

MLS Policies Set by the East Tennessee REALTORS® In Addition to the MLS Rules and Regulations

The MLS Committee will assess any Broker who allows another agent to list property for a non-member licensee \$250.00 for the 1st offense to be paid within 10 days or all listings will be suspended until paid. \$1000.00 will be assessed for the 2nd offense to be paid within 10 days or your MLS Membership will be suspended until paid and all offenses corrected. Any licensee who uses the KAAR MLS Service should pay all applicable fees.

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.

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.

Infractions of the following policies will result in a \$100.00 fine (unless otherwise stated) assessed to the agent's broker for the first violation. Any additional violations by the same agent of these policies will result in a \$250.00 fine assessed to the broker for each of the agent's subsequent violations. Fines will be billed on the monthly invoice sent to the Broker. Any violation not corrected, will continue to be assessed additional fines and late charges each month until infraction is corrected. Continued violations could result in suspension of services. You may request to appeal any fines assessed to the MLS Committee by contacting Donna Roach, MLS Director by e-mail to donna@kaarmls.com

Confidentially and Subscriber Agreement

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
2nd Offense	\$3,000
3rd Offense	Loss of access to MLS for 30 days and must take MLS education before reinstated.

Sanctions for the following MLS Rules

Section 1 – Listing Procedures: Listings must be entered into the Flexmls system within 2 business days of the list date as either Coming Soon or as a New listing. The Pre-Marketing Addendum is required for a listing in Coming Soon Status.

Coming Soon Status Penalties

If a Coming Soon Status listing is shown prior to going Active in the MLS, the Agent and Broker will be assessed the following penalties:

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| 1st offense | \$500 fine to the List Agent and \$500 fine to the Broker |
| 2nd offense | \$1000 fine to the List Agent and \$1000 fine to the Broker |
| 3rd offense | Appear before the MLS Committee for review. Agent subject to Section 7 of the MLS Rules. |

Section 1.3 Exempted Listings: If the seller refuses to permit the listing to be disseminated by the Multiple Listing Service, the Participant may then take an "Office Exclusive Listing" and the Office Exclusive Waiver shall be filed with the Multiple Listing Service but not disseminated to the Participants.

An [Office Exclusive Waiver](#) must be signed by the seller that they do not desire the listing to be disseminated by the Multiple Listing Service and must accompany filing of the listing and submitted to the MLS office to hold on file. Office Exclusive listings may not be entered into the MLS after the listing has an accepted contract or has close

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.

Clear Cooperation Rule Section 1.01 and 1.3 Penalties

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| 1st Offense | \$1000 to the Listing Agent and one warning to the Broker |
| 2nd Offense | \$5000 to the Listing Agent and \$5000 to the Broker |
| 3rd Offense | Listing Agent and Broker must appear before the MLS Committee for discipline per Section 7 of the MLS Rules. |

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.

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.

Any Broker in violation of Section 6.2 who allows another agent to list/co-list property for a non-member/MLS Waived licensee will be assessed \$250.00 for the 1st offense to be paid within 10 days or all listings will be suspended until paid. \$1000.00 will be assessed for the 2nd offense be paid within 10 days or MLS Membership will be suspended until paid and all offenses corrected. Any licensee who uses either the KAAR MLS or KAAR CIE Service should pay all applicable fees.

Section 2.5 Status Changes, Including Final Closing of Sales : Sales 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 the accepted offer 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.

The MLS Committee and Board of Directors have voted to assess fines beginning September 1, 2015, for violation of the MLS Rule Section 2.5. Infractions Section 2.5 will result in a \$100.00 fine assessed to the agent's broker for the first violation. Any additional violations by the same agent of Section 2.5 will result in a \$250.00 fine assessed to the broker for each of the agent's subsequent violations.

This violation also has to do with truth in advertising. The Broker's Act states that an agent can be disciplined for **!Misleading or untruthful advertising**" – Tenn. Code Ann. 62-13-312(b)(4). This is explained in Rule 1260-2-.12(4)(c), which states, **!Listing information must be kept current and accurate."**

The Realtor Code of Ethics also addresses this issue! Article 12 states in part, **!Realtors shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations."**

Listing brokers should inform sellers of the broker's obligation to comply with MLS rules and state law. Participation rights in MLS come with the responsibility to abide by the rules. Deliberately misrepresenting the status of the listing may violate the Code of Ethics in addition to the MLS rules. It would appear that the MLS's "Pending Continue to Show" category would adequately address the seller's desire to continue to market the property after an offer has been accepted.

Policies

Listing Information

1. The Listing Agent and Company name are not to appear in the property description or in any other field other than that is specified by the LAG and LO fields upon listing input. Reference to any contact information, including, but not limited to Listing Agent, Listing Office, websites, or owner's information are not to appear in the public remarks, direction, assets, photos, etc. of the MLS Printouts. There is an exception for Auctioneers to allow their name and license number in the public remarks per TREC Rules.
2. In connection with any issue concerning a Participant's or a Subscriber's compliance with these Rules, a Participant or Subscriber shall provide a sales contract, settlement statement, confirmation of agency, or any other documentation requested by KAAR MLS. KAAR MLS shall advise the Participant or Subscriber of the issue and of the type of information that is needed. The Participant or Subscriber may contact the MLS Department to discuss redaction of irrelevant portions of the requested documentation before providing it to KAAR MLS. KAAR MLS may remove the listing at issue from the KAAR MLS database if the requested documentation is not provided to KAAR MLS within two business days of the request.
3. Condominium and Zero Lot Line listings are to be listed under Single Family and must be marked as Property SubType Condominium. Only properties that stand alone with no shared walls and the homeowner owns the land would be considered as Residential Property Sub Type.
4. The change of listing agent can only be made prior to the listing being reported "contract pending." A list agent cannot be changed after the listing has been reported "contract pending". If the listing agent was not changed prior to the "contract pending" credit will be given to the agent who signed the original listing agreement.
5. Any listing without the Owner's name in the owner field must have a letter on file at the Listing Office from the owner requesting their name be withheld from the MLS. The MLS retains the right to request a copy of the letter.

6. Policy on merging company sales: Any sales closed prior to the merge will remain with the Listing Company.
7. There may not be any reference to commission splits in the Agent Instructions, public remarks, or directions. This also includes any listings with "in-house" codes for commission splits.
8. Any listing with misleading or misrepresentation of the property information

Examples, but not limited to: Putting the # of Bedrooms in the BR field different from the Septic System allowance. Stating the property is Lake Front when it is only Lakeview. These are only a couple of examples of misrepresentation.
9. If a listing is being offered at auction the listing is to be updated to an Auction listing and all Auction fields to be completed.
10. All listings posted in an Active status must be available to show at the time of listing input.
11. Anyone who removes all photos and/or alters listing data on a listing prior to it going off market in order to prevent the seller from being contacted, to hide the history or to generate 0 days on market, cancels a listing and re-list within 31 days with the same Brokerage will have their Add/Change privileges removed for a period of one year. The Main photo must remain on the listing.
12. In order for a Builder Pre Sale or Custom Build to be entered in the MLS there must be a current valid listing contract for the property signed prior to or on the day of the accepted Sales and Purchase Agreement. As required by the MLS Rules and Policies for all other MLS listings, these listings must be entered into the MLS system within two (2) business days of the listing contract list date.
13. Owner/Agent is required to be listed in the public remarks when a licensee is an owner of the listed property.

Property Photos

1. Photos and/or renderings are required, with the exception of Timeshare properties, on Single Family, Commercial, Multi-Family, Rental and Auction properties within 10 days of entering the listing in the MLS System. One picture that shows the front of the listing is to be displayed as the first photo on the MLS site prompting the Listing. This photo shall show a view that faces the street, road or entrance to the residence or business. For listings under construction or proposed construction, a photo of the lot or a rendering of the elevation that faces the street, road or entrance to the residence or business will be allowed. One photo of the front of a finished house may be added if it is noted on the photo that it is a similar house and cannot be the main photo. To simplify this, if it is not clear, the first pictured in the MLS listing must be a true representation of the listed Real Estate. Photos may not include individuals. The seller may request that a photo of the property not be submitted to the MLS.
2. Lots & Acreage listings are required within 10 days of entering the listing in the MLS System. Any photo that depicts the lot from any angle will be accepted as the main photo. All photos should pertain to the subject property and cannot include any information of any kind, including, but not limited to signs, names, phone numbers, email address, company logos and website addresses. Photos may not include individuals.
3. No Member shall use any photos in his/her MLS online listing or other marketing materials whether printed or digital, which are copied from any other agent's prior listing without prior written consent of the copyright holder of the photos. Violation of same shall result in a minimum fine of \$250.
4. Virtual Staging of photos will be allowed as long as it is disclosed in the public remarks the photos contain virtual staging.
5. The Association staff will not remove photos on Off Market listings due to other members and appraisers needing to view photos of comps they use.