to be known as meetings of the Multiple Listing Service.

**Section 8.2 CONDUCT OF THE MEETINGS:** The chairperson or vice chairperson shall preside at all meetings or, in their absence, a temporary chairperson from the membership of the committee shall be named by the chairperson or, upon his failure to do so, by the committee.

## **SECTION NINE ENFORCEMENT OF RULES OR DISPUTES**

**Section 9 CONSIDERATION OF ALLEGED VIOLATIONS:** The Committee shall give consideration to all complaints having to do with violations of the Rules and Regulations. By becoming and remaining a Participant, each Participant agrees to be subject to these rules and regulations, the enforcement of which are at the sole discretion of the Committee and ratified by the Board of Directors.

When requested by a complainant, the MLS will process a complaint without revealing the complainant's identity. If a complaint is subsequently forwarded to a hearing, and the original complainant does not consent to participating in the process, the MLS will appoint a representative to serve as the complainant.

**Section 9.1 VIOLATIONS OF RULES AND REGULATIONS:** If the alleged offense is a violation of the Rules and Regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the 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 before the Multiple Listing Service Committee in accordance with the Bylaws and Rules and Regulations of the East Tennessee REALTORS® within twenty (20) days following receipt of the Committee's decision.

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

**Section 9.2 COMPLAINTS OF UNETHICAL CONDUCT:** All other complaints of unethical conduct shall be referred by the Committee to the Professional Standards Administrator of the State Association (Tennessee REALTORS®) for appropriate action in accordance with the Professional Standards procedures established in the Association's Bylaws.

**Section 9.3 COMPLAINTS OF UNAUTHORIZED USE OF LISTING CONTENT:** Any Participant who believes another Participant has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to the MLS. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. No Participant may pursue action over the alleged unauthorized use and display of listing content in a court of law without first completing the notice and response procedures outlined in this Section 9.3 of the MLS rules.

Upon receiving a notice, notice will be sent to the Participant/Subscriber who is accused of unauthorized use. Within ten (10) days from receipt, the Participant must either: 1) remove the allegedly unauthorized content, or 2) provide proof to the Multiple Listing Service that the use is authorized. Any proof submitted will be considered by the Multiple Listing Committee, and a decision of whether it establishes authority to use the listing content will be made within thirty (30) days.

If the Committee determines that the use of the content was unauthorized, the Committee may issue a sanction pursuant to Section 7 of the MLS rules, including a request to remove and/or stop the use of the unauthorized content within ten (10) days after transmittal of the decision. If the unauthorized use stems from a violation of the MLS rules, that too will be considered at the time of establishing an appropriate sanction.

If after ten (10) days following transmittal of the Committee's determination the alleged violation remains uncured (i.e. the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law.

**See Appendix A – ETNR MLS Enforcement and Sanctions Policy**

**Section 9.4 MLS RULES VIOLATIONS:** MLS Participants may not take legal action against another Participant for alleged rules violation(s) unless the complaining Participant has first exhausted the remedies provided in these rules.

## **SECTION TEN CONFIDENTIALITY OF MULTIPLE LISTING SERVICE INFORMATION**

**Section 10 CONFIDENTIALITY OF MULTIPLE LISTING SERVICE INFORMATION:** Any information provided by the Multiple Listing Service to the Participants shall be considered official information of the Multiple Listing Service. Such information contained therein shall be considered confidential and exclusively for the use of Participants and real estate licensees affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants.

**Section 10.1 MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION:** The information published and disseminated by the Multiple Listing Service is communicated verbatim, without change by the Multiple Listing Service, as filed with the Multiple Listing Service by the Participant. The Multiple Listing Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Multiple Listing Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

## **SECTION ELEVEN OWNERSHIP OF COMPILATIONS AND COPYRIGHTS**

**Section 11:** By the act of submitting any property listing content to the MLS, the Participant represents and warrants that he or she is fully authorized to license the property listing content as contemplated by and in compliance with this section and these rules and regulations, and also thereby does grant to the MLS license to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparable. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to the listed property.

Each Participant who submits listing content to the MLS agrees to defend and hold the MLS and every other Participant harmless from and against any liability or claim arising from any inaccuracy of the submitted listing content or any inadequacy of ownership, license, or title to the submitted listing content.

**Section 11.1:** All right, title and interest in each copy of every Multiple Listing compilation created and copyrighted by the East Tennessee REALTORS®, and in the copyrights therein, shall at all times remain vested in the East Tennessee REALTORS®.

**Section 11.2 DISPLAY:** Each Participant shall be entitled to lease from the East Tennessee REALTORS a number of copies of each Compilation sufficient in number to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one copy of such Compilation. The Participant shall pay, for each such copy, the rental fee set by the Multiple Listing Service. The Participants shall acquire by such lease only the right to use the Compilations in accordance with these rules.

Note: The term Multiple Listing Service 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, computer data base, or any other format whatever.

## **SECTION TWELVE USE OF COPYRIGHTED COMPILATIONS**

**Section 12 DISTRIBUTION:** Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them by the association 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 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 or published by an association multiple listing service where access to such information is prohibited by law.

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

**Section 12.2 INCLUSION OF LISTING FIRM'S NAME IN DISPLAYS OF LISTING INFORMATION.** Any display of listing information, whether by the listing firm or by other Participants with permission, must include the name of the listing firm except where the information is used to prepare appraisals and other valuations of real property.

**Section 12.3 REPRODUCTION:** Participants or their affiliated licensees shall not reproduce any Multiple Listing Service Compilation or any portion thereof except in the following limited circumstances:

Participants or their affiliated licensees may reproduce from the Multiple Listing Service Compilation and distribute to prospective purchasers a reasonable\* number of single copies of property listing data contained in the Multiple Listing Service Compilation which relate to any properties in which the prospective purchaser are or may, in the judgment of the Participants or their affiliated licensees, be interested.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties other than that in which the prospective purchaser has expressed interest, or in which the Participant or their affiliated licensees are seeking to promote interest, does not appear on such reproduction.

Nothing contained herein shall be construed to preclude any Participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the Participant.

Any Multiple Listing Service 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, comparable, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any MLS content in data feeds available to Participants for real estate brokerage purposes must also be available to Participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require Participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information deemed confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

\* It is intended that the Participant be permitted to provide prospective purchasers 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 Multiple Listing Service 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 purchaser.

## **SECTION THIRTEEN USE OF MLS INFORMATION**

**Section 13 LIMITATIONS ON USE OF MLS INFORMATION:** Use of information from MLS compilation of current listing information, from the association's statistical report, or from any sold or comparable report of the association or MLS for public mass-media advertising by an MLS Participant or in other public representations, may not be prohibited. However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the association or its MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

---

Based on information from the East Tennessee REALTORS® MLS for the period (*date*) through (*date*).

---

## **SECTION FOURTEEN CHANGES IN RULES AND REGULATIONS**

**Section 14. CHANGES IN RULES AND REGULATIONS:** Mandatory changes to the rules and regulations of the Multiple Listing Service for compliance with the Multiple Listing Policy of the National Association of REALTORS® may be amended by the Multiple Listing Service Committee and does not require a vote of the Participants. 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 East Tennessee REALTORS®.

## **SECTION FIFTEEN ORIENTATION**

**Section 15:** Any applicant for Multiple Listing Service participation and any licensee (including licensed or certified appraisers) affiliated with a Multiple Listing Service Participant who has access to and use of Multiple Listing Service generated information shall complete an orientation program devoted to the Multiple Listing Service Rules and Regulations and computer training related to Multiple Listing Service information entry and retrieval and the operation of the Multiple Listing Service.

Participants and Subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize Participants and Subscribers with system changes or enhancement and/or changes to MLS rules or policies. Participants and Subscribers must be given the opportunity to complete any mandated additional training remotely.

## **SECTION SIXTEEN RULES FOR INTERNET DATA EXCHANGE ( IDX )**

**Section 16 IDX DEFINED** IDX affords MLS Participants the ability to authorize limited electronic display and delivery of their listings by other Participants via the following authorized mediums under the Participant's control: websites, mobile apps, and audio devices. As used throughout these rules, "display" includes "delivery" of such listing. All displays of IDX listings must also be under the actual and apparent control of the Participant and must be presented to the public as being the Participant's display. Actual control requires that the Participant has developed the display or caused the display to be developed for the Participant pursuant to an agreement giving the Participant authority to determine what listings will be displayed, and how those listings will be displayed. Apparent control requires that a reasonable consumer receiving the Participant's display will understand the display is the Participant's, and that the display is controlled by the Participant. Factors evidencing control include, but are not limited to, clear, conspicuous, written identification of the name of the brokerage firm under which the Participant operates.

**Section 16.1 AUTHORIZATION** Participants' consent for display of their listings by other Participants pursuant to these rules and regulations is presumed unless a Participant affirmatively notifies the MLS that the Participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a Participant refuses on a blanket basis to permit the display of that Participant's listings, that Participant may not download, frame or display the aggregated MLS data of other Participants.

**Section 16.2 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.

**Section 16.2.1** Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies.

**Section 16.2.2** MLS Participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require Participants to prevent indexing of IDX listings by recognized search engines.

**Section 16.2.3** Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs) or other electronic forms of display or distribution.

**Section 16.2.4** Participants may select the listings they choose to display through IDX based only on objective criteria including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), or type of listing (e.g., exclusive right-to-sell or exclusive agency). Selection of listings displayed through IDX must be independently made by each Participant.

**Section 16.2.5** Participants must refresh all MLS downloads and refresh IDX displays automatically fed by those downloads at least once every twelve (12) hours.

**Section 16.2.6** Except as provided in the IDX policy and these rules, an IDX site or a Participant or user operating an IDX site or displaying IDX information as otherwise permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity.

**Section 16.2.7** Any IDX display controlled by a Participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, "control" means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules.

**Section 16.2.8** Any IDX display controlled by a Participant or Subscriber that

a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or

b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing, either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all display controlled by Participants. Except for the foregoing and subject to Section 16.2.9, a Participant's IDX display may communicate the Participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller.

**Section 16.2.9** Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, Participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment

**Section 16.2.10** An MLS Participant (or where permitted locally, an MLS Subscriber) may co-mingle the listings of other brokers received in an IDX feed with listings available from other MLS IDX feeds, provided all such displays are consistent with the IDX rules, and the MLS Participant (or MLS Subscriber) holds participatory rights in those MLSs. As used in this policy, "co-mingling" means that consumers are able to execute a single property search of multiple IDX data feeds resulting in the display of IDX information from each of the MLSs on a single search results page; and that Participants may display listings from each IDX feed on a single webpage or display.

**Section 16.2.11** Participants shall not modify or manipulate information relating to other Participants listings. MLS Participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields.

**Section 16.2.12** All listings displayed pursuant to IDX must identify the listing firm and an email or phone number provided by listing Participant in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.

**Section 16.3 DISPLAY** Display of listing information pursuant to IDX is subject to the following rules:

**Section 16.3.1** Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS Participants and users (e.g., showing instructions, property security information, etc.) may not be displayed.

**Section 16.3.1.1** The type of listing agreement (e.g. exclusive right to sell, exclusive agency, etc.) may not be displayed.

**Section 16.3.2** All listings displayed pursuant to IDX must identify the listing firm, and the email or phone number provided by the listing Participant in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data. Displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures.

**Section 16.3.3** 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 16.3.4** All listings displayed pursuant to IDX shall show the MLS as the source of the information.

**Section 16.3.5** Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect Participants and/or the MLS from liability. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200)

characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures.

**Section 16.3.6** The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance, shall be limited to fewer than five hundred (500) listings or fifty percent (50%) of the listings available for IDX display, whichever is fewer.

**Section 16.3.7** 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 16.3.8** Display of expired, withdrawn, and canceled listings is prohibited.

**Section 16.3.9** Display of seller's(s) and/or occupant's(s) name(s), phone number(s) and email address(es) is prohibited.

## **SECTION SEVENTEEN VIRTUAL OFFICE WEBSITES (VOWs)**

### **Section 17.1 VOW Defined**

- (a) A "Virtual Office Website" (VOW) is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS listing information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.
- (b) As used in Section 17 of these rules, the term "Participant" includes a Participant's affiliated non-principal brokers and sales licensees—except when the term is used in the phrases "Participant's consent" and "Participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all Virtual Office Websites, whether operated by a Participant, by a non-principal broker or sales licensee, or by an "Affiliated VOW Partner" (AVP) on behalf of a Participant.
- (c) "Affiliated VOW Partner" (AVP) refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability, and compliance with the VOW policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS listing information, except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS listing information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.
- (d) As used in Section 17 of these rules, the term "MLS listing information" refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

### **Section 17.2**

- (a) The right of a Participant's VOW to display MLS listing information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.
- (b) Subject to the provisions of the VOW policy and these rules, a Participant's VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g., "Internet Data Exchange" (IDX).
- (c) Except as otherwise provided in the VOW policy or in these rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW.

### **Section 17.3**

- (a) Before permitting any consumer to search for or retrieve any MLS listing information on his or her VOW, the Participant must take each of the following steps.
  - i. The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter, "Registrants"). Such actions shall include, but are

not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements. Website registration, acceptance of website terms of use, or submission of contact information do not, by themselves, establish a lawful broker–consumer relationship under Tennessee law and are insufficient to qualify a consumer for access to MLS data. Registrant means a consumer with whom a Participant has established a lawful broker–consumer relationship in compliance with applicable Tennessee law, including completion of all required disclosures and agreements necessary to provide real estate brokerage services as a client or customer.

- ii. The Participant must obtain the name of and a valid e-mail address for each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the terms of use (described in Subsection d., below). The Participant must verify that the e-mail address provided by the Registrant is valid and that the Registrant has agreed to the terms of use.
  - iii. The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any e-mail address is associated with only one user name and password.
- (b) The Participant must assure that each Registrant’s password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, e-mail address, user name, and current password of each Registrant. The Participant must keep such records for not less than one hundred eighty (180) days after the expiration of the validity of the Registrant’s password.
  - (c) If the MLS has reason to believe that a Participant’s VOW has caused or permitted a breach in the security of MLS listing information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, e-mail address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.
  - (d) The Participant shall require each Registrant to review and affirmatively to express agreement (by mouse click or otherwise) to a terms of use provision that provides at least the following:
    - i. that the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant
    - ii. that all information obtained by the Registrant from the VOW is intended only for the Registrant’s personal, non- commercial use
    - iii. that the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW
    - iv. that the Registrant will not copy, redistribute, or retransmit any of the information provided, except in connection with the Registrant’s consideration of the purchase or sale of an individual property
    - v. that the Registrant acknowledges the MLS’ ownership of and the validity of the MLS’ copyright in the MLS database
  - (e) The terms of use agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the terms of use, must be prominently labeled as such, and may not be accepted solely by mouse click.
  - (f) The terms of use agreement shall also expressly authorize the MLS and other MLS Participants or their duly authorized representatives to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants’ listings by the VOW. The agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

**Section 17.4:** A Participant’s VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions or get more information about any property displayed on the VOW. The Participant or a non-principal broker or sales licensee licensed with

the Participant must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

**Section 17.5:** A Participant's VOW must employ reasonable efforts to monitor for and prevent misappropriation, scraping, and other unauthorized uses of MLS listing information. A Participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

- (a) A Participant's VOW shall not display the listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as e-mail, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.
- (b) A Participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that includes the following (or a substantially similar) provision.
- (c) The Participant shall retain such forms for at least one (1) year from the date they are signed or one (1) year from the date the listing goes off the market, whichever is greater.

### **Section 17.7**

- (a) Subject to Subsection b., below, a Participant's VOW may allow third-parties:
  - i. to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
  - ii. to display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.
- (b) Notwithstanding the foregoing, at the request of a seller, the Participant shall disable or discontinue either or both of those features described in Subsection a. as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 17.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled at the request of the seller.

**Section 17.8:** A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within forty-eight (48) hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

**Section 17.9:** A Participant shall cause the MLS listing information available on its VOW to be refreshed at least once every three (3) days.

**Section 17.10:** Except as provided in these rules, in the NATIONAL ASSOCIATION OF REALTORS®' VOW policy, or in any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS listing information to any person or entity.

**Section 17.11:** A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

**Section 17.13:** A Participant who intends to operate a VOW to display MLS listing information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these rules, the VOW policy, and any other applicable MLS rules or policies.

**Section 17.14:** A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

**Section 17.15:** A Participant's VOW may not make available for search by or display to Registrants any of the following information:

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

**Section 17.16:** A Participant shall not change the content of any MLS listing information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS listing information with additional information not otherwise prohibited by these rules or by other applicable MLS rules or policies, as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS listing information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields.

**Section 17.17:** A Participant shall cause to be placed on his or her VOW a notice indicating that the MLS listing information displayed on the VOW is deemed reliable but is not guaranteed accurate by the MLS. A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

**Section 17.18:** A Participant shall cause any listing that is displayed on his or her VOW to identify the listing firm and an email or phone number provided by listing Participant in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.

**Section 17.19:** A Participant shall limit the number of listings that a Registrant may view, retrieve, or download but may not be fewer than five hundred (500) listings or fifty percent (50%) of the listings in the MLS, whichever is less.

**Section 17.20:** A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

**Section 17.21:** A Participant may display advertising and the identification of other entities ("co-branding") on any VOW the Participant operates or that is operated on his or her behalf. However, a Participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this section, co-branding will be presumed not to be deceptive or misleading if the Participant's logo and contact information (or that of at least one Participant, in the case of a VOW established and operated on behalf of more than one Participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all Participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

**Section 17.22:** A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

**Section 17.23:** A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.

**Section 17.24:** Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

**Section 17.25:** Where a seller affirmatively directs his or her listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within forty-eight (48) hours.

## **SECTION EIGHTEEN COMMON LOCK BOX SERVICE**

**Section 18.** The Multiple Listing Service provides a Common Lockbox Service for the homeowner clients of its Participants to facilitate secure and authorized access to listed properties. MLS Subscribers may place a lockbox on a listed property and secure the property key within the lockbox. Access to the lockbox is restricted to qualified electronic key holders who use an MLS-issued electronic key. MLS electronic keys are numbered, issued, and controlled exclusively by the Association and are available only to authorized MLS Subscribers who have executed the required agreements and pay applicable fees.

All electronic key holders must sign and comply with the Master Key Custody Agreement and any other applicable key use agreements. Only authorized MLS Subscribers are permitted to possess or use MLS electronic keys.

The MLS maintains a key control and security system designed to safeguard listed properties. By accepting and using an MLS electronic key, all key holders agree to comply with this security system and the Common Key Lockbox Rules set forth below:

**Section 18.1** All appointments for showing or accessing property with a Multiple Listing Service Lock Box must be scheduled through the Listing Broker.

**Section 18. 2** Subscribers must remember to shut all windows, turn off all lights, and lock all doors after showing property.

**Section 18. 3** Subscribers will report to the Listing Broker the results of the showing as soon as possible.

**Section 18. 4** Subscribers will not, under any circumstances, loan the Multiple Listing Service Electronic key to any individual not authorized by a Master Key Custody Agreement on file with East Tennessee REALTORS® Multiple Listing Service to use a Multiple Listing Service Electronic key.

**Section 18.5** Subscribers found guilty of loaning the Multiple Listing Service Electronic key to an unauthorized individual will be required to forfeit their right to use the electronic key.

**Section 18. 6** Subscribers with lost or stolen Multiple Listing Service Electronic keys will immediately notify the East Tennessee REALTORS®, the police and the broker of the firm of such loss and follow the instructions in the Master Key Custody Agreement.

**Section 18. 8** Listing Brokers will notify the seller, at the time of listing, of the Multiple Listing Service Lock Box System. The seller will be asked for permission to use the Multiple Listing Service Lock Box.

**Section 18. 9** Showing and Accessing properties, Subscribers will not leave business cards or other company literature on the premises unless requested by the Listing Company.

## **APPENDIX A – ETNR MLS Enforcement and Sanctions Policy (Local MLS Policy – Schedule of Administrative Sanctions)**

This Appendix constitutes a local policy adopted by the East Tennessee REALTORS® Board of Directors pursuant to authority granted under the National Association of REALTORS® Handbook on Multiple Listing Policy.

The sanctions set forth herein reflect local enforcement standards and are not mandated by the National Association of REALTORS®, but are applied by ETNR to ensure consistent, fair, and effective enforcement of its MLS Rules.

The Board of Directors reserves the right to amend this Appendix independently of the MLS Rules, provided such amendments remain consistent with applicable law and national policy.

Violations of the following policies are subject to administrative sanctions as set forth in this Appendix. Unless otherwise specified, a first violation will result in a \$100 fine, assessed to the agent's principal broker. Subsequent violations of the same policy by the same agent will result in a \$250 fine per violation, also billed to the broker.

Fines will appear on the broker's regular monthly invoice unless otherwise noted. If a violation is not corrected, additional fines and applicable late charges may be assessed until the matter is resolved. Ongoing or repeated violations may result in suspension of MLS services, consistent with MLS rules and enforcement procedures.

A request for appeal must be submitted in writing within twenty (20) calendar days of notice of the violation to the Chief MLS Staff Executive in accordance with MLS appeal procedures.

### **LISTING INFORMATION**

**Section One** - Failure to add a listing to the multiple listing service within two business days of the listing date will result in a \$100 fine to the listing agent for the first violation. A second violation will result in a \$250 fine to the listing agent.

Coming Soon Status - Conducting a showing while a listing is in 'Coming Soon' status or failing to have the Pre-Marketing Addendum will result in a \$500 fine for both the listing agent and the principal broker for the first violation. A second violation will incur a \$1,000 fine for each.

Entering a business opportunity, wholesale, assignment, contract-for-sale, equitable interest, investor-only, novation agreement or similar non-fee simple interest listing into the MLS is prohibited. A first violation will result in a \$1,000 fine to the listing agent and a \$1,000 fine to the principal broker. A second violation will result in a \$2,000 fine to the listing agent and a \$2,000 fine to the principal broker.

**Contact Information:** When entering a listing, include the Listing Agent's and Company's names only in their designated fields. Do not reference any contact information—including the Listing Agent, Listing Office, websites, or owner details—in other sections of the MLS, such as property descriptions, public remarks, directions, attachments, photos, or any other fields. The exception is for Auctioneers, who may include their name and license number in the public remarks in accordance with TREC Rules.

**Owner (Seller) Name:** If a listing does not include the owner's name in the designated owner field, the Listing Office must have a letter on file from the owner requesting that their name be withheld from the MLS. The MLS reserves the right to request a copy of this letter. \***Seller** means the owner of record of the real property, or a person or legal entity that has lawful authority to convey fee simple title to the property at closing.

**Request for Documentation:** If there are concerns about a Participant's or Subscriber's compliance with these Rules, they must provide any requested documentation—such as a sales contract, settlement statement, confirmation of agency, or other relevant documents—to ETNR MLS. ETNR MLS will notify the Participant or Subscriber of the compliance issue and specify what information is needed. The Participant or Subscriber may contact the MLS Department to discuss redacting irrelevant portions of the requested documents before submission. If the documentation is not provided within two business days, ETNR MLS reserves the right to remove the listing from the MLS database.

**Auction Listings:** If a listed property is being offered at auction, you must update the listing to show as an Auction and complete all the required auction fields.

**Builder Pre-Sale and Custom Build Listings:** To list a Builder Pre-Sale or Custom Build in the MLS:

- A current, valid listing agreement must be in place and signed on or before the date the Sales and Purchase Agreement is accepted.
- All listings must be entered into the MLS within two (2) business days of the listing contract date, in accordance with MLS Rules and Policies.

**Policy on company mergers:** Any sales closed before the merger will stay credited to the original Listing Company.

**Section 1.01 CLEAR COOPERATION** - Failure to add a listing within one business day shall result in a \$1,000 to the Listing Agent and one warning to the principal broker for the first violation. A second violation will result \$5,000 to the Listing Agent and \$5,000 to the Broker.

**Section 1.2.0 ACCURACY OF LISTING DATA** - Failure to comply with this rule or requested corrections not made shall result in a \$100 fine for the first violation and a \$250 fine for each subsequent violation.

**Prohibited Practices – Misrepresentation of Status and Time on Market:** Any action taken to manipulate or misrepresent a listing's time on market or to obtain a new status is prohibited. This includes, but is not limited to:

- Altering listing data prior to the listing going off market in an effort to prevent seller contact, conceal listing history, generate zero (0) days on market, or obtain a new status.
- Canceling a listing and re-listing the same property within thirty-one (31) days with the same brokerage for the purpose of resetting market statistics or obtaining a new status.

**Use of MLS Administrative Staff:** Any agent who cancels and re-lists a property within 31 days with the same brokerage will have Add/Change privileges removed for a period of one (1) year and will be assessed the applicable fine. If a listing agent or Broker instructs an MLS Administrator with Admin permissions to cancel a listing and the property is re-listed within 31 days with the same brokerage:

- The **listing agent** will be assessed the applicable fine and will have Add/Change privileges removed for one (1) year.
- The **Broker** will also be assessed the applicable fine for permitting the Admin to cancel and re-list the property.

**Applicable fine:**

- **First Offense:** \$1,000 fine
- **Second Offense:** Fine not to exceed \$15,000 and required appearance before the MLS Committee.

**Section 1.10 Expiration of Listings:** Extending a listing without the seller's written approval will result in a \$500 fine to the principal broker for the first violation. A second violation will incur a \$1,000 fine.

**Section 2.1 REPORTING SALES TO THE SERVICE** Failure to report a status change to the Multiple Listing Service within 72 hours will result in a \$100 fine for the listing agent for the first violation. A second violation will incur a \$250 fine. If negotiations were carried on under Section 2 a. or b. hereof, will result in a \$100 fine for the cooperating agent for the first violation. A second violation will incur a \$250 fine.

**Sold Off MLS listings** (Agreement to Show Property) may be added to the Flexmls with the following required documentation\*:

Agreement to Show Property  
Confirmation of Agency signed by Buyer  
Settlement statement showing commission was paid  
Input Form signed by the seller

*\*All Required documentation must be available for submission to the MLS upon request.*

The Property must be closed and entered into the MLS within 72 hours after closing. Listing Agent to be set to Non Member because the property was not listed with an MLS member. The status must immediately be updated to Closed.

The following scenario (with an Exclusive Right to Sell or an Exclusive Agency listing agreement) would trigger the listing to be marked as **Sold Off MLS - Yes**

A home sells prior to entry/exposure to the MLS, it is considered a "Sold off MLS" because it sold without full exposure to the MLS. For instance, an offer was accepted by the seller between getting the listing agreement signed and entry into the MLS or between planting the sign and the end of "one business day", resulting in the listing being added to the MLS and immediately changed to a Pending Status. If there is an Exclusive Right to Sell or Exclusive Agency agreement signed prior to the accepted contract, the listing agent will receive credit for the listing. However, for statistical purposes the Sold off MLS field must be marked as Yes.

**Section 2.6 AVAILABILITY OF LISTED PROPERTY** All listings posted as Active status must be available for showings at the time they are entered into the system. If the seller refuses to allow showings, the listing must be placed in Temp Off Market status.

**Section 5 NO COMPENSATION SPECIFIED OR COMMUNICATED IN MLS LISTINGS.** The following penalties are imposed for the attempt to circumvent the core requirement of the settlement through alternative language, private remarks, hidden fields, photos, showing service notes, encrypted messages, documents, etc.  
First offense: \$500 to the Agent; strong letter of warning to the Broker.  
Second offense: \$1,500 to the Agent and \$1,000 to the Broker, plus both are required to pass the MLS exam within 30 days.  
Third offense: The Agent and Broker are required to appear before the MLS committee for the evaluation of a potential stronger sanction in accordance with MLS Rules and Regulations.

**Section 5.0.2 WRITTEN BUYER AGREEMENT:** If there is not a buyer's written agreement prior to showing (touring) a home, as with all MLS rules and policies, the MLS must enforce them consistently and fairly and ensure Participants and Subscribers understand their obligation to follow them.  
First offense: \$500 to the agent; strong letter of warning to broker.  
Second offense: \$1,500 to the agent and \$1,000 to broker, plus both are required to pass MLS exam within 30 days.  
Third offense: Agent and broker to appear before MLS committee to consider strong discipline as outlined in MLS Rules and Regulations and Policies of East Tennessee REALTORS

**Section 5.1 PARTICIPANT AS PRINCIPAL** *In cases where the licensee is an owner of the listed property 'Owner/Agent' must be included in the public remarks. A \$100 fine charged to the agent's broker for the first offense. Any subsequent violations by the same agent will result in a \$250 fine per violation, also billed to the broker.*  
**Failure to pay Participation Fees, MLS Use, and Prohibited Access Sharing**

**Section 6.1 RECURRING PARTICIPATION FEE:** The annual participation fee of each Participant (the Principle Broker - Designated REALTOR®) shall be the scheduled amount times each sales associate and licensed or certified appraiser who has access to and use of the Multiple Listing Service, whether licensed as a broker or sales associate or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such Participant. Payment of such fees shall be paid in advance of the scheduled date due. Fees shall be prorated on a monthly basis.

**Section 6.2 USE OF THE MULTIPLE LISTING SERVICE:** If a licensee brings listings to the Participant or shows/co- shows or sells/co-sells properties published by the Multiple Listing Service, this constitutes use of the Multiple Listing Service. The MLS Committee will impose a \$250 fine on any Broker who permits another agent to list a property on behalf of a non-member licensee. This fine must be paid within 10 days, or all listings will be suspended until payment is received. For a second offense, a \$1,000 fine will be assessed, also payable within 10 days, with the suspension of MLS membership until the fine is paid and all violations are corrected. All licensees using the ETNR MLS Service are required to pay all applicable fees. The MLS Committee and the Board Of Directors have approved to impose a fine to members who share MLS Logins. Per the Subscriber Agreement that all members have to agree to –

13. Confidentiality. Subscriber shall maintain the confidentiality of its user ID and password and the KAAR Database; Subscriber shall not provide its ID and password to any third party. To maintain the confidentiality of all user IDs, passwords, the KAAR Database, and the KAAR System, Subscriber shall take the greater of reasonable care or the care it takes to protect its own confidential information. Failure to comply with this provision will result in a significant fine, as set forth in the KAAR Policies. Subscriber may disclose information confidential under this Agreement if, and to the extent, the order of a court or other tribunal with jurisdiction requires disclosure; provided however, Subscriber first gives reasonable notice to KAAR to permit KAAR to seek a protective order.

The Penalties for allowing *anyone* to use your MLS Login will be:

1st Offense - \$250.00

2nd Offense - \$3,000.00

3rd Offense - Loss of access to MLS for 30 days and must take MLS education before reinstated.

**Section 9.3 COMPLAINTS OF UNAUTHORIZED USE OF LISTING CONTENT:** Members must obtain prior written permission from the copyright holder before using photographs or other listing content from another agent's prior listing in the MLS or in any marketing materials, whether printed or digital. Unauthorized use constitutes a violation and will result in a minimum fine of \$250, as administered pursuant to MLS enforcement procedures.

Even when permission is granted, photographs may not be copied, downloaded, or extracted from the MLS or any other third-party source and must be obtained directly from the copyright holder or their authorized representative.

**Photo Requirements for MLS Listings.** Image files must not exceed 10 MB in size or 3000 × 2000 pixels in resolution.

**Accuracy and Truthfulness:** MLS content must be **truthful, accurate, and not misleading**, consistent with ETNR policy and trademark and advertising standards. Media, whether AI-generated, AI-enhanced, or otherwise digitally altered, may not create a false or misleading impression of the property. When in doubt, the test is whether a reasonable consumer could be misled. All photos, videos, virtual tours, and other visual media entered into the MLS must **accurately represent the property as it exists**. Media that is false, deceptive, or misleading is prohibited, regardless of the technology used.

### **Video and Virtual Media Requirements**

#### **Video File Standards:**

All videos uploaded to the MLS or linked through MLS-approved fields must comply with the same accuracy, truthfulness, and advertising standards as photos.

#### **Accuracy and Representation:**

Videos must accurately depict the property as it exists. Videos may not create a false, deceptive, or misleading impression of the property's size, condition, views, boundaries, or features.

#### **No Individuals Permitted:**

Videos may not include any individuals, including agents, sellers, occupants, contractors, neighbors, or other identifiable persons.

#### **No Branding or Contact Information:**

Videos may not include any branding including but not limited to:

- Signs
- Phone numbers
- Email addresses
- Website URLs
- Company logos
- Watermarks
- Agent introductions or promotional overlays

### **AI Data Policy**

MLS data, including but not limited to listing content, photographs, remarks, and associated metadata, may not be used for the development, training, operation, or improvement of artificial intelligence, machine learning models, automated valuation systems, or similar technologies without the prior written authorization of the MLS. Any member, vendor, or third party seeking to use MLS data for such purposes must submit a request to the MLS and receive written approval before any access, analysis, or processing of MLS data occurs.

#### **AI-Generated or AI-Enhanced Video:**

AI-generated or AI-enhanced video content is permitted only if it does not materially misrepresent the property and complies with MLS rules. Fully AI-generated videos depicting features, structures, or views that do not exist are prohibited.

#### **Drone and Aerial Footage:**

Aerial video is permitted provided it:

- Accurately reflects the property boundaries
- Does not exaggerate lot size or proximity to amenities
- Does not create or enhance views that do not exist

#### **Audio Restrictions:**

Narration that markets the property is permitted only if it does not include branding, contact information, or misleading statements. Background music is permitted.

**AI-Generated and AI-Enhanced Media:** AI-generated or AI-enhanced media may be used **only when it does not materially misrepresent the property** and complies with all MLS rules and state advertising laws.

**Required Disclosures:** If AI or digital tools are used to enhance photos, videos, or public remarks, the listing must clearly disclose that the media has been digitally altered using AI or similar tools. Acceptable disclosures include, but are not limited to, statements such as **“Virtually Staged”** or **“Digitally Enhanced,”** and must be made in the MLS public remarks or through other MLS-approved disclosure methods. The original photo before any enhancements must also be uploaded either directly before or after the digitally altered version.

#### **Use of AI and Digital Media – Permitted vs. Prohibited**

##### **Permitted Uses (Disclosure Required Where Applicable):**

The following uses are permitted provided they do not materially misrepresent the property and comply with advertising standards:

- Image enhancements that improve **clarity only**, such as:
  - Brightness, contrast, color correction, or sharpening
  - Adjusting grass color to appear green during winter or dormant seasons when it does not change lot size, boundaries, or landscaping features.
  - Enhancing the sky (e.g., bluer sky or light cloud replacement) so long as views, surroundings, and horizon lines are not altered.
  - Global color, brightness, or contrast adjustments that improve visual clarity only.
- Virtual staging used solely to illustrate furnishing possibilities, provided:
  - No walls, rooms, or structural elements are added, moved or removed
  - The media is clearly labeled as *“Virtually Staged”*
- Removal of temporary, non-permanent items, such as:
  - Vehicles, trash cans, lawn debris, or minor clutter

##### **Prohibited Uses:**

The following uses are prohibited as they materially misrepresent the property, its condition, or its features, in violation of MLS Rules and advertising standards:

- Removing power lines
- Removing neighboring buildings
- Eliminating defects
- Altering lot boundaries or physical characteristics
- Making a property appear materially different from reality
- Fully AI-generated images or videos depicting property features, structures, views, or conditions that do not exist.
- AI-altered media that adds, removes, or materially changes:
  - Rooms, buildings, or structural elements
  - Lot size, boundaries, topography, water features, or views
  - Permanent fixtures, amenities, or improvements
- AI-generated or AI-modified content that conceals, obscures, or minimizes known defects or adverse conditions.
- Media that implies features, upgrades, or improvements that are **not included** with the property.
- Any digital alteration that materially changes the appearance, condition, or marketable characteristics of the property.
- Adding lush landscaping, trees, water features, or terrain that do not exist.
- Extending lawns, changing slopes, or masking grading or drainage issues.
- Creating or enhancing views (mountains, water, skyline) that are not actually present.

- Using grass or sky edits to obscure defects or adverse conditions\

### **Photo or Renderings Required:**

- **Mandatory Photos/Renderings:** All listings for Single Family, Commercial, Multi-Family, Rental, and Auction properties must include photos and/or renderings.
- **Upload Deadline:** These images must be uploaded within 10 days of entering the listing into the MLS system.
- **First Photo Specification:** The first photo displayed in the MLS must depict the **full front of the property**, facing the street, road, or primary entrance, and clearly showing the property's front façade. Photos may not include any individuals.
- **Photo Restrictions:** Photos may not include signs, names, phone numbers, email addresses, company logos, website addresses, or any other branding or contact information. Photos may not feature any individuals.
- **No Photos Option:** If the seller requests that no photo of the property be submitted to the MLS, the listing agent must contact the MLS office for guidance and documentation requirements.

### **For Properties Under Construction or Proposed Construction:**

- **Acceptable Images:** A photo of the lot or A rendering depicting the elevation facing the street, road, or primary entrance. One additional photo of a completed home may be included **for reference only**, provided it is clearly labeled as a *similar property*. A reference image **may not** be used as the primary photo. No other photos of finished properties are allowed.
- **Primary Photo Requirement:** The first photo displayed in the MLS must accurately represent the listed property as it currently exists or is proposed.
- **Photo Restrictions:** Photos may not include signs, names, phone numbers, email addresses, company logos, website addresses, or any other branding or contact information. Photos may not feature any individuals.
- **Seller-Requested No-Photo Exception:**  
If the seller requests that no photo of the property be submitted to the MLS, the listing agent must contact the MLS office for guidance and documentation requirements.

### **Photo Requirements for Lots & Acreage Listings:**

- **Main Photo Guidelines:** The main photo can be any image that shows the lot from any angle.
- **Upload Deadline:** A photo must be uploaded within 10 days of entering the listing into the MLS system.
- **Photo Restrictions:** All photos must be relevant to the property. Photos must not include any identifying information such as signs, names, phone numbers, email addresses, company logos, or website addresses. Photos may not feature any individuals.

***Association staff will not remove photos from off-market listings, as these photos are essential for other members and appraisers to review comparable properties. However, the photos can be marked as Private, ensuring that only MLS members have access.***