

# **Connecticut Multiple Listing Service, Inc.**



## **Rules and Regulations**

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# Connecticut Multiple Listing Service, Inc.

## Rules and Regulations

### Article 1 – Name, Authority and Purpose

**Section 1.1 Name.** The name of this organization is the **Connecticut Multiple Listing Service, Inc.** (hereinafter “Service” or “the Service”).

**Section 1.2 Authority.** The Articles of Incorporation establishing the **Connecticut Multiple Listing Service, Inc.** and its Bylaws provide the authority to issue these Rules and Regulations and amend them from time to time.

**Section 1.3 Definitions.** Capitalized terms which are not defined the first time they appear are defined in Article 17.

### Section 1.4 – Purpose of the Service

The Service shall be a means by which authorized Participants make blanket unilateral offers of compensation to other Participants acting as buyer agents (or in other agency or non-agency capacities to whom such offers are permitted by law); by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of Listing information among the Participants so that the Participants may better serve their clients and the public. Entitlement to compensation is determined by the Cooperating Broker’s performance as a procuring cause of the sale (or lease).

The Corporation shall conform its governing documents, rules, regulations, and policies, practices, and procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of the NATIONAL ASSOCIATION OF REALTORS®.

### Article 2 – Participation

#### Section 2.1 – Participation

For purposes of these Rules & Regulations, the following definitions shall be used:

**1a. "Participants"** - Participation in the Service is available to any REALTOR® principal who is an active member of the Connecticut Association of REALTORS® or any other Association of REALTORS® without further qualification except payment of required dues and fees and agreement to abide by these by-laws and the rules and regulations of the Service and completion of an orientation program of no more than three (3) classroom hours devoted to the MLS rules and regulations. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless

they hold a current, valid real estate broker's license and are capable of accepting and offering compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.

Use of information developed by or published by the 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 the Service where access to such information is prohibited by law. A REALTOR® principal of any firm, partnership, or corporation, or the branch office manager who serves as designated broker or licensed or certified appraiser and who is designated by said firm, partnership, or corporation shall be termed the "Participant" in the Service and shall have all rights, benefits, and privileges of the Service, and shall accept all obligations to the Service for the Participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the Service by all persons affiliated with Participant who utilize the Service.

**1b. "Subscribers"** - Subscribers include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with a Participant. A Subscriber's right to utilize information is limited to those activities authorized to the Participant's office with which said Subscriber is affiliated. Said information shall not be used or made available to any non-MLS individuals or firms, nor be used by the Subscriber for any real estate activity outside of the Participant's office. These are deemed to be unauthorized uses.

**1c. "Unlicensed Staff"** – Unlicensed staff include affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers who are under the direct supervision of a Participant or the Participant's licensed designee. An Unlicensed Staff's right to utilize information is limited to those activities authorized to the Participant's office with which said Unlicensed Staff is affiliated. Said information shall not be used or made available to any non-MLS individuals or firms, nor be used by the Unlicensed Staff for any real estate activity outside of the Participant's office. These are deemed to be unauthorized uses.

**1d. "Users"** - Users of the Service include the Sponsoring Member, employees of the Participant who are not licensed as a real estate broker, salesperson, or appraiser but have access to the data (e.g. a secretary, office manager, and unlicensed personal assistant).

## **Article 3 – Fees, Charges and Fines**

**Section 3.1 Fees.** The following fees and service charges for the operation of the Service are in effect and are subject to change from time to time in the manner prescribed in the Bylaws of the Service.

(a) Each Participant shall pay a one time application fee upon joining the Service.

(b) A Subscriber fee shall be charged to each Participant and Subscriber in such amount and frequency as may from time to time be determined by the Board of Directors. Subscriber fees shall be billed in advance. Participants shall be responsible for paying subscription fees in an amount equal to the current subscription fee as defined in Attachment A times the number licensees affiliated with the Participant's firm who have access to and use of the service, whether licensed as a broker, sales licensee, or licensed

or certified appraiser who is employed by or affiliated as an independent contractor with such Participant.

(c) A fee for data entry of Listings by the Service staff in such amount as may from time to time be determined by the Board of Directors.

A current schedule of fees, charges and fines is provided in Attachment A.

### **Section 3.2 Failure to Pay.**

(a) Failure of a Participant to pay required Fees within thirty (30) days of the due date shall result in all services to the Participant and its Subscribers being suspended until the fees are paid in full.

(b) Failure of a Subscriber to pay Subscriber Fees within thirty (30) days of the due date shall result in suspension of all services to the applicable Subscriber until the fees are paid in full. Any such unpaid Subscriber fee shall automatically become a responsibility of the Subscriber's Participant. If said fees remain unpaid for an additional thirty (30) day period, the services to said Participant and its Subscribers shall be suspended. The

Service shall give at least ten (10) days notice prior to suspending a Firm's service.

Reinstatement after suspension of either a Participant or Subscriber shall require payment of a Reinstatement Fee.

**Section 3.3 Reinstatement Fee.** The Service shall impose a Reinstatement Fee in the amount provided for in Attachment A as a condition of any Participant's or Subscriber's resumption of services after such Participant or Subscriber has canceled (or been suspended or terminated for nonpayment). No such Reinstatement Fee shall be charged to a Subscriber

(a) who cancels access to the MLS System Services and (i) resumes such services through a different Participant within (30) days of such cancellation or (ii) resumes such services after a period of at least twenty-four (24) months, or

(b) whose services have been suspended or terminated for nonpayment, provided the Subscriber allows the Service to automatically deduct their quarterly service fees from their debit or credit card account for a minimum of one (1) year following such suspension or termination.

**Section 3.4 Refunds.** Participant and Subscriber Agreements may be terminated only as of the end of a calendar month. There shall be no proration or refund of fees for Participants or Subscribers in connection with suspension or termination of service.

**Section 3.5 Subscriber Transfers.** Any Subscriber transferring his or her license from one Participant to another shall notify the Service Center promptly, and shall submit a Transfer Agreement executed by Subscriber and the Participant to whose Firm and office the Subscriber is transferring. As soon as is practicable after receipt of such Subscriber Agreement, the Service shall provide the Subscriber with access to the service.

**Section 3.6 Allowing Another Person to Use a System ID is Disallowed.** Only the Subscriber specifically assigned a System ID (private login) is authorized to access the System using that ID. Unless specifically authorized in writing by the Service, allowing any other person to use an ID to access the System, including, without limitation, the Subscriber's Participant, other Participants and Subscribers, other agents, clients or customers are expressly prohibited. The penalty for the first violation of this policy shall be a fine as provided for in Attachment A. The penalty for additional violations of this policy shall be both a fine as provided for in Attachment A and a thirty (30) day suspension of

privileges. Misuse of a System ID or use of a System ID without authorization may also subject the Subscriber to criminal prosecution.

## **Article 4 – Listing Procedures**

### **Section 4.1 Listing Procedures for Different Property Types.**

**Section 4.1.1 Mandatory Property Listings.** Listings of the following types of property located within the state of Connecticut taken by Participants on an Exclusive Right to Sell/Rent or Exclusive Agency to Sell/Rent Listing contract shall, in accordance with these Rules and Regulations, be input into the Service System within forty-eight (48) hours after all necessary signatures of Seller(s) and Participant, or his/her authorized agent, have been obtained:

- (a) Single family homes, condominiums, townhouses, co-ops, mobile homes for sale, lease or exchange
- (b) Vacant lots and acreage for sale lease or exchange
- (c) Two-, three-, and four-family residential buildings for sale, lease or exchange

**Section 4.1.2 Voluntary Property Listings.** Listings of real or personal property of the following types, taken by Participants on a Listing Agreement, may be Filed with the Service after all necessary signatures of the Seller have been obtained on the Listing Agreement:

- (a) Business opportunities for sale or exchange
- (b) Commercial income property for sale or exchange (including residential buildings of five or more units)
- (c) Industrial property for sale, lease or exchange
- (d) Rental properties
- (e) Only Listings of the designated types of property located within the state of Connecticut are required to be submitted to the service. Listings of property located outside the state of Connecticut or nonmandatory property listings will be accepted if submitted voluntarily by a Participant, but cannot be required by the service.

**Section 4.1.3 Limited Service Compilation Listings.** Listing agreements under which the Listing Broker will not provide one, or more, of the following services are “Limited Service Compilation Listings”:

- (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; or
  - (e) participate on the Seller(s) behalf in negotiations leading to the sale of the listed property
- Limited Service Compilation Listings will be identified with an appropriate code or symbol in Service 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. Limited Service Compilation Listings shall also contain Seller contact information and showing instructions.

**Section 4.1.4 Entry-only Listings.** Listing agreements under which the Listing Broker will not provide any of the following services are “Entry-only Listings”:

- (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; or
  - (e) participate on the Seller(s) behalf in negotiations leading to the sale of the listed property
- Entry-only Listings will be identified with an appropriate code or symbol in Service 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. Entry-only Listings shall also contain Seller contact information and showing instructions.

**Section 4.1.5 Acceptance of Listings.** Except as specifically set forth in the last sentence of this Section 4.1.5, the Service will accept for Filing only those Listings that make it possible for the Listing Broker to offer cooperation, with accompanying compensation, to Cooperating Brokers, as and in the manner provided for in Article 7 below. The Service may refuse to accept for Filing any proposed Listing which, in the sole and exclusive determination of the Service, may not comply with all fair housing and other laws and regulations that may be applicable to the sale of the proposed Listed Property. Any such determination by the Service shall be final, and neither any Participant nor any Subscriber shall have or assert any claim against the Service, or any of its employees or agents, arising out of such determination.

**Section 4.1.6 Representations and Warranties.** By Filing a Listing, a Listing Broker shall be deemed to have (a) represented and warranted that, as of the Filing date, (i) the Listing Broker holds a current, valid real estate broker’s license issued by the appropriate state real estate licensing authority, agency or board, or its functional equivalent, in the state in which the Listed Property is located, (ii) the Listing Broker and the Participant with which the Listing Broker is affiliated are in compliance with the terms and conditions of these Rules and Regulations and (iii) to the knowledge of the Listing Broker, no other person has Filed, or has the right to File, a Listing with respect to the property identified in the Listing; (b) re-affirmed, as of the Filing date, the agreements, the representations and warranties and the completeness and accuracy of the information contained in the Participant Agreement/Application required to be submitted to the Service at the time the Listing Broker first became a Participant in the Service; and (c) represented and warranted that the Seller, if the Seller does not hold title to the Listed Property on the Filing date, has demonstrated to the Listing Broker that the Seller has received written authorization from the title holder of the Listed Property to File the Listed Property with the Service. For any Listing of the kind contemplated in the preceding clause (c), in which the Seller does not hold title to the Listed Property on the Filing date, the Listing Broker shall include in the Listing a disclosure that the Seller is not the title holder of the Listed Property and that the Listing is made subject to completion of the sale of the Listed Property to the Seller.

The Service shall be under no obligation to inquire into or to verify any of the representations and warranties made by a Listing Broker pursuant to this Section 4.1.6. Without limiting the

foregoing, it is the obligation of each Participant to assure that the Listing Broker holds a current, valid real estate broker's license issued by the appropriate state real estate licensing authority, agency or board, or its functional equivalent, in the state in which the Listed Property is located.

**Section 4.1.7 Listing Remarks, Sensitive and Regulated Data.** In Filing a Listing, no broker, agent or agency may be named or identified, nor may any web (URL), e-mail or voicemail address, telephone number or other personal or other form of identification or means of contact be included, in any section or field of any Property Data Form, except only in those fields headed "Listing Office", "Listing Agent", "Firm Remarks" and "Special Showing Instructions". In Filing a Listing, no Seller may be named or identified, nor may any web (URL), e-mail or voicemail address, telephone number or other personal or other form of identification or means of contact of a Seller be included, in any section or field of any Property Data Form. For purposes of these Rules and Regulations, the term "any section or field" of a Property Data Form includes, in addition to any section or field of the Property Data Form itself, any virtual tours, photographs and other types of data and/or information related to the Listed Property that are linked in any way to the Property Data Form.

Sensitive information such as, but not limited to, lockbox combinations and home security system access codes shall not be included in the Service Compilation or published in MLS Publications or any report from the System. Further, no information shall be entered into the Service Compilation which would violate any municipal, state or federal order, ruling or statute. The Service retains the right to correct any violation of this regulation.

**Section 4.1.8 Filing of Photographs.** Certain types of Listed Properties require the Filing of photographs of the Listed Property. The Board of Directors of the Service from time to time may establish and amend a policy regarding the Filing of Photographs, which policy, among other things, may set forth different Filing requirements for different types of Listed Properties, may specify exceptions to the Filing requirements and may provide for sanctions for failure to comply with the terms and conditions of the policy. The photograph Filing policy adopted by the Board of Directors, as it may be amended from time to time, shall be attached to these Rules and Regulations as Attachment D and shall be deemed to be a part hereof.

**Section 4.2 Listings Subject to Rules and Regulations of the Service.** Any Listing Agreement to be Filed with the Service is subject to these Rules and Regulations as soon as that Listing Agreement has been signed by the Seller. Only Listings of the types of property designated Mandatory (see Section 4.1.1) and located within the jurisdiction of the Service are required to be submitted to the Service. Listings of property located outside the Service's jurisdiction will be accepted if submitted voluntarily by a Participant, but cannot be required by the Service.

**Section 4.2.1 Deletion of Listing Data and Information.** Listing data and information for an entire listing may not be removed from the system unless the listing was entered in error. Only MLS staff may remove listings from the system.

**Section 4.3 Detail on Listings Filed with the Service.** By Filing a Property Data Form with the Service, the Listing Broker represents and warrants (i) that, to the best of the Listing Broker's knowledge, the information and data in the Form are accurate and complete in every detail and (ii) that the Seller has entered into a Listing Agreement with respect to the Listed Property with the Listing Broker and, to the knowledge of the Listing Broker, with no other

broker. As set forth in Section 9.2 below, the Service shall have no liability or responsibility for, and no obligation to verify or otherwise inquire into the accuracy or completeness of, any of the information or data contained in any Property Data Form.

**Note 1:** This Section 4.3 provides that, by Filing a Property Data Form with the Service, a Listing Broker represents, among other things that, to its knowledge, the Seller has entered into a Listing Agreement with no other broker. Consistent with that representation, a broker may not (except only in the limited circumstances contemplated in clause (c) of Section 4.1.6) File a Listing with the Service for a Listed Property that is already the subject of a Listing Agreement with another broker. If, notwithstanding this prohibition, such a duplicate Filing is made, and if the Service becomes aware of the duplicate Filing, the Service may remove the duplicate Filing from the System and, if it does so, shall notify both the original Listing Broker and the broker that made the duplicate Filing of its action.

Neither the Service, nor any of its agents or employees, shall have any liability or responsibility of any kind, nor shall any Participant or Subscriber have or assert any claim against the Service, or against any of its employees or agents, arising out of such action or out of the Service's failure for any reason to become aware of a duplicate Filing. Any dispute between Participants or Subscribers that arises out a duplicate Filing shall be resolved pursuant to the provisions of Section 8.3 below.

**Section 4.4 Exempted Listings.** If a Seller refuses, on the Seller's initiative, to permit an identified property to be Listed in the System, and if the Seller executes a Non-MLS Listing Form with respect to that identified property, and if the Listing Broker delivers the Non-MLS Listing Form to the Service before the Deadline for Filing with respect to that property, the Participant with which the Listing Broker is affiliated may then take the identified property as an "office exclusive", and the property shall not be required to become a Listed Property or be included in any Service Compilation. The Non-MLS Listing Form or other written confirmation must be signed by the Seller of the identified property and must meet the same Deadline For Filing imposed under these Rules and Regulations for the same type of Listed Property. If, in a Listing Agreement, the Seller and the Listing Broker agree to defer the Filing of the property with the Service to a fixed date in the future, or to a date in the future still to be determined, the Listing Broker shall File a Non-MLS Listing Form with respect to the property by the Deadline For Filing.

**Section 4.5 Change of Listing.** Any change on a Listing must be Filed with the Service before the Deadline for Filing. Where such change consists of a modification of the text of the Listing Agreement, the duration of the Listing, the list price or other terms of sale, the Participant must obtain written authorization signed by the Seller prior to Filing the change with the Service. If requested by the Service, the Listing Broker shall provide the Service with a copy of the change authorization signed by the Seller.

**Section 4.6 Cancellation of Listing Prior to Expiration.** A Listing may be cancelled by the Listing Broker before the expiration date of the Listing Agreement related to the Listed Property if and when the cancellation of the Listing Agreement has been authorized in writing by the Seller. The cancellation shall be Filed with the Service by the Deadline for Filing. A Seller may not require the Service to cancel a Listing without the Listing Broker's concurrence.

**Section 4.7 Withdrawal of Listing Prior to Expiration.** A Listing may be withdrawn from the Service by the Listing Broker before the expiration date of the Listing Agreement related to the Listed Property if and when the withdrawal has been authorized in writing by the Seller. The withdrawal shall be Filed with the Service by the Deadline for Filing. Withdrawal of a Listing from the Service does not terminate the related Listing Agreement. A withdrawn Listing remains subject to the terms and conditions of the related Listing Agreement, and, as such, the Listing will expire at midnight on the expiration date set forth in that Listing Agreement. A Seller may not require the Service to withdraw a Listing without the Listing Broker's concurrence.

**Section 4.8 Contingencies Applicable To Listings.** Any contingency or condition applicable to a Listing must be specified in the Property Data Form Filed with the Service.

**Section 4.9 Listing Price Specified.** The full gross Listing price of a property must be stated in the Listing Filed with the Service. The gross Listing price will be included in the Service Compilation.

**Section 4.10 Listing Properties with Multiple Units or Lots.**

(a) If a Listing Agreement includes multiple properties which may be sold or leased separately, the Property Data Form Filed with the Service must provide separate data and information for each such property. When each such property has been sold or leased, the Listing Broker shall File a change of status form with the Service for that property.

(b) If a Listing Agreement for multiple properties includes properties on which there is to be new construction, as a result of which full Listing information is not available for each property, the Listing Broker must File Property Data Forms with the Service for at least a representative sampling of the properties that are then, or that will be, available for purchase. Provided that Property Data Forms for a representative sampling of properties have been Filed, it is not necessary, at the time of that initial Filing, to File a separate Property Data Form for each property covered by the Listing Agreement. The Listing Broker, however, must File a separate Property Data Form for each such property as soon as basic data are available for the submission of a Property Data Form for that property.

**Section 4.11 Listing Properties in Multiple Towns.** No property shall be listed in more than one town, unless: (1) it is physically located in more than one town, or (2) the street on which the property is located can only be entered from an adjoining town.

If a property meets one or both of the above criteria, the Listing Broker may elect to place the property Listing in each appropriate town provided: (1) the Listing broker must immediately notify the Service, in writing, of the fact that the property has been listed in more than one town. (Printed copies of the Listing as it appears in each town must be included with the notification.) (2) The first line in the "Remarks" section of the adjoining town Listing must clearly indicate the town(s) in which the property is physically located and the municipal school system(s) serving the property. (3) The Listing Broker must notify the Service, in writing, as soon as the property is sold; the Listing expires or is cancelled. Upon such notification, or if a property that fails to meet the criteria listed above is listed in an adjoining town, the Service shall remove the adjoining town Listing. Any broker placing a Listing in violation of this section shall be fined in accordance with these Rules and Regulations.

**Section 4.12 Listing Properties in More Than One Category.** A Listing may be added to the Service Compilation in more than one (1) property category only if each and every entry cross references the MLS Number(s) of the other entry or entries via the Remarks field. The sale

of a property which is in more than one category will only be reported in one category and additional entries will be withdrawn from the Service.

**Section 4.13 No Control of Commission Rates or Fees Charged by Participants.** The Service shall not fix, control, recommend, suggest or maintain commission rates or fees for services to be rendered by Participants or by any Listing Broker, Subscriber or other person affiliated with a Participant. Further, the Service shall not fix, control, recommend, suggest or maintain the division of commissions or fees between or among cooperating Participants (or any persons affiliated with them) or between or among Participants and non-Participants (or any persons affiliated with them).

**Section 4.14 Termination Date on Listings.** Each Listing Filed with the Service shall bear a definite and final termination date as negotiated between the Listing Broker and the Seller.

**Section 4.15 Expiration, Extension, Renewal and Reactivation of Listings.** Any Listing Filed with the Service automatically expires as of midnight on the expiration date specified in the Listing Agreement, unless the expiration date under the Listing Agreement has been extended by the Listing Broker and the Seller, and, prior to that expiration date, the Listing Broker (i) Files with the Service a notice of the extension of the expiration date and (ii) obtains a written authorization of such extension signed by the Seller. An expired Listing may be reactivated if, within ten (10) days after the original expiration date of the Listing, the Listing Broker (i) Files with the Service a notice of reactivation of the Listing and (ii) obtains a written authorization extending the original expiration date signed by the Seller.

**Section 4.16 Listings of Suspended Participants.** If a Participant is suspended from the Service for failing to abide by any provision of these Rules and Regulations, or any policies or other obligations of the Service to which the Participant is subject (except for a suspension for failure to pay applicable fees or charges), then each Listing then Filed with the Service by the suspended Participant shall be retained in the Service until sold, cancelled, withdrawn or expired (whichever occurs first), and such Listing shall not be extended or reactivated beyond the expiration date of the Listing Agreement in effect when the suspension became effective. If a Participant is suspended from the Service for failure to pay applicable fees or charges, the Service may cease to provide services, including the continued inclusion of the suspended Participant's Listings in any Service Compilation. Prior to any removal of a suspended Participant's Listings from the Service Compilation, the Service will advise the suspended Participant in writing of the intended removal.

**Section 4.17 Listings of Expelled Participants.** When a Participant of the Service is expelled from the Service for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board/Association of REALTORS® bylaws, Bylaws of the Service, these Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all Listings currently Filed with the Service shall, at the expelled Participant's option, be retained in the Service until sold, withdrawn, or expired, and shall not be renewed or extended by the Service beyond the termination date of the Listing Agreement in effect when the expulsion became effective. If a Participant has been expelled from a Board/Association of REALTORS® or the Service, or both, for failure to pay appropriate dues, fees, or charges, the Service is not obligated to provide any services, including continued inclusion of the expelled Participant's Listings in the Service Compilation of current Listing information. Prior to any removal of an expelled Participant's Listings from the Service, the expelled Participant should be

advised, in writing, of the intended removal so that the expelled Participant may advise his clients.

**Section 4.18 Listings of Resigned Participants.** If a Participant resigns from the Service, the Service may cease to provide services, including the continued inclusion of the resigned Participant's Listings in the Service Compilation. Prior to any removal of a resigned Participant's Listings from the Service Compilation, the Service will advise the resigned Participant in writing of the intended removal.

**Section 4.19 Right of Service to Require Data and Contracts.** In order to test the integrity of the Service Compilation, the Service from time to time may require Participants and/or Subscribers to provide written information and data concerning Listings with the Service and copies of Listing Agreements related thereto.

**Section 4.20 Retention of Listing Data and Information.** All Listing data and information Filed with the Service from time to time with respect to a Listed Property shall be retained in the System and shall be accessible to Participants and Subscribers.

**Section 4.21 Data Errors.** After written notice from the Listing Broker of any errors or omissions in data loaded by the Service, the Service's sole responsibility shall be to correct any such errors or omissions in the System. A Participant shall correct all errors or omissions in data loaded by the Participant or his/her Subscribers. The Service will not be responsible for errors or omissions with respect to Listing information, regardless of whether the Listing Broker, his/her agent or representative, or the Service loaded the data.

**Section 4.22 Penalty for Entering an Incomplete or Inaccurate Listing.** In the event a Listing input into the System

(a) Contains substantially inaccurate data or,

(b) Contains incomplete or inaccurate data in any "Mandatory" field or,

(c) Does not have a photo, as required in Section 4.1.8 of these Rules and Regulations, the following shall occur:

(1) The Service shall notify both the responsible Subscriber (listing agent) and Listing Broker of the suspected violation(s).

(2) The Listing Broker shall be given three (3) calendar days, from the date of notification, to resolve suspected deficiencies and notify the Service of such resolution.

(3) If the Service is not notified of the resolution of a suspected deficiency within three (3) working days, both the Listing Broker and the responsible Subscriber (listing agent) shall each be fined and amount as provided for in Attachment A daily, for each Listing in violation.

(4) Regardless of changes in the Listing's status, these fines shall be reassessed each month, for each Listing, until the Listing data and/or photo is brought into compliance with these Rules and Regulations and the Service has been so notified.

(5) Imposed fines shall be due and payable upon receipt. Failure to pay imposed fines when due shall be handled in accordance with Section 3.2 of these Rules and Regulations.

(6) On the ninety-first (91<sup>st</sup>) day, after the date of initial invoice, if the Listing data and/or photo have not been brought into compliance, the responsible Subscriber's (listing agent's) System access privileges shall be suspended until the Listing data and/or photo has been brought into compliance. The monthly fines for both the responsible Subscriber and Listing Broker shall continue to be assessed monthly during any such suspension period.

**Section 4.23 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, REALTORS® shall also disclose whether offers were obtained by the listing licensee, another licensee in the listing firm or by a Cooperating Broker.

**Section 4.24 Availability of Listed Property:** Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

## **Article 5 - Selling Procedures**

**Section 5.1 Showings and Negotiations.** Appointments for showings of a Listed Property and negotiations with the Seller for the purchase of a Listed Property shall be conducted through the Listing Broker, except under the following circumstances:

(a) the Listing Broker gives the Cooperating Broker specific authority to show the Listed Property and/or to negotiate directly with the Seller, 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.

A Listing Broker must make arrangements (including, where necessary, a procedure to be followed if a particular broker or salesperson is unavailable) to show a Listed Property to Cooperating Brokers and to present written offers to the Seller as soon as possible.

### **Section 5.2 Presentation of Offers**

The Listing Broker must make arrangements to present the offer as soon as possible, or give the Cooperating Broker a satisfactory reason for not doing so.

**Section 5.3 Submission of Written Offers and Counter-Offer:** The Listing Broker shall submit to the Seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the Seller and the Listing Broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the Listing Broker shall recommend that the Seller obtain the advice of legal counsel prior to acceptance of the subsequent offer. Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated.

**Section 5.4 Right of Cooperating Broker in Presentation of Offer.** Except as otherwise set forth in the third sentence of this Section 5.4, a Cooperating Broker or his or her representative has the right to participate in the presentation to the Seller of any offer the Cooperating Broker secures to purchase or lease the Listed Property. The Cooperating Broker does not have the right to be present at any discussion or evaluation of that offer by the Seller and the Listing Broker. If the Seller gives written instructions to the Listing Broker that the Cooperating Broker not be present at the presentation of an offer which the Cooperating Broker

secured, the Cooperating Broker has the right to a copy of the Seller's written instructions, but the Cooperating Broker shall have no right to be present at such presentation. Whether or not the Cooperating Broker has the right to be present at a presentation to the Seller of an offer to purchase or lease, the Listing Broker alone, consistent with the provisions of Section 5.2 above, shall have the right to control the establishment of appointments for presentation.

**Section 5.5 Right of Listing Broker in Presentation of Counter-Offers.** Excepting as otherwise set forth in the third sentence of this Section 5.5, a Listing Broker or his or her representative has the right to participate in the presentation of any counter-offer made by the Seller. The Listing Broker does not have the right to be present at any discussion or evaluation of a counteroffer by the prospective purchaser or lessee (except where the Cooperating Broker is a subagent of the Seller). If the prospective purchaser or lessee gives written instructions to the Cooperating Broker that the Listing Broker not be present when a counteroffer is presented, the Listing Broker has the right to a copy of the written instructions of the prospective purchaser or lessee, but the Listing Broker shall have no right to be present at such presentation.

**Section 5.6 Reporting Sales and Leases to the Service.** Sales or leases of a Listed Property must be Filed with the Service by the Deadline for Filing.

**Section 5.7 Reporting Listings "On Deposit".** By the Deadline for Filing, the Listing Broker shall file notice with the Service of each Listing that is "On Deposit". A Listing that is "On Deposit" is deemed to be "off-market".

**Section 5.8 Reporting Resolutions of Contingencies.** If and when a contingency currently on File with the Service has been fulfilled or ceases to exist for any reason, the Listing Broker shall File notice of that event with the Service by the Deadline for Filing.

**Section 5.9 Advertising of Listings Filed with the Service.** A Listing may not be advertised by any Participant other than the Listing Broker, without the prior written consent of the Listing Broker. Notwithstanding the foregoing, a Listing Broker may restrict a Listing Filed by it from being advertised or otherwise publicized by the Service by submitting to the Service a written notice of restriction signed by both the Listing Broker and the Seller. Notwithstanding anything otherwise contained in this Section 5.9, but subject to the provisions of Section 6.3, both the Listing Broker and the Cooperating Broker, after a Listing has been sold or leased, may claim to have made or affected such sale or lease.

**Section 5.10 Reporting Cancellation of "On Deposit" Listings.** If a pending sale or lease of a Listed Property has been cancelled for any reason (as a result of which it no longer qualifies for the status of "Under contract"), the Listing Broker shall File notice of such cancellation with the Service immediately upon its occurrence, but in no event later than the Deadline for Filing, and the Listing thereupon shall be reinstated in the Service Compilation, but only if the Listing Agreement has not yet expired.

**Section 5.11 Reporting Refusal to Sell.** If the Seller(s) of any Listed Property refuses to accept a written offer satisfying the terms and conditions stated in the Listing, such fact shall be communicated immediately to the Service and to all Participants.

**Section 5.12 Change of "Sold" Listings.** A Listing that is reported "sold" may not be modified or changed in any way by a Participant. Notwithstanding the foregoing, the Service may, but it need not, modify or change a "sold" Listing if the Service receives a written request

for a modification or change from a Participant and if, in the sole and absolute discretion of the Service, the Service determines that the Participant which made the sale has demonstrated good cause for such modification or change. The determination of the Service shall be final, and neither the Participant nor any Subscriber or other person affiliated with the Participant shall have the right to assert any claim against the Service arising out of such determination.

**Note 1:** A Listing that is “sold” is considered an actual historical event. Therefore, changes or modifications made to a “sold” Listing must not compromise, in any way, the accuracy of information contained in any Service Compilation. The Service, however, shall always have the right to make changes to a “sold” Listing to correct an error that was made in reporting a sale or lease.

**Note 2:** Participants from multi-branch Participant Firms do not have the right to change or transfer “sold” Listings from one branch Office to another.

### **Section 5.13 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 whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a Cooperating Broker.

### **Section 5.14 Availability of Listed Property**

Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

## **Article 6 – Prohibitions**

**Section 6.1 Information for Participants Only:** Any Listing Filed with the Service shall not be made available to any broker or Firm not a Participant of the Service without the prior written consent of the Listing Broker.

**Section 6.2 “For Sale” Signs.** Only the “For Sale” signs of the Listing Broker may be placed on a Listed Property.

**Section 6.3 “Sold” Signs.** Prior to the closing of a sale of a Listed Property, only the “sold” sign of the Listing Broker may be placed on the Listed Property, except that, if authorized by the Listing Broker, the “sold” sign of a Cooperating Broker may also be placed on the Listed Property.

**Section 6.4 Solicitation of Listing Filed with the Service.** Participants shall not solicit a Listing on property Filed with the service unless such solicitation is consistent with Article 16 of the Realtors®’ Code of Ethics, its Standards of Practice, and its Case Interpretations.

Note: This section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4. This section is intended to encourage Sellers 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 MLS filing of the date the Listing will expire and desire to substitute themselves for the present broker.

This section is also intended to encourage brokers to participate in the service by assuring them that other Participants will not attempt to persuade the Seller 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

## **Article 7 - Division of Commissions**

### **Section 7.1 Compensation Specified on Each Listing**

The Listing Broker shall specify, on each Listing Filed with the Service, the compensation offered to other Service Participants for their services in the sale of such Listing. Such offers are unconditional except that entitlement to compensation is determined by the Cooperating Broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The Listing Broker's obligation to compensate any Cooperating Broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the Listing Broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the Listing Broker to collect a commission pursuant to the Listing Agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the Listing Broker to collect some or all of the commission established in the Listing Agreement; at what point in the transaction did the Listing Broker know (or should have known) that some or all of the commission established in the Listing Agreement might not be paid; and how promptly had the Listing Broker communicated to Cooperating Brokers that the commission established in the Listing Agreement might not be paid.

In filing a property with the multiple listing service of an association of REALTORS®, the Participant of the service is making blanket unilateral offers of compensation to the other MLS Participants, and shall therefore specify on each Listing Filed with the service, the compensation being offered to the other MLS Participants. Specifying the compensation on each Listing is necessary, because the Cooperating Broker has the right to know what his compensation shall be prior to his endeavor to sell.\*

The Listing Broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law) which may be the same or different.

This shall not preclude the Listing Broker from offering any MLS Participant compensation other than the compensation indicated on any Listing published by the MLS, provided the Listing Broker informs the other broker, in writing, in advance of his producing an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other Participants in the service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

**Note 1:** The Service shall not have a rule requiring the Listing Broker to disclose the amount of total negotiated commission in his listing contract, and the association multiple listing service shall not publish the total negotiated commission on a Listing which has been submitted to the MLS by a Participant. The association multiple listing service shall not disclose in any way the total commission negotiated between the Seller and the Listing Broker.

**Note 2:** The Listing Broker may, from time to time, adjust the compensation offered to other Service Participants for their services with respect to any Listing by advance published notice to the service so that all Participants will be advised.

**Note 3:** The Service shall make no rule on the division of commissions between Participants and nonparticipants. This should remain solely the responsibility of the Listing Broker.

**Note 4:** Multiple listing services, at their discretion, may adopt rules and procedures enabling Listing Brokers to communicate to potential Cooperating Brokers that gross commissions established in listing contracts are subject to court approval or to lender approval; and that compensation payable to Cooperating Brokers may be reduced if the gross commission established in the listing contract is reduced by a court or by a lender. In such instances, the fact that the gross commission is subject to court or to lender approval and either the potential reduction in compensation payable to Cooperating Brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential Cooperating Brokers prior to the time they produce an offer that ultimately results in a successful transaction.

**Note 5:** Nothing in these MLS rules precludes a listing Participant and a cooperating Participant, as a matter of mutual agreement, from modifying the cooperative compensation to be paid in the event of a successful transaction.

\*The compensation specified on Listings Filed with the Service shall appear in one of two forms. The essential and appropriate requirement by an association multiple listing service is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the Listing Broker, in writing, in advance of his producing an offer to purchase. The compensation specified on Listings published by the MLS shall be shown in one of the following forms:

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

## **Section 7.2 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 Service, that person shall disclose that interest when the Listing is Filed with the Service and such information shall be disseminated to all Service Participants.

### **Section 7.3 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 7.4 Dual or Variable Rate Commission Arrangements**

The existence of a dual or variable rate commission arrangement (i.e., one in which the Seller/landlord agrees to pay a specified commission if the property is sold/leased by the Listing Broker without assistance and a different commission if the sale/lease results through the efforts of a Cooperating Broker; or one in which the Seller/landlord agrees to pay a specified commission if the property is sold/leased by the Listing Broker either with or without the assistance of a Cooperating Broker and a different commission if the sale/lease results through the efforts of a Seller/landlord) shall be disclosed by the Listing Broker by a key, code, or symbol as required by the MLS (DR or VR). The Listing Broker shall, in response to inquiries from potential Cooperating Brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the Seller/landlord. If the Cooperating Broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

## **Article 8 - Compliance With and Enforcement of Rules and Regulations**

### **Section 8.1 Applicability of Rules and Regulations to Participants and/or**

**Subscribers.** Participants, Subscribers and others authorized to have access to the Service Compilation are subject to these Rules and Regulations and may be disciplined for violations thereof. Further, failure of any Participant, Subscriber or other user to abide by the Rules and Regulations or policies of the Service, and/or any sanctions imposed for violations thereof, may subject the Participant with which the Subscriber or user is affiliated to the same or other discipline. A Participant has the ultimate responsibility and accountability for all Subscribers or other users affiliated with the Participant. By making payment of applicable service fees to the Service, Participants and their affiliated Subscribers reconfirm their agreement to comply with these Rules and Regulations and with the policies of the Service in effect from time to time.

**Section 8.2 Consideration of Violations of Rules and Regulations.** The board of directors shall give consideration to all written complaints having to do with violations of the 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 Board of Directors of the Service, and if a violation is determined, the board of directors may direct the imposition of sanction.

A Participant, on the Participant's behalf, or on behalf of Subscribers who derive their right to use the Service through the Participant, shall have a right to appeal a sanction. An appeal, if permitted hereunder, must be made in a writing delivered to the Service within twenty-one (21) days of the imposition of the sanction or sanctions being appealed. The appeal shall be referred by the Service, within fifteen (15) business days of its receipt, to

the Board of Directors of the Service or to such committee or other designee of the Board of Directors which from time to time may shall specify a tribunal for the determination of appeals (each an “Appeals Tribunal”). An Appeals Tribunal shall consist of no fewer than three individuals selected by the Service. At the time an appeal is referred to an Appeals Tribunal, the Service shall give simultaneous written notice thereof to the appealing party, and the appeal shall be heard before the Appeals Tribunal within fifteen (15) business days of its referral. If an appeal is timely and properly Filed following the imposition of a sanction, the sanction itself shall be suspended from the time the appeal is Filed until the completion of the appeals process and the issuance of the decision by the Appeals Tribunal. The Appeals Tribunal shall operate under such procedures as it shall promulgate to both the appealing party and the Service, it being the intention of these Rules and Regulations that the appeals process be informal, and not subject to formal rules of evidence, but that the process on the whole be fair to each of the participating parties.

Violations of these Rules and Regulations or of any policies of the Service may subject the violating Subscriber and/or the Participant with which the Subscriber is affiliated to sanctions either as specified in Article 3 above or in Attachment A hereto or as otherwise determined by the Service. Such sanctions may include, but shall not be limited to, fines and suspensions of service. If, as a result of a violation, a Participant and/or a Subscriber may be made subject to more than one sanction, the Service, in its discretion, may impose any one or more, or all or none, of such applicable sanctions. When the Service imposes a sanction, it will notify the violating Subscriber and will also notify the Participant with which the violating Subscriber is affiliated. Failure of the Service to deliver a notice shall not affect the validity or enforceability of the sanction.

In addition to satisfying any other requirements imposed on a suspended Participant and/or Subscriber as a condition of reinstatement with the Service, a suspended Participant and/or Subscriber wishing to be reinstated with the Service must pay all outstanding fees, charges and fines, plus a reinstatement fee, prior to reinstatement. The amount of the reinstatement fee shall be as set forth in Section 3.3 as amended from time to time in Attachment A hereto.

Alleged violations involving unethical conduct shall be referred to the professional standards committee of the association of REALTORS® for processing in accordance with the professional standards procedures of the 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 8.3 Complaints of Unethical Conduct:** Alleged violations involving unethical conduct shall be referred to the professional standards committee of the association of REALTORS® having jurisdiction over the alleged violation for processing in accordance with the professional standards procedures of the 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® having jurisdiction over the matter.

**Section 8.4 Harassment:** Any Participant or Subscriber may be reprimanded, placed on probation, suspended from MLS service or have MLS service permanently removed for harassment of an MLS employee or Officer or Director after a hearing in accordance with the established procedures of the MLS. Disciplinary action may consist of any sanction authorized in the MLS Rules & Regulations. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contacts, or threats to do the

same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, President-elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the Association. If the complaint involves the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint.

## **Article 9 - Confidentiality of Service Information**

**Section 9.1 Confidentiality of Service Information.** Any and all data and information contained in any Service Compilation shall be the proprietary data and information of the Service. Such data and information are provided by the Service for the use of Participants and their affiliated Subscribers solely in their capacities as such, and Participants and their affiliated Subscribers may use such data and information solely in connection with those activities in which they are properly engaged under a valid real estate broker's license or real estate appraiser's license or certification, in either case issued by the state of Connecticut. Use of the Service Compilation, including without limitation use of the email, export functionality and other functionalities of any electronic Service Compilation, is limited strictly to activities by and communications from, to or among Participants and/or Subscribers, in each case in their capacities as such, for the sole purpose of effecting or seeking to affect the sale, lease or appraisal of specific properties. Without limiting the foregoing, no Participant or Subscriber shall use the email or export functionality of any electronic Service Compilation except for the sole purpose of seeking to effect the sale, lease or appraisal of the specific property or properties to which its email communication relates. The Service Compilation shall be confidential and for the exclusive use of the Service in the dissemination of information to Participants and Subscribers and for such other uses as may be determined from time to time by the Service. No Participant or Subscriber shall cause or permit any data or information contained in any Service Compilation to be transmitted, retransmitted or otherwise provided or made available in any manner to any individual or entity, other than to an individual or entity who or which is a Participant or Subscriber and other than as provided in Article 11 of these Rules and Regulations.

**Section 9.2 Service Not Responsible for Accuracy of Information; Indemnity.** The data and information contained in any Service Compilation are set forth verbatim therein, without change by the Service, as Filed with the Service by the Participants and/or their affiliated Subscribers. The Service does not, and has no obligation to, verify the completeness or accuracy of any data or information Filed with it, and the Service disclaims any responsibility or liability for the accuracy or completeness of any of such data or information. Each Participant and/or its affiliated Subscribers, by using the services of the Service, acknowledges and agrees to the foregoing disclaimers and agrees to indemnify the Service and to hold the Service harmless from and against any liability, damage, cost and expense arising from any inaccuracy or inadequacy of any of the data and information Filed by or on behalf of that Participant and/or its affiliated Subscribers or arising from or based on the use or publication of such data or information by the Service.

**Section 9.3 Access to Comparable and Statistical Information.** Upon written request, the Service, in its discretion, may grant Comparable Access (as defined in Section 19.1 below) to (i) real estate professionals who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building activities, but who do not Participate fully in the Service within the meaning of these Rules and Regulations and (ii) real estate assessors for cities and towns in the State of Connecticut, in their capacities as such. The Service may grant Comparable Access on such terms and conditions, including the payment of fees and charges, and with the imposition of such fines, as may be set forth from time to time in Attachment A of these Rules and Regulations. The terms and conditions on which the Service may grant

Comparable Access need not be identical for all classes or groups eligible to request such grant. The data and information made available under this Section 9.3 are for the exclusive use of (a) the qualifying real estate professionals identified in clause (i) above and for the individuals affiliated with such professionals who are also actively engaged in one or more branches of the real estate business identified in clause (i) and (b) qualifying real estate assessors for cities and towns in the State of Connecticut, in their capacities as such, and none of such data or information may be transmitted, retransmitted or provided or made available in any manner to any other individual or entity.

## **Article 10 - Ownership of the Service Compilation and Copyrights**

**Section 10.1 Grant of Authority.** By Filing any property Listing data or information with the Service, a Participant represents and warrants that the Participant, without the necessity of any further consent or approval, has been authorized to grant, and thereby does grant, authority to the Service to include the property Listing data and information in the Service Compilation Copyright to the Service Compilation and any manifestation thereof (including without limitation any MLS Publication), irrespective of medium, form or format, shall be vested and remain in the Service.

**Section 10.2 Copyright.** All right, title and interest in and to each copy of every MLS Publication and any other manifestation of any Service Compilation, and in and to the copyrights therein, shall at all times be and remain vested in the Service.

**Section 10.3 Use of MLS Publications.** Each Participant shall be entitled to have the use of a number of copies of each MLS Publication sufficient to provide the Participant and each Subscriber affiliated with it with one copy of such MLS Publication. Each Participant shall pay a fee for each such copy in an amount determined from time to time by the Service or a Board/Association of REALTORS® furnishing the MLS Publications. Also see Article 11.

In exchange for payment of the fee, a Participant shall acquire only the right to use the MLS Publication in accordance with these Rules and Regulations and shall not acquire or have any ownership or other rights therein or thereto.

**Section 10.4 Use of Logos and Other Marks.** The Marks are reserved by the Service exclusively for its own use to identify and promote the products and services of the Service. No Participant or Subscriber may display, publish or in any way use any of the Marks for the identification or promotion of any product or service of that Participant or Subscriber, of any other Participant or Subscriber or of any other individual or entity, other than the Service itself.

## **Article 11 - Use of Copyrighted MLS Publications and the Service Compilation**

**Section 11.1 Distribution.** Each Participant and each Subscriber affiliated with it shall at all times be responsible for the proper use of each copy of any MLS Publication or other manifestation of the Service Compilation made available by the Service for the use of the Participant and the Subscribers affiliated with it. A Participant shall not cause or permit the distribution of any copies of an MLS Publication or any other manifestation of the Service Compilation to any individual or entity other than the Subscribers affiliated with the Participant and other than as specifically provided elsewhere in this Article 11. Consistent with the provisions of the third and fourth sentences of Section 9.1 of these Rules and Regulations, use by a Participant or Subscriber of data or information contained in any Service Compilation is strictly limited to those activities authorized under a Participant's or Subscriber's licensure or certification, and any other uses are prohibited. Nothing contained in this Section 12.1 or elsewhere in these Rules and Regulations is intended to convey, nor shall anything herein or therein be deemed to convey, to any individual or entity a right to Participation in the Service or any right of access to any data or information contained in any Service Compilation where conveyance of such rights or access to such data or information is prohibited or not permitted by applicable law.

**Section 11.2 Display.** A Participant and the Subscribers affiliated with it shall be permitted to display MLS Publications and other manifestations of the Service Compilation to a bona fide prospective purchaser or lessee of a Listed Property, but only in the ordinary course of the business of the Participant and its affiliated Subscribers in their efforts to locate ready, willing and able buyers or lessees for the Listed Property.

**Section 11.3 Reproduction.** Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof, except in the following limited circumstances: Participants or their affiliated licensees may reproduce from the MLS compilation and distribute to prospective purchasers a reasonable\* number of single copies of property listing data contained in the MLS compilation which relate to any properties in which the prospective purchasers are or may, in the judgment of the Participant or their affiliated licensees, be interested.

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

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

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and those licensees affiliated with the Participant who are authorized to have access to such

information. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that an association or association-owned multiple listing service has deemed to be nonconfidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

\*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 purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent and thus reasonable in number, shall include, but are not limited to, the total number of Listings in the MLS compilation, how closely the types of properties contained in such Listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

## **Article 12 –Internet Data Exchange (IDX)**

### **Section 12 IDX Defined**

IDX affords MLS participants the option of authorizing display of their active listings on other participants' Internet Web sites.

### **Section 12.1 Authorization**

Participants' consent for display of their active listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download or frame the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller.

### **Section 12.2 Participation**

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

### **Section 12.2.1**

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

### **Section 12.2.2**

Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent “scraping” or other unauthorized accessing, reproduction, or use of the MLS database.

### **Section 12.2.3**

Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly-accessible Web sites or VOWs) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers.

### **Section 12.2.4**

Participants may exclude listings from display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography, list price, type of property, or cooperative compensation offered by listing brokers. Examples include property type (“condos,” “single family detached,” “multi-family,” etc.), price, or location (“downtown”).

### **Section 12.2.5**

In accordance with Connecticut Real Estate Commission rules and regulations, Participants and Subscribers must refresh all MLS data at least once every three (3) days.

### **Section 12.2.6**

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

### **Section 12.2.7**

When displaying listing content, a participant's or user's IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.

## **Section 12.3 Display**

Participants, and those persons affiliated as licensees with such Participants, shall be permitted to display the MLS Compilation to prospective purchasers or lessees only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers or lessees for the properties described in said MLS Compilation and to prospective sellers or lessors in conjunction with their ordinary business activities of attempting to list properties for sale or lease.

Any display of listing information, including pending information and sold information, whether by the listing firm or by other Participants or their affiliated licensees, must include the name of the listing firm except where the information is used to prepare appraisals and other valuations of real property. In any display of listing information, other Participants and their affiliated licensees may not alter the online display or any informational part of the listing without the written permission of the listing firm. The following fields of information are considered confidential and shall not be displayed to a buyer, whether client or customer: showing instructions, buyer/broker commission fields, listing agent name and ID, contact phone numbers (office phone, other phone, fax phone), listing type.

### **Section 12.3.1**

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., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed on IDX sites.

#### **Section 12.3.1.1**

The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed on IDX sites.

### **Section 12.3.2**

Participants shall not modify or manipulate information relating to other participants' listings. (This is not a limitation on site design but refers to changes to actual listing data.) MLS data may be augmented with additional data not otherwise prohibited from display so long as the source of the additional data is clearly identified. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized data fields.

### **Section 12.3.3**

All listings displayed pursuant to IDX shall identify the listing firm in a readily visible color and typeface not smaller than the median used in the display of listing data.

### **Section 12.3.4**

Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own Web sites subject to their participant's consent and control and the requirements of state law and/or regulation.

### **Section 12.3.5**

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

### **Section 12.3.6**

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

### **Section 12.3.7**

Participants (and their affiliated licensees, if applicable) shall indicate on their Web sites 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.

### **Section 12.3.8**

The data consumers can retrieve or download in response to an inquiry shall be limited to reasonable number listings per search as defined in Section 11.3.

### **Section 12.3.9**

The right to display other participants' listings pursuant to IDX shall be limited to a participant's office(s) holding participatory rights in this MLS.

### **Section 12.3.10**

Display of expired, withdrawn, and pending listings is prohibited.

### **Section 12.3.11**

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

### **Section 12.3.12**

Participants are required to employ appropriate security protection such as firewalls, provided that any security measures required may not be greater than those employed by the MLS.

### **Section 12.3.13**

IDX operators must maintain an audit trail of consumer activity on the IDX site and make that information available to the MLS if the MLS believes the IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers.

## **Section 12.4 Service Fees and Charges**

Service fees and charges for participation in IDX shall be as established annually by the Board of Directors.

## **Article 13 - Use of Data and Information in Advertising**

**Section 13.1 Use Of Data And Information In Advertising.** Use of information from the MLS compilation of current listing information, from the Service’s Statistical Report, or from any “sold” or “comparable” report of the Service 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 Service 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 provided to and compiled by the **Connecticut Multiple Listing Service, Inc.** covering the period [Insert Initial Date] through [Insert Final Date].”

The Service shall have no liability or responsibility for the truth or accuracy of any data or information contained in any advertising or other public representation made or sponsored by a Participant and/or by any of its affiliated Subscribers, and each of such Participant and its affiliated Subscribers hereby agrees to indemnify the Service and to hold the Service harmless from and against any liability, damage, cost and expense arising from or out of any such advertising or other public representation.

**Section 13.2 Internet Display of Sold Data.** REALTOR® Participants may display electronically MLS Sold Data information utilizing the following described applications:

- (a) An application which provides active listing data, sales data, including property address, sale date, and price. This application may be utilized by REALTOR® Participants or their Subscribers by framing such information on [www.CTreal.com](http://www.CTreal.com).

## **Article 14 – Limitation on Use of Service Compilation**

**Section 14.1 Limitation on Use.** Notwithstanding anything otherwise set forth in this Article 14 or in Article 13 above, nothing contained in these Rules and Regulations is intended to grant, nor shall it be deemed to grant, to any Participant, Subscriber or other person any right to distribute, display or reproduce any Service Compilation in its entirety or in substantial part. All right, title and interest in and to any Service Compilation shall belong exclusively to the Service, as provided in Article 11 above, and the rights specifically granted in these Rules and Regulations to distribute, display, reproduce and use the data and information contained in any Service Compilation shall be construed strictly in accordance with their terms.

## **Article 15 - Rules and Regulations**

**Section 15.1 General.** These Rules and Regulation, as they may be amended from time to time, shall be binding upon each Participant, Subscriber and other user of any of the goods and services provided by the Service, and each such Participant, Subscriber and other user shall be

deemed to have consented and agreed to be bound hereby by its use of such goods and/or services.

**Section 15.2 Changes In Rules and Regulations.** The Service shall have the right to amend these Rules and Regulations (including any Attachments hereto) from time to time. Amendments to these Rules and Regulations (and any Attachments hereto) may be made only by the Board of Directors of the Service.

## **Article 16 – Orientation**

**Section 16.1 Orientation.** Any applicant for Participation and any Subscriber affiliated with Participant who has access to and use of Service Compilation-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to these Rules and Regulations and System training related to information entry and retrieval and the operation of the System within ninety (90) days after access has been provided.

## **Article 17 – Definitions**

### **Section 17.1 Definitions.**

**Code of Ethics** – The standards of professional and ethical conduct as prescribed in the Code of Ethics of the National Association of REALTORS®.

**Comparable Access** - Shall mean the access to “comparable” information, “sold” information, and “statistical” reports (but not “active” listing data) that is in any Service Compilation and that the Service, upon request, may make available, in its discretion, to (i) real estate professionals who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building activities, but who are not either Participants in the Service or affiliated with a Participant in the Service, and (ii) real estate assessors for cities and towns in Connecticut, in their capacities as such.

**Cooperating Broker** - Shall mean the licensed broker who or which is either a subagent of a Listing Broker, a buyer’s agent or other appropriately licensed facilitator in the process of selling a Listed Property. Wherever the context so requires, reference in these Rules and Regulations to a Cooperating Broker shall include the Participant through which any individual Cooperating Broker is acting.

**Deadline for Filing** - Shall mean, with respect to a property, forty-eight (48) hours after the Start Date of a Listing Agreement or authorization for change with respect to the property (including, without limitation, price changes, changes in contingencies, pendings, cancellations, withdrawals, solds, leases or any other change in the Listing) has been executed and delivered by all necessary signatories and has been received by the Listing Broker.

**Entry-Only Listing** – Shall mean a Listing or Listed Property with respect to which the Listing Broker, pursuant to the Listing Agreement, is not obligated to provide, and will not be providing, any service to the Seller other than the Filing of the Listing.

**Exclusive Agency** - Shall mean, when applied to a Listing Agreement, a Listing Agreement under which the Listing Broker becomes the sole agent of the Seller and the Seller agrees to pay a commission to the Listing Broker if the Listed Property is sold through the efforts of any real estate broker. Under an Exclusive Agency Listing, if the Listed Property is sold solely through the efforts of the Seller, the Seller is not obligated to pay a commission to the Listing Broker or any other broker.

**Exclusive Right to Sell** - Shall mean, when applied to a Listing Agreement, a Listing Agreement under which the Listing Broker becomes the sole agent of the Seller and the Seller agrees to pay a commission to the Listing Broker regardless of whether the Listed Property is sold through the efforts of the Listing Broker, the Seller or anyone else.

**Exclusive Right to Sell with Dual Rate of Commission** - Shall mean, when applied to a Listing Agreement, a Listing Agreement under which the Listing Broker becomes the sole agent of the Seller and the Seller agrees to pay a specified commission if the Listed Property is sold by the Listing Broker without assistance and a different commission if the sale results through the efforts of a Cooperating Broker.

**Exclusive Right To Sell with Reserved Prospect** - Shall mean, when applied to a Listing Agreement, a Listing Agreement under which the Listing Broker becomes the sole agent of the Seller and the Seller agrees to pay a commission to the Listing Broker regardless of whether the Listed Property is sold through the efforts of the Listing Broker, the Seller or anyone else, except that the Seller may name one or more individuals or entities as exemptions in the Listing Agreement and, if the Listed Property is sold to any exempted individual or entity, the Seller is not obligated to pay a commission to the Listing Broker (nor will the Service include the Listed Property as a "sold" in any manifestation of the Service Compilation).

**Exclusive Right to Sell with Variable Rate of Commission** - Shall mean, when applied to a Listing Agreement, a Listing Agreement under which the Listing Broker becomes the sole agent of the Seller and the Seller agrees to pay a specified commission if the Listed Property is sold by the Listing Broker either with or without the assistance of a Cooperating Broker and a different commission if the sale results through the efforts of the Seller.

**Filed (or variants on the term, as the context may require)** - Shall mean directly input into the System by a Participant or Subscriber by electronic or other means or actually received by the Service from a Participant or Subscriber in printed or written form at the principal place of business of the Service for inclusion in the Service Compilation. All original and executed documentation - including all Property Data Forms, Listing Agreements and status change forms of any kind - must be kept by the Listing Broker and shall not be Filed with the Service. As set forth in Section 4.19 above, a Participant or Subscriber must submit to the Service such written information and data concerning its Listings, and copies of Listing Agreements related thereto, as the Service may request from time to time. Failure to comply with any such request may subject the Participant and/or the Subscriber to a fine as indicated in Attachment A hereto.

**Firm** - a partnership, corporation, limited liability company, other legal entity or sole proprietorship that owns or operates an office or offices engaging in the real estate business and organized under the same management. A "Firm" does not include independently owned franchisees of a franchisor even if the franchisor owns or operates an office or offices engaging in the real estate business under the same or a similar name. (Also, see "Office")

**Listing or Listed Property** - Shall mean a property as to which all necessary data and information have been Filed with the Service.

**Listing Agreement** - Shall mean a signed written agreement between a Seller and a broker which constitutes either an Exclusive Agency Listing, an Exclusive Right To Sell Listing, an Exclusive Right To Sell With Dual Rate of Commission, an Exclusive Right To Sell With Reserved Prospect or an Exclusive Right To Sell With Variable Rate Of Commission. A Listing Agreement must include the Seller's written authorization to the Listing Broker to submit the Listing Agreement to the Service and to File the Listing at such time and upon satisfaction of such conditions as shall be specified therein.

**Listing Broker** - Shall mean the Individual Participant or Participant Firm who or which Files a Listing with the Service.

**Listing Status Codes** - Shall mean the shorthand codes used by the Service to indicate the status of a Listed Property. A table of Listing Status Codes currently used by the Service is attached to these Rules and Regulations as Attachment B hereto.

**Marks** – Shall mean any of the marks and logos owned by the Service that use, include or incorporate in any way the term “CTMLS” or the blocks “Connecticut Multiple Listing Service” or “Connecticut Multiple Listing Service, Inc. ” or any variant of the same, that appears on these Rules and Regulations, on the Service's letterhead or on the Service's website.

**MLS Publications** - Shall mean the copyrighted Compact Discs (CDs) or MLS books (Full, Supplement and Comparable) that the Service causes to be published and copyrighted in its name for the exclusive use of Participants and their affiliated Subscribers.

**Non-MLS Listing Form** - Shall mean the form required to be signed by a Seller and delivered to the Service by the Seller's Listing Broker when the Seller requests that an identified property not be Listed in the Service.

**Office** - Shall mean the distinct location or Virtual Office web site from which a Participant or Subscriber conducts a real estate business that is licensed by the appropriate state real estate licensing authority, agency or board, or its functional equivalent, legally designated as such in Connecticut or another state.

**Participant** – See Article 2, Section 2.1. 1a)

**Participant Agreement/Application** – See Attachment E.

**Participation** - Participation in the Service shall be available only to (a) a real estate broker licensed as such by the state of Connecticut or (b) a real estate appraiser licensed or certified as such by the state of Connecticut that, in either case, (i) under such licensure or certification, is engaged actively, or in good faith advertises or holds itself out to be engaged actively, in the real estate profession, either by buying, selling, exchanging, renting or leasing, appraising, building, developing or subdividing real estate, and (ii) abides fully by these Rules and Regulations and the policies of the Service. In determining whether an entity or an individual affiliated with that entity is eligible for Participation in the Service as a Participant Firm and as the Individual Participant of that Participant Firm, the Service shall apply the standards set forth in clause (i) and in clause (ii) to both the entity and the individual, and both the entity and the individual shall be required to satisfy all of such eligibility requirements. “Participation” may be expressed in these Rules and Regulations in the verb form to “Participate”.

**Primary Coverage Area** – Shall mean the State of Connecticut and such other contiguous or non-contiguous geographical areas as the Board of Directors of the Service from time to time may specify and designate as included in the Service’s Primary Coverage Area.

**Property Data Form** - Shall mean the printed or electronic form used to record data or information which will be Filed with the Service, including any printed or electronic form used to indicate a change in status of a Listing.

**REALTOR®** - An individual who is a member of the National Association of REALTORS® in good standing.

**Request for Deferral of Showing Form** – Shall mean the form required to be signed by a Seller and delivered to the Service by the Seller’s Listing Broker when the Seller requests that showings of an identified property be deferred to a date certain, specified in the Form that is beyond the Filing of the Listing for that property.

**Seller** - Shall mean any one or more individuals and/or entities, as the case may be, who or which a Participant has determined to be the proper party or parties seeking to sell or lease a property through that Participant.

**Service** - Shall mean the **Connecticut Multiple Listing Service, Inc.**, a Connecticut Nonstock corporation, or, as the context may require, the multiple listing service owned and operated by the **Connecticut Multiple Listing Service, Inc.**

**Service Compilation** - Shall mean any form, format or medium in which property listing data and information and/or tax information are collected and/or disseminated to Participants from time to time by the Service, including, but not limited to, the System and any other computer database, any MLS Publication, any bound book, loose-leaf binder and card file, and any other form, format or medium whatsoever. The Service Compilation and the data and information contained therein are copyrighted in the name of the Service.

**Service Center** - A Connecticut Board/Association of REALTORS® which has entered into an agreement with the **Connecticut Multiple Listing Service, Inc.** to provide certain services to Participants and Subscribers on behalf of the Service.

**Start Date of a Listing Agreement** – The date on which a Listing Agreement to Sell, Lease or Exchange a property goes into effect.

**Subscribers** – See Article 2, Section 2.2. 1 b)

**System** - Shall mean the computerized database of property data and information maintained by the Service. Often referred to as “MLS System”.

## **Attachment A - Service Fees, Charges and Fines**

Fees, charges and fines are subject to change, in both amount and nature, by the Board of Directors. No application fee, participation fee or other charges or fines required to be paid by a Participant or Subscriber shall be refunded or waived, except on approval of the Service, which approval the Service may grant or withhold in its absolute discretion.

### **Fees and Charges**

**Initial Participation Fee** – Each Participant will pay a fee of \$200.00 to become a member of the CTMLS

**Reinstatement Fee** – Suspended Participant will pay a fee of \$250.00 to reinstate participation after paying any other fees or fines assessed per Section 8-2.

**Subscriber Fee** – Each Participant and Subscriber to the service will be assessed a monthly access fee of \$26.00, billed quarterly in advance.

**Access to Comparable and Compilation information by non-Participants, when granted Section 9.3** - \$250.00

**Data input or updating for Listings by a service center (as opposed to user inputting)** will incur a \$10.00 charge.

**One time fee for establishing a Smart-frame feed or FTP format feed to a Participant** is \$100.00.

### **Fines**

***Penalties for Inaccurate or Incomplete Data:*** These Rules and Regulations are set up to give the buying and selling public the best possible service and to facilitate cooperation between Participants. The listing office will be notified in writing or by electronic means if there is a violation of the Rules and Regulations. The Participant shall be assessed a fine for each violation below. The following progressive fine schedule has been established by the Board of Directors and applies to all violations except for Items A-H Below.

1<sup>st</sup> time offense within one year: \$50.00

2<sup>nd</sup> time offense within one year: \$100.00

3<sup>rd</sup> time offense within one year: \$250.00

4<sup>th</sup> time offense within one year: \$500.00

5<sup>th</sup> time offense within one year Subject to a hearing to determine the conditions and amount of the fine.

The progressive fine schedule is per agent per offense and any rule violation below is considered to count as an offense. Fines will be billed to the Participant. A one-year term is defined as the CTMLS fiscal year which is January 1-December 31.

One courtesy warning notification will be issued to the Participant per agent per year for violations of sections A through H and a grace period will be allowed for correction. After that one warning notification, the progressive fine schedule above shall be automatically applied to subsequent violations of any lettered subsections below within that year. No courtesy warning letters are issued for the subsections not listed above and the progressive fine schedule is applied beginning with the first offense.

Database Accuracy and Integrity. The following are those critical elements of listing information for which fines will be assessed as outlined above for inaccurate, incomplete or missing data.

Participants whose agents violate Subsections A through H will receive one courtesy warning letter for the first violation by an agent of any of these subsections A-H within one year. A second violation by that same agent of either the same or any other Subsections A-H will result in the application of the progressive fine formula above.

**(A) Tax Id:** For failure to correct tax identification number after being notified in writing.

**(B) Remarks:** For failure to correct information entered in the Remarks data field after being notified in writing. The data fields of the remarks shall not include any agent, broker, company, URL information or affiliated businesses; however this information may be entered in the Realtor Remarks field.

**(C) Virtual Tours/Photo Sections:** For entering company or agent logos, agent photos, commissions, bonuses or any contact information in the virtual tour or photo sections. Only photographs, site plot, property sketch, property line art or survey of the property can be entered in the virtual tour and all photo fields.

**(D) Map:** For failure to correct the subject's location on the MLS map, or to add it if missing, after a courtesy notification in writing.

**(E) Photos Required:** For failure to supply at least one front exterior photo, with the exception of vacant land and rentals, 96 hours from the Start Date of the Listing Agreement.

**(F) Prohibitions:** For failure to abide by the prohibitions in Article 7, Section 1-7

**(G) Access Codes:** For the publication in any field of combination lockbox codes, electronic lock box codes, security gate codes or security system alarm codes or any other codes for equipment or systems designed to ensure the security of the property.

**(H) Accurate/complete Listing data:** For failure to enter accurate and complete listing data in required fields. No data is allowed in any field except that for which the field is designed.

The following are considered to more seriously affect the overall accuracy of the database and will incur immediate, automatic application of the progressive fine schedule with no courtesy notification or grace period for correction:

**(I) Status Changes:** For failing to report a status change within forty-eight hours after all necessary signatures have been obtained. Should a Participant discover that they have not reported a change in status prior to a fine being issued; they may correct the error and must immediately contact the MLS department with the information by email, phone or fax to avoid a fine. Amount determined by the Progressive fine schedule.

**(J) Late Listing:** For failing to File a residential Listing or long term rental Listing with CTMLS within forty-eight hours after all necessary signatures have been obtained. Amount determined by the Progressive fine schedule.

**(K) Failure to respond:** For failing to respond to written notice of inaccurate information on a Listing within five working days or to provide copies of documents within twenty-four hours (excepting weekends and holidays) when requested by the MLS. Amount determined by the Progressive fine schedule.

**(L) Type of Listing/Special Listing Type:** For failing to disclose a Limited Service, MLS Only or Exclusive Agency Listing, or a Variable Rate or Dual Rate commission arrangement (see Article 4, Section 21). Amount determined by the Progressive fine schedule.

Violations of Subsections M-P are considered to have the most serious effect on overall database accuracy and are automatic in the amounts indicated, with no courtesy notification or grace period for correction:

**(M) Incorrect/Incomplete:** For providing incorrect or incomplete information or for failing to correct the information after a fine has been paid. The Participant will be assessed an additional fine of \$500.00 for each occurrence.

**(N) Failure to obtain Seller's signature:** For failing to obtain the Seller's signature on a change in status, price change, extension, or change in terms, the Participant will be assessed a fine of \$500.00 for each occurrence. In lieu of having the owner's signature, acceptable documentation would also include a faxed authorization or an email authorization with an electronic signature from the owner.

**(O) Required Signatures:** For failure to have all required signatures at the time the property was entered in MLS, the Participant shall be assessed a fine up to \$5,000.00

**(P) Unauthorized Access:** A fine of up to \$5,000 as determined by the Board of Directors for each occurrence will be assessed to any Participant/User that allows access to CTMLS to an unauthorized person. (i.e., sharing system logon ID and Password)

**(Q) Providing MLS Data to unauthorized persons:** A fine of up to \$5,000 as determined by the Board of Directors for each occurrence will be assessed to any Participant/User that provides MLS data to an unauthorized person.

## Attachment B - Listing Status Codes

Code	Status Description
ACT	Active
NEW	New
HUBRD	Hubbard Clause
SHOW	Under Deposit/Continue to Show
DEPOS	Under Deposit
CLOSE	Closed/Sold
EXP	Expired
CANCL	Cancelled
WITH	Withdrawn
TEMP	Temporarily unavailable
ARENT	Active Rent
CRENT	Closed Rent

### Definitions Of Listing Status Codes.

**Active (ACT)** - An active listing is one that is on the market and available for showings.

**New (NEW)** - A NEW listing is one that is new to the market. New status listings remain as NEW for a period of 7 days from the entry date. A NEW listings is one that is available for showings.

**Under Deposit with Hubbard Clause (HUBRD)** - A Hubbard Clause is a contingency in a Purchase & Sale Agreement that expressly conditions a Buyer's purchase of a property upon the Buyer's ability to sell and close on a piece of real estate. Listing under HUBRD continues to be marketed until either a) the Buyer sells their home or other real estate and satisfies the contingency or b ) another offer is received by the Seller. HUBRD listings do expire upon their listing expiration date.

**Under Deposit continue to Show (SHOW)**- Shall mean that either (i) have executed and delivered a purchase and sale agreement or, if earlier, (ii) have executed and delivered a written bilateral offer to purchase, and, in either case, contingencies remain and the Seller requests that the Listed Property remain on market for back-up offers.

**Under Deposit (DEPOS)**- Shall mean the status of a Listed Property when the Seller and the potential buyer of the Listed Property either (i) have executed and delivered a purchase and sale agreement or, if earlier, (ii) have executed and delivered a written bilateral offer to purchase, and, in either case, the Seller has not requested that the Listed Property remain marketed for back-up offers. Each "DEPOS" Listing shall be considered to be "offmarket".

**Sold (CLOS)** - The seller is not soliciting offers through the MLS. The escrow has closed.

**Expired (EXP)** - Listing is off the market following the expiration date of the listing agreement.

**Cancelled (CANCL)** - Shall mean the status of a Listed Property where the Listing

Agreement has been terminated prior to its expiration date.

**Withdrawn (WITH)** - Shall mean the status of a Listed Property that is temporarily taken off the market. Each (WITH) Listing remains subject to the terms and conditions of its original Listing Agreement and, as such, expires at midnight on the expiration date of the Listing Agreement.

**TEMP** - Temporarily unavailable to be shown but expected to be active in the near future.

**Active Rental (ARENT)** – An Active Rental listing is one that is on the market and available for rent or lease.

**Closed Rental (CRENT)** - A rental property where the property has been rented.

## **Attachment C - Photograph Submission Policy**

Each Listing submitted for publication in the Service must include a photo unless it is one of the following Property Types; (a) Land, (b) Business For Sale, (c) Residential Rental or (d) either “Proposed New Construction” or “Under Construction”.

**Note:** Photos of properties listed as “Proposed New Construction” or “Under Construction” are required to have photos once construction has been completed.

Photos must be input into the system or received at the Service within ninety-six (96) hours of the Start Date the Listing Agreement. There are three ways to meet this Requirement (1) The Listing Broker may enter a digital photo directly from their computer to the System; (2) A digital photo file(s) in “.jpg” file format may be emailed as an attachment(s) to a Service Center; or (3) Photos may be hand delivered or mailed directly to a Service Center.

# Attachment D - Application for Participant Membership

## Connecticut Multiple Listing Service, Inc.

127 Washington Avenue, 2nd Floor, West Building, North Haven, CT 06473  
Phone: 203-234-7001 Fax: 203-234-7151

## Participation Application and Agreement

This Participation Application and Agreement (the "Agreement") is made and entered into by and between \_\_\_\_\_, an individual principal real estate broker, or a real estate brokerage firm, as MLS may require (the "Participant"), and the Connecticut Multiple Listing Service, Inc., a Connecticut corporation (the "MLS").

### To: Connecticut Multiple Listing Service, Inc.

(Check the appropriate box next to home or business address to designate a primary address for mailing purposes)

Name: \_\_\_\_\_

Name of firm: \_\_\_\_\_

Check the Office Address box or the Home Address box for your preferred mailing address.

Office Address: \_\_\_\_\_

Office Phone: \_\_\_\_\_

Office Fax: \_\_\_\_\_

Home Address: \_\_\_\_\_

Cellular Phone: \_\_\_\_\_

Pager and PIN#: \_\_\_\_\_

800#: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Website URL: \_\_\_\_\_

REALTOR® Board Primary Membership (list name of board): \_\_\_\_\_

NRDS #:

License number: License type: Broker \_\_\_ Appraiser \_\_\_ Other \_\_\_\_\_  
State of Licensure

Type of business:  
\_\_\_ Sole Proprietor \_\_\_ DBA \_\_\_ Partnership \_\_\_ Limited Liability Corporation \_\_\_ Corporation

Position with firm: \_\_\_ Principal \_\_\_ Partner \_\_\_ Corporate Officer \_\_\_ Branch Office Manager  
\_\_\_ Other please explain: \_\_\_\_\_

State the names and titles of all other principals, partners, or corporate officers of your firm.

\_\_\_\_\_  
(Name) (Title)

\_\_\_\_\_  
(Name) (Title)

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(Name)

(Title)

1. I certify that I am a member in good standing of a local Board/Association of REALTORS® and that I am actively engaged in the real estate profession for compensation in one or more of the following activities: buying, selling, exchanging, renting or leasing, appraising for others for compensation, counseling or building, developing or subdividing.

2. I agree as a condition of participation in the MLS to abide by all relevant bylaws, rules and regulations and other obligations of participation, as amended from time to time, including payment of fees and fines. Under the current rules, the maximum fine that can be imposed is in the amount of \$5,000. I understand that CTMLS follows the multiple listing policies established by the National Association of REALTORS® which are available at [www.realtor.org](http://www.realtor.org). I understand that I will be provided with notice of amendments to the bylaws and rules & regulations as they are amended, and I agree that my continued use of MLS services after the bylaws and rules & regulations are amended constitutes my agreement to be subject to the bylaws or rules & Regulations as amended.

3. I further agree to be bound by the Code of Ethics on the terms and conditions established in the *Code of Ethics and Arbitration Manual*, including the obligation to submit to ethics hearings and the duty to arbitrate contractual disputes with other REALTORS® in accordance with the established procedures of the local board/association where the complaint or contractual dispute is filed. I understand that a violation of the Code of Ethics or failure to remain a member in good standing of my local association may result in suspension or termination of MLS rights and privileges.

4. Definitions. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 27 of this Agreement.

5. Grant of Participation Rights in Multiple Listing Service. Subject to the terms and conditions of this Agreement and the Rules and Regulations, MLS agrees to make the MLS Database available for access by Participant, and Participant shall have all rights and obligations of a participant in MLS's multiple listing service as set forth under the Rules and Regulations. Access to the MLS Database shall be through a means determined by MLS. Participant agrees to take all reasonable steps to protect the MLS Database from unauthorized access, copying, or use.

6. License to Participant's Listings. Upon the receipt of a written request from Participant, in a form acceptable to MLS, and so long as Participant, the applicable Sales Licensee, and/or an applicable Vendor are not in default under this Agreement, the Rules and Regulations or any agreement with MLS, MLS will grant to Participant, the applicable Sales Licensee of Participant, or the applicable Vendor a license to the Internet Listing Display Listings. The license will only be granted pursuant to a License Agreement. MLS has no obligation to grant a license to Participant, any Sales Licensee, or any Vendor which does not enter into a License Agreement. In addition to any applicable license fee payable by Participant, the Sales Licensee, and/or the Vendor, Participant shall pay to MLS all costs and expenses incurred by MLS in connection with any licenses and any services provided by MLS in connection with such licenses.

7. Intellectual Property Ownership; Enforcement.

a. Participant acknowledges and agrees that the MLS Database, and all copies, modifications, enhancements, and derivative works of the MLS Database, are the property of MLS, and all right, title, and interest in and to the MLS Database, together with all copies, modifications, enhancements, and derivative works, including all copyright and other intellectual property rights are and shall remain with MLS. Participant hereby irrevocably assigns to MLS any and all rights which it may have or acquire in and to the MLS Database.

b. Participant hereby grants to MLS a non-exclusive, irrevocable, worldwide, royalty free license to use, sublicense through multiple tiers, publish, display, and reproduce the Listing Content, to prepare derivative works of the Listing Content, and to distribute the Listing Content or any derivative works thereof. Such license shall be deemed granted of the moment of creation without the necessity of any further action on the part of either party. Participant represents and warrants to MLS with respect to the Listing Content for each of Participant's Listings that the Listing Content, and the license of rights in and to the Listing Content to MLS, do not infringe or violate any copyrights, trade secrets, or other intellectual or proprietary rights of any third party.

c. Participant agrees not to challenge MLS's rights in and to the MLS Database or to take any action inconsistent with the license granted to the Listing Content under this Agreement. Participant agrees to take all action and execute and deliver to MLS all documents requested by MLS in connection with the license granted to MLS in and to the Listing Content. Participant further agrees to take all action and execute and deliver to MLS all documents requested by MLS in connection with the copyright application and registration of the MLS Database.

d. Participant shall indemnify MLS against all damages, costs, and liabilities, including reasonable attorney fees, arising from any claim that the Listing Content or any portion of the Listing Content infringes the rights of any third party. PARTICIPANT ACKNOWLEDGES THAT THE FOREGOING SENTENCE MEANS THAT PARTICIPANT MUST OBTAIN ASSIGNMENTS OR LICENSES FROM THE AUTHORS OF ANY PORTIONS OF THE LISTING CONTENT, INCLUDING SALES LICENSEES AND SELLERS, AS NECESSARY FOR PARTICIPANT TO LICENSE THE LISTING CONTENT TO MLS AND TO OTHERWISE MAKE FULL USE OF THE LISTING CONTENT UNDER THIS AGREEMENT. IF PARTICIPANT FAILS TO DO SO, PARTICIPANT WILL ASSUME AND REIMBURSE MLS FOR THE COST OF DEFENDING MLS AGAINST INFRINGEMENT CLAIMS AND PAYING DAMAGES ON ANY SUCH CLAIMS.

e. Without limiting the generality of this Section, but subject to the rights of participants in the MLS' multiple listing service to opt out of inclusion with respect to Listings submitted by such participant as set forth in the Rules and Regulations, Participant acknowledges and agrees that MLS may use and license, or otherwise grant rights in or to the MLS Database or any or all of the Listings included in the MLS Database, including any and all Listing Content, to any third party for any lawful purpose reasonably deemed appropriate by MLS, unless otherwise limited by a separate agreement between MLS and the applicable Broker or by the Rules and Regulations.

f. Participant hereby grants to MLS all rights necessary for MLS to protect and enforce all intellectual property rights associated with the Listing Content, including all copyrights. In accordance with the grant of such rights, Participant hereby irrevocably authorizes, empowers and vests in MLS the right, and appoints MLS as Participant's attorney in fact, to do the following:

- i. Add watermarks or other means of identification to any and all Listings, regardless of whether such means of identification is visible, and take any and all other action deemed appropriate by MLS to identify the source of any misuse, infringement, or misappropriation of any Listing Content.
- ii. Send demand letters, exercise rights under any applicable license agreements, and take any and all other action deemed appropriate by MLS to prevent the misuse, infringement, or misappropriation of any Listing Content.
- iii. Enforce and compromise any and all intellectual property rights in the Listing Content, including all copyrights, whether such rights are held in the name of Participant or others, and take all action deemed necessary and appropriate by MLS in connection with the enforcement of all such rights, including, without limitation, the filing and prosecution of litigation or binding arbitration with respect to any potential claim of infringement, misappropriation, or other similar claim, the naming of any parties deemed appropriate by MLS, and the collection of any damages.
- iii. Execute all documents, whether in the name of Participant and/or MLS, deemed appropriate by MLS to affect any of the foregoing.

Notwithstanding the foregoing, nothing in this Section requires MLS to take any proceeding or other action against any person, firm, partnership or other entity that Participant claims may be infringing any Listing Content.

8. Fees. In consideration for participation in MLS's multiple listing service and for the services provided and licenses granted under this Agreement, Participant agrees to pay to MLS the fees (the "Fees") in the amount, and in accordance with the terms, established by MLS for participation by participants in MLS's multiple listing service, which amount and terms may be changed by MLS at any time effective upon thirty (30) days prior written notice to Participant.

9. Agreement With Sales Licensees. Participant agrees to cause all of Participant's Sales Licensees who will receive access to the MLS through Participant to enter into a subscriber agreement, in a form and substance acceptable to MLS (a "Subscriber Agreement"), in its sole discretion.

10. Responsibility for Affiliates. Participant shall be responsible and liable to MLS for the acts and omissions of its Affiliates, and shall be responsible for each Affiliate's compliance with the Rules and Regulations. Any failure to comply with the Rules and Regulations by an Affiliate shall be deemed a failure to comply by Participant, and Participant shall be responsible and liable to MLS for any damages incurred by MLS arising from or as a result of an Affiliate's noncompliance with the Rules and Regulations.

11. No Assignment by Participant. Participant agrees that this Agreement is personal to Participant, and Participant may not assign or transfer this Agreement, including any license granted under this Agreement, or transfer any rights or delegate any duties under this Agreement, to any third party. Any attempt to assign, transfer, or delegate any of Participant's rights, duties, or obligations under this Agreement shall be null and void.

12. Interruptions in Service. Participant acknowledges that access to the MLS Database may from time-to-time be unavailable to Participant, whether because of technical failures or interruptions, intentional downtime for service or changes to MLS's website, or otherwise. Participant agrees that any modification of MLS's website, and any interruption or unavailability of access to the MLS Database shall not constitute a default of any obligations of MLS under this Agreement, and MLS shall have no liability of any nature to Participant for any such modifications, interruptions, unavailability, or failure of access.

13. Copies and Derivative Works. Except as otherwise expressly provided in this Agreement or the Rules and Regulations, Participant may not do any of the following, either directly or indirectly, including assist any other person to do, or otherwise contribute in any way to any of the following:

- a. Make any copies of the MLS Database, or any portion of the MLS Database, including any specific Listing Content included in the MLS Database;
- b. Create any derivative works, enhancements, or other modifications of the MLS Database, or any portion of the MLS Database, including any Listing Content included in the MLS Database;
- c. Download, distribute, export, or transmit the MLS Database, or any portion of the MLS Database, including any Listing Content included in the MLS Database, to any computer or other electronic device, or otherwise transmit electronically, or otherwise, the MLS Database, or any portion of the MLS Database, including any Listing Content included in the MLS Database; or
- e. Publicly display the MLS Database, or any portion of the MLS Database, including any Listing Content included in the MLS Database.

14. Representations and Warranties Regarding Listings. Participant represents and warrants with respect to each Participant's Listing or change to a Participant's Listing submitted to MLS under this Agreement and the Rules and Regulations, the following:

- a. The respective Seller has assigned in writing all of Seller's rights, title and interest, including all copyright rights and other intellectual property rights, in and to the Listing Content to Participant.
- b. The Participant's Listing complies in all respects with the Rules and Regulations.
- c. To the best of Participant's and any applicable Sales Licensee's knowledge and after reasonable due diligence to verify the accuracy of all information in the Participant's Listing, all information included in the Participant's Listing is accurate and not misleading.
- d. The Listing Content for each Participant's Listing is an original work of authorship of Participant, or Participant is the assignee of such Listing Content pursuant to an enforceable assignment. Except for Participant and any person or entity, which has assigned his, her or its rights in accordance with Section 7 of this Agreement, no other person or entity has any rights of any nature in or to any of the Listing Content for any Participant's Listing.
- e. There is no claim, litigation or proceeding pending or threatened with respect to the Listing Content for any Participant's Listing.
- f. The Listing Content, and the assignment of rights in and to Listing Content to MLS, do not infringe or violate any patents, copyrights, mask work rights, trademarks, trade secrets or other proprietary rights of any third party.

15. Submission of Listings. As a material condition to accessing the MLS Database, Participant agrees to submit to MLS, all Listings, or any of Participant's Sales Licensees, in accordance with, and except as otherwise provided in, the Rules and Regulations. MLS may refuse to accept or include in, and may remove from, the MLS Database any Listing or Listing Content, or may require Participant to direct MLS to modify any Listing Content, as provided under the Rules and Regulations or if MLS determines, in its sole discretion, that such Listing or Listing Content may violate or infringe upon the rights of a third party. Notwithstanding the foregoing sentence, except as provided in the Rules and Regulations, Participant acknowledges that MLS has no obligation to remove, modify or refuse to accept any Listing or Listing Content. MLS grants to Participant a limited, non-exclusive, personal license to input Listing Content in the MLS Database and to modify such Listing Content strictly in accordance with the terms and conditions of this Agreement and the Rules and Regulations. Participant acknowledges and agrees that any Listing or Listing Content, or any prospective Listing or Listing Content, submitted by Participant or its Affiliates may be accessible by other participants in or users of MLS's multiple listing service, and MLS shall have no liability to Participant for providing such other participants or users access to any Listing or Listing Content, or any prospective Listing or Listing Content.

16. Confidential Information. Any information provided by MLS to any Participant, including without limitation, any password to the MLS Database, any printouts of the MLS Database as provided under this Agreement, and all Listing Content, including personal information of a Seller (collectively "Confidential Information") shall be maintained by Participant as confidential and available exclusively for use by Participant as provided in this Agreement. Participant shall not disclose any Confidential Information to anyone, except as ordered by a court of competent jurisdiction or as otherwise required by law. Participant shall not disclose any Confidential Information pursuant to a court order or as required by law until Participant has given MLS ten (10) days prior written notice and an opportunity to oppose such disclosure. Notwithstanding the foregoing, Participant may disclose Listing Content for individual Listings strictly in accordance with this Agreement and the Rules and Regulations.

17. Additional Representations and Warranties of Participant. If Participant is a Broker, Participant represents and warrants the following to MLS: (a) Participant is a Realtor® in good standing; (b) Participant holds a current, valid real estate broker's license; (c) Participant is a member of a Board in good standing; and (d) Participant is capable of offering and accepting cooperation and compensation to and from other participants in MLS's multiple listing service in accordance with the Rules and Regulations. If Participant is a Brokerage Firm, Participant represents and warrants to MLS that Brokerage Firm is managed by and under the control of a Broker, and such Broker (a) is a Realtor® in good standing; (b) holds a current, valid real estate broker's license; (c) is a member of a Board in good standing; and (d) is capable of offering and accepting cooperation and compensation to and from other participants in MLS's multiple listing service in accordance with the Rules and Regulations. Participant further represents and warrants to MLS that this Agreement, when executed by Participant, will be valid, binding and enforceable with respect to Participant in accordance with its terms; (a) the provisions of the services provided under this Agreement and the fulfillment of Participant's obligations as contemplated under this Agreement are proper and lawful; (b) Participant is not and shall not be under any disability, restriction or prohibition related to the execution of this Agreement and the performance of its obligations under this Agreement; and (c) all of Participant's Sales Licensees have entered into Subscriber Agreements.

18. Compliance with Governing Rules and Agreements.

a. By entering into this Agreement, Participant represents and warrants to MLS that Participant, or its Broker if Participant is a Brokerage Firm, has read and understands, and Participant shall be bound by and at all times fully comply with and perform all of Participant's obligations under this Agreement, the Rules and Regulations, the applicable Board Rules and Regulations, and the Code of Ethics and Standards of Practice of the NATIONAL ASSOCIATION OF REALTORS®. A copy of the then-current version of the Rules and Regulations is available upon request. In addition to all other rights and remedies available to MLS under this Agreement and the Rules and Regulations, Participant acknowledges that MLS may levy fines against Participant for noncompliance with the Rules and Regulations as provided in the Rules and Regulations.

b. To the extent there is any conflict between this Agreement, the Rules and Regulations, and any applicable Subscriber Agreement, the Rules and Regulations shall govern. As between this Agreement and any Subscriber Agreement, this Agreement shall govern.

19. No Warranty. THE SERVICES PROVIDED AND LICENSE GRANTED TO PARTICIPANT UNDER THIS AGREEMENT ARE PROVIDED ON AN “AS IS” BASIS, WITHOUT ANY WARRANTY OF ANY NATURE. MLS EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SPECIFICALLY, BUT WITHOUT LIMITATION, MLS DISCLAIMS ANY WARRANTY WITH RESPECT TO ANY LISTINGS, ANY LISTING CONTENT, AND THEIR ACCURACY.

20. Limitation of Liability. MLS’S ENTIRE AND CUMULATIVE LIABILITY TO PARTICIPANT, OR ANY OTHER PARTY, FOR ANY LOSS OR DAMAGES RESULTING FROM ANY CLAIMS, DEMANDS, OR ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE MLS DATABASE OR LISTING CONTENT SHALL NOT EXCEED AN AMOUNT EQUAL TO THE FEES PAID BY PARTICIPANT TO MLS DURING THE TWELVE (12) MONTHS PRIOR TO THE DATE ON WHICH THE CLAIM ARISES. WITHOUT WAIVER OF THE FOREGOING LIMITATION, IN NO EVENT SHALL MLS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES OR LOST PROFITS, EVEN IF MLS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. MLS SHALL HAVE NO LIABILITY OF ANY NATURE TO SALES LICENSEES.

21. Injunction. MLS and Participant agree that a breach or violation of Sections 13, 16, and 22.f of this Agreement will result in immediate and irreparable injury and harm to MLS. In such event, MLS shall have, in addition to any and all remedies of law and other consequences under this Agreement, the right to an injunction, specific performance or other equitable relief to prevent the violation of the obligation under this Agreement; provided, however, that, this shall in no way limit any other remedies which MLS may have, including, without limitation, the right to seek monetary damages.

22. Term and Termination.

a. Either party may terminate this Agreement at any time for any reason upon thirty (30) days prior written notice to the other party.

b. MLS may terminate this Agreement, upon the occurrence of any of the following events: (1) Participant fails to pay any Fees when due; (2) Participant discloses any Confidential Information, including, without limitation, any password of Participant or a Sales Licensee, except as expressly provided in this Agreement; (3) Participant otherwise fails to comply in all respects with the Rules and Regulations, the applicable Board Rules and Regulations, or the Code of Ethics and Standards of Practice of the NATIONAL ASSOCIATION OF REALTORS®; (4) Participant defaults under any material term or condition of any License Agreement; or (5) Participant defaults under any other material term or condition of this Agreement. Except as otherwise provided in this Agreement, termination pursuant to this Section 22 b. of this Agreement shall be effective at any time after MLS has given ten (10) business days notice to Participant of any such event, and such event has not been cured within such ten (10) day period.

Notwithstanding the foregoing sentence, if, in the reasonable discretion of MLS, the occurrence of any such event could result in irreparable harm to MLS, termination shall be effective immediately, without prior written notice to Participant, provided that notice shall be delivered to Participant within ten (10) business days following such termination.

c. This Agreement may also terminate as provided under Section 26.d of this Agreement.

d. In addition to all other rights and remedies available to MLS under this Agreement, if Participant fails to pay any Fees when due, or otherwise defaults under this Agreement, MLS may, in its sole discretion, temporarily suspend the license granted to Participant to access the MLS Database until all outstanding Fees have been paid in full or the default has been cured.

e. Notwithstanding anything to the contrary in this Agreement, if Participant violates or is alleged to have violated the Rules and Regulations, Participant shall not be terminated in accordance with Section 22 b. of this Agreement until any hearing or appeal rights of Participant have expired as provided for in the Rules and Regulations.

f. Upon termination of this Agreement, Participant agrees to immediately destroy any printouts of the MLS Database or Listing Content, and any copies of the MLS Database and Listing Content in Participant’s possession or under Participant’s control, including in possession of any Affiliates. No pre-paid Fees will be refunded to Participant for any termination of this Agreement.

g. Upon termination of this Agreement, all licenses granted and all services provided to Participant under this Agreement shall terminate. In addition, any and all rights granted to Affiliates to access or use the MLS Database pursuant to the Rules and Regulations or separate agreement with MLS shall automatically terminate, unless otherwise expressly provided with respect to Sales Licensees under an applicable Subscriber Agreement.

h. If, for any reason, any Subscriber Agreement is terminated, Participant agrees to either assign all Participant's Listings originated by the terminated Sales Licensee to another of Participant's Sales Licensees, or request that MLS terminate or change the status of Participant's Listings originated by the terminated Sales Licensee.

23. Indemnification. Participant agrees to indemnify and hold harmless MLS, and its officers, directors, employees, shareholders and agents, from and against any and all claims, demands, liabilities, and actions, including the payment of all legal expenses, including reasonable attorney's fees and costs, arising out of or connected with any Listing Agreement, this Agreement, submission to MLS of any Listing or Listing Content and the inclusion of any Listing or Listing Content by Participant in the MLS Database, including, without limitation, any claim that the access to, display of, and/or use of any Listing Content infringes on or constitutes a misappropriation of any patent, copyright, or trade secret, or any other intellectual property right of any person or entity anywhere in the world, including any claims by Sellers. MLS shall have the right to control its own defense and engage legal counsel acceptable to MLS.

24. Proprietary and Other Notices. Participant agrees that it will not alter or remove any trademarks or copyright notices or other notices and disclaimers located or used on, or in connection with, the MLS Database or any printouts of the MLS Database allowed under this Agreement.

25. Internet Data Exchange Advertising Consent. Unless Participant has made an express, written non-participation election for MLS's Internet Data Exchange program as described in the Rules and Regulations, Participant expressly consents to other participants in MLS's Internet Data Exchange program advertising all of Participant's Listings in accordance with the Internet Data Exchange policy set forth in the Rules and Regulations.

## 26. General.

- a. Notices. All notices, demands, or consents required or permitted under this Agreement shall be in writing and shall be delivered personally or sent by registered mail, certified mail, return receipt requested, by a reputable overnight courier service, or by e-mail, if the sender receives and maintains a copy of a certified mail receipt and a copy is mailed within one (1) business day after notice is delivered by e-mail, to the appropriate party at the following addresses:

If to Participant:

At the Participant's office address or e-mail address shown on page 1.

If to MLS:

Connecticut Multiple Listing Service, Inc.  
127 Washington Avenue, 2nd Floor, West Building  
North Haven, CT 06473

The foregoing addresses may be changed from time-to-time by delivering notice of such change, referencing this Agreement, to the parties to this Agreement.

- b. Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the state of Connecticut. Participant acknowledges that by providing Listings to MLS and using the services provided under this Agreement, Participant has transacted business in the state of Connecticut. By transacting business in the state of Connecticut by agreement, Participant voluntarily submits and consents to, and waives any defense to the jurisdiction of courts located in the state of Connecticut, as to all matters relating to or arising from this Agreement.
- c. Costs of Litigation. If any action is brought by either party to this Agreement against the other party regarding the subject matter of this Agreement, the prevailing party shall be entitled to recover, in addition to any other relief granted, reasonable attorney's fees, costs, and expenses of litigation.
- d. Severability. Any provision of this Agreement which is determined by a court of competent jurisdiction to be invalid or otherwise unenforceable shall not invalidate or make unenforceable any other provision of this Agreement; except that if any provision of Sections 12, 19, or 20 of this Agreement, or any other limitation of liability or exclusion of warranty set forth in this Agreement, is determined to be invalid or unenforceable, then this Agreement shall immediately terminate without notice.

- e. No Waiver. The waiver by either party of, or the failure of either party to take action with respect to, any breach of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of such term, covenant or condition, or subsequent breach of the same, or any other term, covenant or condition contained in this Agreement. The subsequent acceptance of any payment due under this Agreement by any party shall not be deemed to be a waiver of any preceding breach of the party making payment with respect to any term, covenant or condition contained in this Agreement.
- f. Entire Agreement; Modifications Only in Writing. This Agreement, together with the Rules and Regulations and any applicable License Agreement, (i) constitutes the entire agreement between MLS and Participant concerning the MLS Database, Listing Content, and all other subject matter of this Agreement, (ii) supersedes any contemporaneous or prior proposal, representation, agreement, or understanding between the parties, and (iii) may not be amended except in writing signed by MLS and Participant.
- g. No Third Party Beneficiaries. This Agreement is for the sole and exclusive benefit of MLS and Participant and is not intended to benefit any third party, including any Seller or Sales Licensee. No third party may claim any right or benefit under or seek to enforce any of the terms and conditions of this Agreement.
- h. Survival. The provisions of Sections 6, 8, 10, 13, 16, 19, 20, 21, 22, 23, and 26 of this Agreement shall survive any termination of this Agreement, including termination pursuant to Section 24.d of this Agreement.

27. Definitions. The following terms shall have the following meanings in this Agreement:

- a. Affiliates mean sales licensees, non-principal brokers, appraisers, and any other agents or employees of Participant who may have access to the MLS Database subject to the Rules and Regulations and any applicable agreements with MLS. A current list of all Affiliates is attached as Schedule A to this Agreement, and is incorporated into this Agreement by this reference. Upon the addition or removal of any Affiliate, Participant shall update the attached Schedule A and provide the updated schedule to MLS within thirty (30) days following any such change.
- b. Broker means a principal real estate broker or broker in charge.
- c. Brokerage Firm means a real estate brokerage firm affiliated with a principal real estate broker or broker in charge.
- d. Board means a Board of REALTORS® or association of REALTORS® established and operated in accordance with the applicable rules and regulations of the NATIONAL ASSOCIATION OF REALTORS®.
- e. Board Rules and Regulations means the rules and regulations, as amended, of the Board of which a Participant is a member.
- f. Exempted Listing means a Listing which the respective Seller has refused permission to be disseminated by MLS, or a Listing which is not required to be submitted to the MLS, in accordance with the Rules and Regulations.
- g. Internet Listing Display Listings means all of the Listings identified or defined as Internet Listing Display listings in the Rules and Regulations.
- h. License Agreement means a license agreement entered into between MLS and Participant, MLS and a Sales Licensee of Participant, or MLS and a third party at the request of Subscriber.
- i. Listing means a real estate listing of a participant in MLS's multiple listing service.
- j. Listing Agreement means an enforceable, written, and fully executed agreement between Participant and a Seller whereby, among other things, Participant agrees to provide real estate sales services to Seller, and Seller agrees to pay compensation for services provided.
- k. Listing Content means all data and content, including without limitation, all photographs, images, graphics, video recordings, virtual tours, drawings, written descriptions, remarks, narratives, and pricing information submitted by Participant to MLS with respect to a Listing, excepting Exempted Listings.
- l. MLS Database means the compilation of Listings, including information for sold properties, known as the MLS Database, as modified from time-to-time by MLS, and which, as of the date of this Agreement, is available to Subscribers on the MLS web site.
- m. Participant Listings means only the Listings of Participant.
- n. Rules and Regulations means the MLS Rules and Regulations established by MLS, as amended by MLS from time to time.
- o. Sales Licensee means a real estate sales licensee, agent, or non-principal broker who is engaged by Participant as a sales licensee of Participant, either as an employee or independent contractor of Participant.
- p. Seller means the seller(s) or lessor(s) of a property which is the subject of a Listing at issue under this Agreement.
- q. Subscriber Agreement has the meaning set forth in Section 9 of this Agreement.

**r. Vendor** means any person or entity which has entered into a License Agreement for display of real estate listings for Participant or a Sales Licensee of Participant.

I hereby apply for Participant membership in the Connecticut Multiple Listing Service, Inc., and enclose my check in the amount of \$200.00, which I understand will be returned to me in the event I am not accepted to membership.

Dated effective \_\_\_\_\_, \_\_\_\_\_

PARTICIPANT

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Accepted by the Connecticut Multiple Listings Service, Inc.

By \_\_\_\_\_ Date: \_\_\_\_\_  
Title

# SCHEDULE A

## Affiliates

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(Signature of Participant)

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(Date)

# Attachment E - Subscription Application and Agreement

## CONNECTICUT MULTIPLE LISTING SERVICE, INC.

127 Washington Avenue, 2nd Floor, West Building  
North Haven, CT 06473  
Phone: 203-234-7001 Fax: 203-234-7151

### Subscription Application and Agreement

This Subscription Application and Agreement (the "Agreement") is made and entered into by and between the Connecticut Multiple Listing Service, Inc. (the "MLS"), and an individual real estate agent, sales licensee, or non-principal broker affiliated with a Participant in the MLS (the "Sales Licensee").

**To: Connecticut Multiple Listing Service, Inc.**

Name: \_\_\_\_\_

Name of firm: \_\_\_\_\_

Check the Office Address box or the Home Address box for your preferred mailing address.

Office Address: \_\_\_\_\_

Office Phone: \_\_\_\_\_

Office Fax: \_\_\_\_\_

Home Address: \_\_\_\_\_

Cellular Phone: \_\_\_\_\_

Pager and PIN#: \_\_\_\_\_

800#: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Website URL: \_\_\_\_\_

REALTOR® Board Primary Membership (list name of board): \_\_\_\_\_

NRDS #: \_\_\_\_\_

License number: \_\_\_\_\_ License type: \_\_\_\_\_ Broker \_\_\_\_\_ Salesperson

Other \_\_\_\_\_

State of Licensure \_\_\_\_\_

Participant's Name: \_\_\_\_\_

1. I certify that I am affiliated with the Participant listed above and that I am actively engaged in the real estate profession for compensation in one or more of the following activities: buying, selling, exchanging, renting or leasing, appraising for others for compensation, counseling or building, developing or subdividing.
2. I agree as a condition of participation in the MLS to abide by all relevant bylaws, rules and regulations and other obligations of participation, as amended from time to time, including payment of fees and fines. Under the current rules, the maximum fine that can be imposed is in the amount of \$5,000. I understand that CTMLS follows the multiple listing policies established by the National Association of REALTORS® which are available at [www.realtor.org](http://www.realtor.org). I understand that the Participant will be provided with notice of amendments to the Bylaws and Rules & Regulations as they are amended, and I agree that my continued use of MLS services after the Bylaws and Rules & Regulations are amended constitutes my agreement to be subject to the Bylaws or Rules & Regulations as amended.
3. I further agree to be bound by the Code of Ethics on the terms and conditions established in the *Code of Ethics and Arbitration Manual*, including the obligation to submit to ethics hearings and the duty to arbitrate contractual disputes with other REALTORS® in accordance with the established procedures of the local board/association where the complaint or contractual dispute is filed. I understand that a violation of the Code of Ethics or failure to remain a member in good standing of my local association may result in suspension or termination of MLS rights and privileges.
4. Definitions. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 25 of this Agreement.
5. Grant of Subscriber Rights in Multiple Listing Service. Subject to the terms and conditions of this Agreement and the Rules and Regulations, MLS agrees to make the MLS Database available for access by Sales Licensee, and Sales Licensee shall have all rights and obligations of a subscriber in MLS's multiple listing service as set forth under the Rules and Regulations. Access to the MLS Database shall be through a means determined by MLS.
6. License Grant. MLS hereby grants to Sales Licensee a limited, non-exclusive, and personal license to use Listing Content only for purposes and as expressly allowed under Sales Licensee's certification or licensure, the Rules and Regulations, and any applicable License Agreement. Sales Licensee agrees to take all reasonable steps to protect the MLS Database and Listing Content from unauthorized access, copying, or use.
7. Intellectual Property Ownership. Sales Licensee acknowledges and agrees that the MLS Database, and all copies, modifications, enhancements, and derivative works of the MLS Database, are the property of MLS, and all right, title, and interest in and to the MLS Database, together with all copies, modifications, enhancements, and derivative works, including all copyright and other intellectual property rights are and shall remain with MLS. Sales Licensee hereby irrevocably assigns to MLS any and all rights which it may have or acquire in and to the MLS Database.
  - a. Sales Licensee acknowledges and agrees that the Listing Content, and all copies, modifications, enhancements, and derivative works of the Listing Content, are proprietary, confidential, original works of authorship of MLS, or have been assigned or licensed to MLS, and are protected under United States copyright, trademark, and trade secret laws of general applicability.
  - b. Sales Licensee acknowledges and agrees that all right, title, and interest in and to the Listing Content, together with all copies, modifications, enhancements, and derivative works, including all copyright and other intellectual property rights are and shall remain with MLS or its licensors. Sales Licensee hereby irrevocably assigns to MLS any and all rights not assigned to Broker which it may have or acquire in and to the Listing Content. Nothing in this Agreement or the Rules and Regulations shall be deemed to convey to Sales Licensee an interest in or to the MLS Database or Listing Content, but only a limited right of access and use, revocable in accordance with the terms of this Agreement.
  - c. Sales Licensee agrees not to challenge MLS's rights in and to the Listing Content or the MLS Database or to take any action inconsistent with the provisions of this Section 7 of this Agreement. Sales Licensee agrees to take all action and execute and deliver to MLS all documents requested by MLS in connection with the copyright application and registration of the Listing Content and the MLS Database.
  - d. Without limiting the generality of this Section 7.d, Sales Licensee acknowledges and agrees that MLS may license, or otherwise grant rights in or to the MLS Database or any or all of the Listings included in the MLS Database, including any and all Listing Content, to any third party for any lawful purpose

reasonably deemed appropriate by MLS, unless otherwise limited by a separate agreement between MLS and the applicable broker/brokerage firm or by the Rules and Regulations.

8. License to Broker's Listings. Upon the receipt of a written request from Broker, in a form acceptable to MLS, and so long as Broker, Sales Licensee, and/or an applicable Vendor are not in default under this Agreement, the Rules and Regulations or any agreement with MLS, MLS will grant to Sales Licensee or the applicable Vendor a license to the Internet Listing Display Listings. The license will only be granted pursuant to a License Agreement. MLS has no obligation to grant a license to Sales Licensee or any Vendor which does not enter into a License Agreement. In addition to any applicable license fee payable by Sales Licensee and/or the Vendor, Sales Licensee shall pay to MLS all costs and expenses incurred by MLS in connection with any licenses and any services provided by MLS in connection with such licenses.

9. Fees. In consideration for subscriber rights in MLS's multiple listing service and for the services provided and licenses granted under this Agreement, Sales Licensee agrees to pay to MLS the fees ("Fees") in the amount, and in accordance with the terms, established by MLS for subscribers to MLS's multiple listing service, which amount and terms may be changed by MLS at any time effective upon thirty (30) days prior written notice to Subscriber.

10. No Assignment by Sales Licensee. Sales Licensee agrees that this Agreement is personal to Sales Licensee, and Sales Licensee may not assign or transfer this Agreement, including any license granted under this Agreement, or transfer any rights or delegate any duties under this Agreement, to any third party. Any attempt to assign, transfer, or delegate any of Sales Licensee's rights, duties, or obligations under this Agreement shall be void.

11. Interruptions in Service. Sales Licensee acknowledges that access to the MLS Database may from time-to-time be unavailable to Sales Licensee, whether because of technical failures or interruptions, intentional downtime for service or changes to MLS's website, or otherwise. Sales Licensee agrees that any modification of MLS's website, and any interruption or unavailability of access to the MLS Database shall not constitute a default of any obligations of MLS under this Agreement, and MLS shall have no liability of any nature to Sales Licensee for any such modifications, interruptions, unavailability, or failure of access.

12. Copies and Derivative Works. Except as otherwise expressly provided in this Agreement or the Rules and Regulations, Sales Licensee may not do any of the following, either directly or indirectly, including assist any other person to do, or otherwise contribute in any way to any of the following:

- a. Make any copies of the MLS Database, or any portion of the MLS Database, including any specific Listing Content included in the MLS Database;
- b. Create any derivative works, enhancements, or other modifications of the MLS Database, or any portion of the MLS Database, including any Listing Content included in the MLS Database;
- c. Download, distribute, export, or transmit the MLS Database, or any portion of the MLS Database, including any Listing Content included in the MLS Database, to any computer or other electronic device, or otherwise transmit electronically, or otherwise, the MLS Database, or any portion of the MLS Database, including any Listing Content included in the MLS Database; or
- d. Publicly display the MLS Database, or any portion of the MLS Database, including any Listing Content included in the MLS Database.

13. Representations and Warranties Regarding Listings. Sales Licensee represents and warrants with respect to each Broker's Listing or change to a Broker's Listing submitted by Sales Licensee to Broker, the following:

- a. Sales Licensee and the respective Seller have assigned in writing all of Seller's and Sales Licensee's rights, title and interest, including all copyright rights and other intellectual property rights, in and to the Listing Content to Broker.
- b. The Broker's Listing complies in all respects with the Rules and Regulations.
- c. To the best of Sales Licensee's knowledge and after reasonable due diligence to verify the accuracy of all information in the Broker's Listing, all information included in the Broker's Listing is accurate and not misleading.
- d. The Listing Content for each Broker's Listing is an original work of authorship of the Broker, or has been assigned to Broker pursuant to an enforceable assignment. Except for Broker, no other person or entity, including Sales Licensee or any Seller, has any rights of any nature in or to any of the Listing Content for any Broker's Listing.

- e. There is no claim, litigation or proceeding pending or threatened with respect to the Listing Content for any Broker's Listing.

14. Submission of Listings. As a material condition to accessing the MLS Database, Sales Licensee agrees to submit to MLS on behalf of Broker, all Listings for properties listed for sale by Sales Licensee, in accordance with, and except as otherwise provided in, the Rules and Regulations. MLS may refuse to accept or include in, and may remove from, the MLS Database, any Listing, or any Listing Content, or may require Sales Licensee, on behalf of Broker, to direct MLS to modify any Listing Content, as provided under the Rules and Regulations or if MLS determines, in its sole discretion, that any such Listing Content may violate or infringe upon the rights of a third party. Notwithstanding the foregoing sentence, except as provided in the Rules and Regulations, Sales Licensee acknowledges that MLS has no obligation to remove or modify any Listing or Listing Content. MLS grants to Sales Licensee a limited, non-exclusive, personal license to input Listing Content in the MLS Database, and modify such Listing Content, only on behalf of Broker and strictly in accordance with the terms and conditions of this Agreement and the Rules and Regulations. Sales Licensee acknowledges and agrees that any Listing or Listing Content, or any prospective Listing or Listing Content, submitted to MLS may be accessible by other users of MLS's multiple listing service, and MLS shall have no liability to Sales Licensee for providing such other users access to any Listing or Listing Content, or any prospective Listing or Listing Content.

15. Confidential Information. Any information provided by MLS to any Sales Licensee, including without limitation, any password to the MLS Database, any printouts of the MLS Database as provided under this Agreement, and all Listing Content, including personal information of a Seller (collectively "Confidential Information") shall be maintained by Sales Licensee as confidential and available exclusively for use by the Sales Licensee as provided in this Agreement. Sales Licensee shall not disclose any Confidential Information to anyone, except as ordered by a court of competent jurisdiction or as otherwise required by law. Sales Licensee shall not disclose any Confidential Information pursuant to a court order or as required by law until Sales Licensee has given MLS ten (10) days prior written notice and an opportunity to oppose such disclosure. Notwithstanding the foregoing, Sales Licensee may disclose Listing Content for individual Listings strictly in accordance with this Agreement and the Rules and Regulations.

16. Additional Representations and Warranties of Sales Licensee. Sales Licensee represents and warrants the following to MLS: (a) Sales Licensee is a real estate Sales Licensee licensed and in good standing; (b) Sales Licensee is a member of a Board in good standing; (c) Broker has consented to Sales Licensee entering into this Agreement; (d) this Agreement, when executed by Sales Licensee, will be valid, binding and enforceable with respect to Sales Licensee in accordance with its terms; (e) the provisions of the services provided under this Agreement and the fulfillment of Sales Licensee's obligations as contemplated under this Agreement are proper and lawful; (f) Sales Licensee is not and shall not be under any disability, restriction or prohibition related to the execution of this Agreement and the performance of its obligations under this Agreement.

17. Compliance with Governing Rules and Agreements.

a. By entering into this Agreement, Sales Licensee represents and warrants to MLS that he or she has read and understands, and shall be bound by and at all times fully comply with and perform all of Sales Licensee's obligations under this Agreement, the Rule and Regulations, as may be amended from time to time by MLS, the applicable Board Rules and Regulations, and the Code of Ethics and Standards of Practice of the NATIONAL ASSOCIATION OF REALTORS®. In addition to all other rights and remedies available to MLS under this Agreement and the Rules and Regulations, Sales Licensee acknowledges that MLS may levy fines against Sales Licensee for noncompliance with the Rules and Regulations as provided in the Rules and Regulations. A copy of the then-current version of the Rules and Regulations is available upon request.

b. To the extent there is any conflict between this Agreement, an applicable Participation Agreement, and the Rules and Regulations, the Rules and Regulations shall govern. As between this Agreement and any applicable Participation Agreement, this Agreement shall govern.

18. No Warranty. THE SERVICES PROVIDED AND LICENSE GRANTED TO SALES LICENSEE UNDER THIS AGREEMENT ARE PROVIDED ON AN "AS IS" BASIS, WITHOUT ANY WARRANTY OF ANY NATURE. MLS EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SPECIFICALLY, BUT WITHOUT LIMITATION, MLS DISCLAIMS ANY WARRANTY WITH RESPECT TO ANY LISTINGS, ANY LISTING CONTENT, AND THEIR ACCURACY.

19. Limitation of Liability. MLS'S ENTIRE AND CUMULATIVE LIABILITY TO SALES LICENSEE, OR ANY OTHER PARTY, FOR ANY LOSS OR DAMAGES RESULTING FROM ANY CLAIMS, DEMANDS, OR ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE MLS DATABASE OR LISTING CONTENT SHALL NOT EXCEED AN AMOUNT EQUAL TO THE FEES PAID BY SALES LICENSEE TO MLS DURING THE TWELVE (12) MONTHS PRIOR TO THE DATE ON WHICH THE CLAIM ARISES. WITHOUT WAIVER OF THE FOREGOING LIMITATION, IN NO EVENT SHALL MLS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES OR LOST PROFITS, EVEN IF MLS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

20. Injunction. MLS and Sales Licensee agree that a breach or violation of Sections 12, 15, and 21 f. of this Agreement will result in immediate and irreparable injury and harm to MLS. In such event, MLS shall have, in addition to any and all remedies of law and other consequences under this Agreement, the right to an injunction, specific performance or other equitable relief to prevent the violation of the obligation under this Agreement; provided, however, that, this shall in no way limit any other remedies which MLS may have, including, without limitation, the right to seek monetary damages.

21. Term and Termination.

- a. Either party may terminate this Agreement at any time for any reason upon thirty (30) days prior written notice to the other party.
- b. MLS may terminate this Agreement upon the occurrence of any of the following events: (1) Participant requests in writing to MLS that this Agreement be terminated; (2) Sales Licensee fails to pay any Fees when due; (3) Sales Licensee discloses any Confidential Information, including, without limitation, any password of Sales Licensee, except as expressly provided in this Agreement; (4) Sales Licensee otherwise fails to comply in all respects with the Rules and Regulations, the applicable Board Rules and Regulations, or the Code of Ethics and Standards of Practice of the NATIONAL ASSOCIATION OF REALTORS®; (5) Sales Licensee defaults under any material term or condition of any License Agreement; or (6) Sales Licensee defaults under any other material term or condition of this Agreement. Except as otherwise provided in this Agreement, termination pursuant to this Section 18.c of this Agreement shall be effective at any time after MLS has given ten (10) business days notice to Sales Licensee of any such event, and such event has not been cured within such ten (10) day period. Notwithstanding the foregoing sentence, if, in the reasonable discretion of MLS, the occurrence of any such event could result in irreparable harm to MLS, termination shall be effective immediately, without prior written notice to Sales Licensee, provided that notice shall be delivered to Sales Licensee within ten (10) business days following such termination.
- c. This Agreement shall automatically terminate upon termination of the Participation Agreement; except that if Broker, and not Brokerage Firm, entered into the terminated Participation Agreement, this Agreement shall continue in effect provided that another Broker or his/her Brokerage Firm enters into a Participation Agreement within thirty (30) days after termination of the terminated Participation Agreement. If another Participation Agreement is not entered into within such thirty (30) day period, this Agreement shall automatically terminate upon expiration of such thirty (30) day period.
- d. This Agreement may also terminate as provided under Section 24.d of this Agreement.
- e. In addition to all other rights and remedies available to MLS under this Agreement, if Sales Licensee fails to pay any Fees when due, or otherwise defaults under this Agreement, MLS may, in its sole discretion, temporarily suspend the license granted to Sales Licensee to access the MLS Database until all outstanding Fees have been paid in full or the default has been cured.
- f. Upon termination of this Agreement, Sales Licensee agrees to immediately destroy any printouts of the MLS Database or Listing Content, and any copies of the MLS Database and Listing Content in Sales Licensee's possession or under Sales Licensee's control. Upon termination of this Agreement, all licenses granted and all services provided to Sales Licensee under this Agreement shall terminate. No pre-paid Fees will be refunded to Sales Licensee for any termination of this Agreement.

22. Indemnification. Sales Licensee agrees to indemnify and hold harmless MLS, and its officers, directors, employees, shareholders from and against any and all claims, demands, liabilities, and actions, including the

payment of all legal expenses, including reasonable attorney's fees and costs, arising out of or connected with any Listing Agreement, this Agreement, submission to MLS of any Listing or Listing Content and the inclusion of any Listing or Listing Content by Sales Licensee in the MLS Database, including, without limitation, any claim that the access to, display of, and/or use of any Listing Content infringes on or constitutes a misappropriation of any patent, copyright, or trade secret, or any other intellectual property right of any person or entity anywhere in the world, including any claims by Sellers. MLS shall have the right to control its own defense and engage legal counsel acceptable to MLS.

23. Proprietary and Other Notices. Sales Licensee agrees that it will not alter or remove any trademarks or copyright notices or other notices and disclaimers located or used on, or in connection with, the MLS Database or any printouts of the MLS Database allowed under this Agreement.

24. General.

- a. Notices. All notices, demands, or consents required or permitted under this Agreement shall be in writing and shall be delivered personally or sent by registered mail, certified mail, return receipt requested, by a reputable overnight courier service, or by e-mail, if the sender receives and maintains a copy of a certified mail receipt and a copy is mailed within (1) business day after notice is delivered by e-mail, to the appropriate party at the following addresses:

If to Sales Licensee:

At the office address or e-mail address of the Sales Licensee shown on page 1.

If to MLS:

Connecticut Multiple Listing Service, Inc.  
127 Washington Avenue, 2nd Floor, West Building  
North Haven, CT 06473

The foregoing addresses may be changed from time-to-time by delivering notice of such change, referencing this Agreement, to the parties to this Agreement.

b. Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the state of Connecticut. Sales Licensee acknowledges that by using the services provided under this Agreement, Sales Licensee has transacted business in the state of Connecticut. By transacting business in the state of Connecticut by agreement, Sales Licensee voluntarily submits and consents to, and waives any defense to the jurisdiction of courts located in the state of Connecticut, as to all matters relating to or arising from this Agreement.

c. Costs of Litigation. If any action is brought by either party to this Agreement against the other party regarding the subject matter of this Agreement, the prevailing party shall be entitled to recover, in addition to any other relief granted, reasonable attorney's fees, costs, and expenses of litigation.

d. Severability. Any provision of this Agreement which is determined by a court of competent jurisdiction to be invalid or otherwise unenforceable shall not invalidate or make unenforceable any other provision of this Agreement; except that if any provision of Sections 8, 15, or 16 of this Agreement, or any other limitation of liability or exclusion of warranty set forth in this Agreement, is determined to be invalid or unenforceable, then this Agreement shall immediately terminate without notice.

e. No Waiver. The waiver by either party of, or the failure of either party to take action with respect to, any breach of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of such term, covenant or condition, or subsequent breach of the same, or any other term, covenant or condition contained in this Agreement. The subsequent acceptance of any payment due under this Agreement by any party shall not be deemed to be a waiver of any preceding breach of the party making payment with respect to any term, covenant or condition contained in this Agreement.

f. Entire Agreement; Modifications Only in Writing. This Agreement, together with the Rules and Regulations and any applicable License Agreement, (i) constitutes the entire agreement between MLS and Sales Licensee concerning the MLS Database, Listing Content, and all other subject matter of this Agreement, (ii) supersedes any contemporaneous or prior proposal, representation, agreement, or understanding between the parties, and (iii) may not be amended except in writing signed by MLS and Sales Licensee.

g. No Third Party Beneficiaries. This Agreement is for the sole and exclusive benefit of MLS and Sales Licensee and is not intended to benefit any third party, including any Seller or Sales Licensee. No third party may claim any right or benefit under or seek to enforce any of the terms and conditions of this Agreement.

h. Survival. The provisions of Sections 7, 9, 10, 15, 18, 19, 20, 21, 22, and 24 of this Agreement shall survive the termination of this Agreement.

25. Definitions. The following terms shall have the following meanings in this Agreement:

a. Broker means the principal real estate broker/broker in charge who is a Realtor® in good standing, and who has engaged Sales Licensee as an agent/sales licensee of broker, either as an employee or independent contractor.

b. Brokerage Firm means the real estate brokerage firm affiliated with Broker.

c. Broker Listings means only the Listings of Broker.

d. Board means a Board of REALTORS® or association of REALTORS® established and operated in accordance with the applicable rules and regulations of the NATIONAL ASSOCIATION OF REALTORS®.

e. Board Rules and Regulations means the rules and regulations, as amended, of the Board of which a Sales Licensee is a member.

f. Exempted Listing means a Listing which the respective Seller refuses to have disseminated by MLS pursuant to a written certification or any other Listing which is not required to be filed with MLS as provided under the Rules and Regulations.

g. Internet Listing Display Listings means all of the listings identified or defined as Internet Listing Display listings in the Rules and Regulations.

h. License Agreement means a license agreement entered into between MLS and Sales Licensee or MLS and a third party at the request of Subscriber.

i. Listing means a real estate listing of a participant in MLS's multiple listing service.

j. Listing Agreement means an enforceable, written, and fully executed agreement between Broker and a Seller whereby, among other things, Broker agrees to provide real estate sales services to Seller, and Seller agrees to pay compensation for services provided, including compensation to a cooperating Broker, if applicable, all in accordance with applicable law.

k. Listing Content means all content, including without limitation, all photographs, images, graphics, video recordings, virtual tours, drawings, written descriptions, remarks, narratives, and pricing information submitted by Broker to MLS with respect to all Broker's Listings except Exempted Listings. .

l. MLS Database means the compilation of Listings, including information for sold properties, known as the MLS Database, as modified from time-to-time by MLS, and which, as of the date of this Agreement, is available to Subscribers on the MLS web site.

m. Participation Agreement means a participation agreement, in a form acceptable to MLS in its sole discretion, entered into between MLS and Broker or Brokerage Firm (the "Participant"), which grants participation rights in MLS's multiple listing service to Broker or Brokerage Firm.

n. Seller means the seller(s) or lessor(s) of a property which is the subject of a Listing at issue under this Agreement.

o. Vendor means any person or entity which has entered into a License Agreement for display of real estate listings for Sales Licensee.

I hereby apply for Subscriber membership in the Connecticut Multiple Listing Service, Inc.

\_\_\_\_\_  
Signature of Subscriber

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Date

Accepted by the Connecticut Multiple Listing Service, Inc.

By \_\_\_\_\_

Title

\_\_\_\_\_  
Date