

Data Integrity Standards

Guidelines for Data Input and Rules Enforcement
Effective

Contents

| | |
|---|---|
| Data Integrity Standards | 3 |
| I. OVERVIEW..... | 3 |
| II. REGULATORY ISSUES | 4 |
| • New Listing..... | 5 |
| • Listing Exclusion..... | 5 |
| • DIM Recalculation | 5 |
| • Adding a Listing | 5 |
| • Status Changes | 5 |
| • Sold Listing..... | 5 |
| III. DATA INTEGRITY ISSUES..... | 5 |
| • Address 8.6 | 5 |
| • Area Number 8.6 | 5 |
| • Assessor’s Parcel Number 8.6 | 5 |
| • Auction Listings 7.17.2..... | 6 |
| • City 8.6..... | 6 |
| • Duplicate Listings 7.2..... | 6 |
| • Failure to Provide Requested Information or Correct Inaccurate Information 7.14 & 8.6.. | 7 |
| • IDX 12.16..... | 7 |
| • Images in MLS Listings 11.5 | 7 |
| • Reciprocal Listings added into MLS 6 & 7.3 | 8 |
| • Property Already Listed 7.2 | 8 |
| • Property Characteristics 8.6..... | 8 |
| • Property Type 7.6..... | 8 |
| • Range Pricing (If Applicable) 7.4 | 8 |
| • Selling Information 10.2..... | 8 |
| • Status 10.2..... | 9 |
| • Text Comments 12.5..... | 9 |

- Thomas Brothers Guide Number 8.6.....10
- Virtual Tour and Virtual Media Links 11.5.....10
- Withholding a Listing from the Internet 12.811
- Zip Code 8.6.....11
- IV. CSMAR MLS Citation Policy12
 - CSMAR MLS Citation Policy Addendum A12
- V. FINE SCHEDULE14
- VI. LIST OF OFFENSES15

Data Integrity Standards

Guidelines for Data Input and Rules Enforcement

Our Data Integrity Standards (DIS) are common dos and don'ts to help you accurately enter your listings in our CSMAR MLS and to avoid potential MLS violations. Our DIS do not create new rules separate from the MLS Rules but provide specific examples of the meaning of the MLS Rules. Next to each DIS item is the MLS Rules paragraph and item number supporting the violation. It is your obligation to preserve the **most valuable** asset of your MLS: data accuracy.

I. OVERVIEW

Recognizing the importance of accurate data to the success of our business, the Associations of REALTORS®/MLSs will issue citations and/or fines for MLS data inaccuracies or misuse in the following areas which include but are not limited to:

Rule 7.3 Listing and Co-Listing Agents/Brokers

- Prohibited Co-Listing
 - Property Listed by a Non-MLS Member

Rule 7.6 Types of Properties; Responsibility for Classification

- Failure to Properly Specify Listing Type of Class
 - Inaccurate Property Type Classification

Rule 7.8 Mandatory Submission

- Failure to Disclose Known Additional Property Owner Information or Failure to Input a Required Listing
 - Late Entry of a New Listing (1 business day)

Rule 7.11 Change of Listing Information

- Entry of a Listing as New after Withdrawn without a New or Amended Listing Contract
 - Listing Information Incomplete or Not Kept Current

Rule 7.14 Detail on Listings Filed With the MLS

- Failure to Provide Complete Listing Information
 - Listing Information Incomplete or Not Kept Current

Rule 7.15 No Compensation Specified on MLS Listings

- Making (or Alluding to) an Offer of Compensation to other Participants within the MLS
 - Including Compensation Information in Remarks Fields, Media, Documents, or Links displayed on listings
 - Including Compensation Information in a prerecorded message on Phone Numbers displayed on listings
 - Including Compensation Information in Lockboxes provided by the MLS or on Lockbox content

Rule 7.18 Broker Participant or R.E. Subscriber as Principal

- Failure to Disclose Interest by a Broker Participant or R.E. Subscriber in the Subject Listing
 - Failure to Identify/Disclose when Listing Broker/Agent is a Principal to the Transaction

Rule 7.2 Property Already Listed

- Entering a Listing Twice or More in the Same Listing Template

- Duplicate Listing by the Same Agent

Rule 8.1 Listing Agreement and Seller's Permission

- Failure to obtain seller authority to list in MLS
 - Active Listing without Valid Listing Agreement

Rule 8.6 Accuracy of Information; Responsibility for Accuracy

- Failure to Correct Incomplete or Inaccurate Information after MLS Notification
 - Inaccurate Area Number
 - Inaccurate Bedrooms/Baths
 - Inaccurate City
 - Inaccurate or Incomplete Address
 - Inaccurate or Invalid APN#
 - Inaccurate School Information
 - Inaccurate Status
 - Inaccurate Thomas Guide Number
 - Inaccurate Zip Code
 - Using a Data Field for a Purpose Other than its Intended Use
 - Incorrect Information in "Listing Price Excludes"
 - Inaccurate Selling Information

Rule 10.1 Statuses

- Failure to Timely/Accurately Report Listing Status, Status Changes and Sales
 - Inaccurate Status

Rule 10.2 Reporting of Sales

- Failure to Timely/Accurately Report Listing Status, Status Changes and Sales
 - Inaccurate Selling Information
 - Late Reporting Pending (2 business days)
 - Late Reporting Sale (2 business days)

Rule 11.5 Photographs/Images on the MLS

- Wrongful Use of Photographs/Use of Photographs on a Listing Without Proper Authorization
 - Including Agent Contact Information in Public Remarks Fields or in Photographic Media
 - Failure to Include a Minimum of One Photograph/Rendering of Property within 5 Days of Listing Entry
 - Use of Photographic Media without Proper Authorization

Rule 12.5 Misuse of Public Remarks and Media

- Failure to Limit Public Remarks to Marketing, Description and Condition of the Property or Wrongful Use of Remarks on a Listing Without Proper Authorization
 - Including Agent Contact Information in Public Remarks Fields or in Photographic Media
 - Any Phone Numbers, Web Site Addresses or Other Contact Information
 - Discriminatory Language
 - Entering Open House Detail in Public Remarks
 - Incorrect or Restricted Entries in Remarks
 - Lockbox/Gate/Security Code or "Vacant" in Public Remarks – See Text Comments for exception

II. REGULATORY ISSUES

The success of an MLS depends upon the timely reporting of information so that all of the cooperating subscribers may benefit from the data found in the MLS system. Your local Association of REALTORS®/MLS has established rules and regulations that govern the time frame in which you are to enter listing additions and changes into the MLS system. If you do not adhere to these rules, you are in violation of MLS Rules.

- **New Listing**
DO NOT add a new listing to the MLS if you do not have a valid listing agreement signed by all parties. 8.1 & 8.2
- **Listing Exclusion**
It is acceptable to withhold a listing from the MLS only if there is no public marketing and with a signed authorization from the seller has been delivered to the Association/ MLS offices within 1 business day of acquiring the listing. 7.9
- **DIM Recalculation**
DIM may be recalculated if the qualifying SELM form is submitted and there is no marketing of the listing, if Rule 7.9.1 is adopted by MLS. 7.9.1. DIM will not be counted during the period where the listing is in a Coming Soon status.
- **Adding a Listing**
Your listing must be added into the system in either an Active or Coming Soon status within 1 business day of the Listing Beginning date. 7.8
- **Status Changes**
All listing status changes must be reported within 2 business days of the change. 10.2
- **Sold Listing**
You are required to report that your listing has sold and closed within 2 business days of the actual closing. 10.2

Failure to comply within the prescribed time period(s) may cause the Participant/Subscriber to be subject to discipline including fines as per Section 17: Non Payment of MLS Fees. See CSMAR MLS fine structure.

III. DATA INTEGRITY ISSUES

- **Address 8.6**
Each component of the address should be entered correctly and in the proper field – House Number, Direction, Street Name, Street Type, Unit Number, etc.
- **Area Number 8.6**
The Area Number used in our system provides for further geographical breakdown of a property's location. The Area Number that you place in your listing must accurately reflect the location of the property. When adding a listing, the MLS system will limit you to a valid set of Area Numbers.
- **Assessor's Parcel Number 8.6**
The APN is very important. Not only is it needed to link to the tax database to locate tax, assessment and sales information, but it is also used to link listings within our history database.
Every listing must have the correct APN as assigned by the County Assessor's office. The MLS system contains Assessor files for all of our MLS areas, plus those immediate adjacent to our areas, from which the APN can be derived. You can also auto-populate the APN, and

associated fields, directly from these files. If you cannot determine an APN for your listing, call the MLS coordinator at the Association of REALTORS®/MLS for assistance.

New construction properties for which an APN has not yet been assigned by the Assessor or properties without an assigned APN can be handled in two ways: 1) Input an APN that is entirely blank. This is the ONLY time a blank APN may be entered, 2) Input the previous APN of the land upon which the property is being built. In either case, when an APN is assigned by the Assessor's office, it should immediately be input to the MLS.

For Example:

- DO NOT enter an APN from another property
- DO NOT enter a partial APN
- DO NOT enter a dummy, or fake APN, except as noted above for new construction.

- **Auction Listings 7.17.2**

Only auction listings which comply with these MLS Rules, including, but not limited to Section 7.15, may be submitted to the MLS. Auction listings entered into the MLS shall have listing contracts as required under these rules, be clearly labeled as auction listings, and provide all the terms and conditions of the auction. Auction listings shall further specify the following:

- a) The list price shall be seller's minimum acceptable bid price. The Public Remarks must state, "The List Price is the minimum acceptable bid price."
- b) The date, time and place of the auction;
- c) All required procedures for Participants/Subscribers to register their representation of a potential bidder;
- d) The amount of the buyer's premium if any;
- e) The time or manner in which potential bidders may inspect the listed property;
- f) Whether or not the seller will accept a purchase offer prior to the scheduled auction;
- g) Any other material rules or procedures for the auction;

Subsections (b) through (g) above shall not appear in a listing's Public Remarks.

- **City 8.6**

The city that you enter in your listing must accurately reflect the location of the property: either the city in which the property is found or, in some cases, the postal address of that property. If you auto-populate from the tax data, you should double check to make sure the correct city was entered. If not, change it at the time you add the listing.

For example:

- **DO NOT** use another city just because it might seem more appealing to buyers.
- If the property is in an unincorporated area or is in one of those specific areas where the postal address differs from the actual city the property is in, enter the postal address city in the City field, but clearly disclose the actual city in the property description.

- **Duplicate Listings 7.2**

There shall be only ONE active record in the MLS database for each PROPERTY TYPE that is for sale or lease. Duplicate listings are misleading, skew the statistics, and make Comparative Market Analyses (CMAs) cumbersome and often incorrect.

However, if a property has a structure on it but is being marketed at land value, it may be placed in both the Land/Lot and other applicable property type/category (i.e., Residential

and Land/Lot, Commercial and Land/Lot, etc.). A property that has a non-conforming or illegal rental may also be listed in both Residential and Residential Income. In both cases, the condition that makes it appear in the secondary category must be disclosed on BOTH listings.

For example:

DO NOT add a listing more than once to reflect different CITIES.

DO NOT add a listing more than once to reflect a different number of bedrooms.

DO NOT add a listing more than once to gain additional exposure as another “new” listing.

DO NOT add a listing more than once if you’ve obtained an extension for your listing.

- **Failure to Provide Requested Information or Correct Inaccurate Information 7.14 & 8.6**

The Violator shall have 2 business days, to provide all requested information and/or to correct inaccurate information following notification via email to the Violator and/or Responsible Participant. If the requested information is not provided or corrected within the specified time period, a violation will be issued at the next violation level. Additional violations will be issued following the 2 business day interval specified above until the requested information or inaccurate information is corrected, subject to the maximum fine amount contained in Appendix A, Fee Schedule.

Failure to pay all fine amounts will subject the Violator to the actions specified in the MLS Rules and Regulations, Paragraph 17.1.

- **IDX 12.16**

Refer to Section 12.16 of your MLS Rules for detailed information on the use of listing information on the Internet.

- **Images in MLS Listings 11.5**

A minimum of one (1) photograph/rendering of the property must be entered into the MLS within five (5) calendar days of the listing entry date. A minimum of one (1) photo must be of the exterior of the structure, except for Lots & Land property type. This requirement does not apply to a listing that is canceled prior to the 5-day entry period lapsing. Images uploaded to the system are meant to be representative of the listing and its surroundings – that is, pictures of the property, floor plans, maps (as long as not copyrighted), pictures of surrounding areas – neighborhoods, parks, schools, etc.

Images MUST NOT include:

- a) Agent or Broker photos,
- b) Agent or Broker names,
- c) Phone numbers,
- d) Website addresses,
- e) E-mail addresses,
- f) Any billboards, for sale signs, open house signs, special promotion signs, etc.,
- g) Any advertising, marketing pieces, etc.,
- h) Messages or solicitations of any kind,
- i) Photo branding to place agent name, logo or other identifying information over the photo,
- j) Photos of people, animals or other items not directly related to the property.
- k) Publication of virtual tour links to any Agent or Broker branded YouTube Channel.

- l) Any Agent or Broker contact information on virtual tours accessible by, but not limited to, pop-up menus, float-over links or links to Agent or Broker websites.

- **Reciprocal Listings added into MLS 6 & 7.3**

CSMAR MLS will accept listings from Brokers and Agents that do not belong to the CSMAR MLS, provided the Broker and Agent are members in good standing with an MLS that has valid reciprocal agreement with a datasharing MLS.

Except for reciprocal listings as provided for above, no listing may be entered into the MLS database unless each Broker and each Agent associated with the listing are members of a datasharing MLS.

Brokers and Agents that belong to a datasharing MLS must enter listings under their own name. The listing may not contain any reference or contact information in any data field designating a Broker or Agent that does not belong to a Participant of a datasharing MLS as the Listing Broker or Agent for the subject listing.

To the extent any assistant engages in any acts which are covered by these Rules, Regulations and Data Integrity Standards, that assistant must comply with all of the Rules, Regulations and Data Integrity Standards.

- **Property Already Listed 7.2**

The MLS allows one listing per property type for a specific property. There may be situations where more than one Broker believes they have a valid listing agreement for the same property. The MLS and/or Association cannot determine the validity of claims of competing contracts. It is the responsibility of the Brokers and seller to resolve the validity question prior to entering a listing into the MLS. Entering a listing into the MLS without a valid listing agreement is a violation of MLS Rules. Failure to remove a listing from the MLS following cancelation or expiration is a violation of MLS Rules.

- **Property Characteristics 8.6**

Any field which describes the characteristics of the property being listed must be accurate. For example, the entries you make in the Bedrooms and Baths fields must accurately reflect the correct number of bedrooms and total bathrooms found on the property, as well as the correct breakdown of bathrooms. **DO NOT alter the characteristics in an attempt to make the property more attractive to potential buyers.**

- **Property Type 7.6**

Enter each listing in the correct property type. For example, do not include Land or Mobile Homes under the Residential property type. The property type entered must reflect the actual or potential use for the property. Also, enter the property subtype correctly. DO NOT identify a Condominium in the system as a Single Family Residence.

- **Range Pricing (If Applicable) 7.4**

If a listing is specified as a Range Price Listing, the Listing Agent or Broker must enter a valid range for the list price of that listing. In all cases, the default List Price shall be the high end of the range and the low end of the range can be no less than 85% of this price.

- **Selling Information 10.2**

When reporting a listing as In Escrow or Sold, you are required to enter the accompanying information (e.g., Selling Agent, Selling Office, Sales Price, Close of Escrow Date, etc.). The sales information is critical for the accurate reporting of sales statistics as well as accurate

Comparative Market Analyses (CMAs). The MLS reported Sales Price shall be the “Total Consideration” paid by Buyer to Seller as reported by escrow on HUD-1 or CD (Closing Disclosure).

- **Status 10.2**

The Status of your listing should correctly reflect the current status of that listing.

- a) DO NOT leave your listing in the Active status if it is off market or taking back-up offers.
- b) DO NOT leave your listing as Active and in Remarks explain that it is off market or taking back-up offers.
- c) DO NOT use the Active Under Contract status when you are waiting for escrow to close. The Active Under Contract status is to be used when the Seller is soliciting back-up offer(s).
- d) If an escrow closes early, the property must be reported as sold with the correct closing date.
- e) A property may not be reported as Canceled without signed instructions from the seller to do so. 7.12

- **Text Comments 12.5**

The MLS has several areas for text comments for public and private information. As authorized in Paragraph 8.6 of the MLS Rules, an Association or MLS may delete data inputted to any of the Text Comment fields to reflect the correct or allowed information, and report the violation to the appropriate Association or MLS for violation processing.

Public Information

- a) Marketing Remarks or Property Description – This area should only be used to describe the property’s physical and aesthetic characteristics, the things that might make a buyer want to look more closely at the property, specific terms to or exclusions from a sale (or lease), or legally required statements. A description of the Type of Sale is allowable.
- b) Directions to Property – This area should contain information which assists interested parties in locating your property.
- c) Any reference to “See Agent Remarks” or “See Private Remarks” is prohibited.

Private Information

- a) Private or Agent-Only Remarks – This is a confidential area for Agent-to-Agent communications – that is, the kinds of things members might communicate to one another, but not to the public.
- b) Showing Instructions – These are intended only for other Agents

ALL text fields must be entered in the English language **ONLY**.

The following standards **MUST** be adhered to in all **PUBLIC** text comments:

- a) DO NOT put gate codes, lockbox combinations or security codes in Public Remarks.
- b) DO NOT put For Sale by Owner (FSBO) in Public Remarks. If the listing is legally in the MLS it cannot be a FSBO.
- c) DO NOT put the word “vacant” in Public Remarks. We have a separate field for that. The word “vacant” may be used to describe the property in a Lots & Land listing.
- d) DO NOT put e-Mail addresses in Public Remarks.
- e) DO NOT put web site addresses in Public Remarks.

- f) DO NOT put phone numbers in the Public Remarks. We have several phone number fields.
- g) DO NOT put Agent, Assistant, Co-Lister or Owner names in the Public Remarks.
- h) DO NOT remove any Public Remarks when changing a listing from Active to Off Market status.
- i) DO NOT put language in the Public Remarks that violates applicable fair housing laws and guideline.
- j) DO NOT put open house information in the Public Remarks.
- k) The content of any of the remarks fields (Agent, Financial, or Property Description) cannot contain discriminatory language regarding the payment of compensation. For example, do not include any of the following: “If [Listing Brokerage] Agent shows property first to your buyer, there will not be compensation paid to you”, “No compensation paid to XYZ Brokerage”, or “If [Listing Brokerage] Agent shows property first your total office compensation is y%”. Procuring cause cannot be determined nor controlled via the Compensation field.
- l) The Directions field may only contain location information intended to assist finding a property.
- m) The List Price Excludes field may only contain specific detail regarding items not included in the property as offered for sale such as fixtures, appliances, etc. No other information may be entered in this field whatsoever.
- n) DO NOT put title, escrow or other service instructions in the Public Remarks. Such information may be entered in Private Remarks. Do not include remarks that imply a requirement to use a specific title, escrow or service provider and/or any other remark that may be a RESPA violation.
- o) DO NOT put “call listing agent” or “call for showing/appointment” in the Public remarks. These are showing remarks and should be placed in Agent Remarks and/or Showing Instructions.

The following standards MUST be adhered to in all PRIVATE text comments:

- a) DO NOT disseminate Agent Remarks/Showing Instructions to the public.
 - b) DO NOT distribute Agent Reports or displays to non-licensees at any time.
 - c) Place showing instructions, open house information, special contract provisions, etc. in the appropriate Private Remarks field.
 - d) Listing Broker/Agent contact information such as telephone and fax numbers, email/website addresses, etc. may only be included in the Agent Remarks field.
- **Thomas Brothers Guide Number 8.6**
Many people search by the TG # to narrow down their searches to a particular geographic area. The TG # that you enter in your listing should accurately reflect the correct TG location for the property. If you auto-populate from the tax data you should verify the correct TG # was entered. If not, change it.
 - **Virtual Tour and Virtual Media Links 11.5**
Virtual Tours and links to Virtual Media, must not contain promotional pieces on the Agent or Broker. They should be limited to descriptive information on the property and surrounding areas, neighborhoods, parks, schools, etc.

Virtual tour links must be property-specific. They may not simply be links to an Agent or other web site, even if a virtual tour resides on that web site. Further, a virtual tour link must be “sanitized” so as not to identify the listing Agent/Broker.

Images & Virtual Tour Links may NOT include:

- a) Any advertising, marketing pieces, etc. (other than those specifically addressing the property)
 - b) Messages or solicitations of any kind.
- **Withholding a Listing from the Internet 12.8**
DO NOT withhold your listings from the internet unless you have a signed acknowledgement from the owner that they understand their property will not be marketed through this medium and that is their choice. It is only acceptable to withhold a listing from the MLS with a signed authorization from the seller; public marketing of an excluded listing is prohibited.

It is a violation by any Participant or Subscriber to distribute flyers or create other printed materials displaying the address of any listing(s) with an MLS status of ACTIVE, ACTIVE UNDER CONTRACT OR PENDING that are not the listing(s) of that Participant or Subscriber unless prior written consent has been obtained from the listing broker. "Screen shots" or other materials printed from IDX or VOW displays are explicitly included in this violation.

- **Zip Code 8.6**
The ZIP code that you place in your listing must accurately reflect the postal ZIP code associated with the property. If you auto-populate from the tax data you should verify the correct ZIP Code was entered. If not, change it.
 - a) **DO NOT** enter a dummy, inaccurate or fake ZIP code.

* ZIP codes can be easily determined by looking up a property's address in the USPS database at: <https://tools.usps.com/zip-code-lookup.htm>

IV. CSMAR MLS Citation Policy

CSMAR MLS Citation Policy Addendum A

The purpose of this citation policy is to ensure the integrity of the MLS including the currency and accuracy of its information. Fines will be issued and processed in accordance with this Citation Policy. The citable offenses and fines are subject to change upon approval of the CSMAR Board of Directors. The Citation Policy is in addition to and does not replace the provisions of Section 14 of the CSMAR MLS Rules.

- A. For the purpose of the Fine Schedule, the number of violations will be tracked on a calendar year basis. On the first day of each calendar year the violation count for each MLS member will be reset to zero (0) for all violation types. A violation type is defined as a specific rule set out in the MLS Rules and Regulations or the Data Integrity Standards. For Tier One, Two, and Three, a Violator shall be entitled to receive one Warning Letters, via email, per calendar year per violation type. Tier Four violations do not get warnings. For example, if the Violator's first violation of the year is a Tier One, Tier Two, or Tier Three offense, the Violator will receive a Warning Letter. If the Violator has a second violation of the same type in the same year, the Violator will receive a violation and fine. If the Violator receives a third violation of the same type in the same year, the Violator will receive a second and higher fine. If the Violator receives a fourth violation of the same type in the same year, the Violator will receive a third and higher fine. If the Violator receives a fifth violation of the same type in the same year, the Violator will be suspended from the MLS until the fines have been paid and the issue has been corrected. If the third, fourth, etc. violation is not of the same violation type, then it will restart at the warning phase.
- B. A listing that contains one or more violations of the Citation Policy is considered a violation event for purposes of the Fine Schedule regardless of the category or nature of the violation.
- C. A listing that contains more than one violation of the same violation type on the same day will be treated as a single violation for purposes of the Fine Schedule. Multiple violations that occur on the same day but are reported separately or are of different violation types are treated as a single violation.
- D. A violation must be corrected within two (2) business days of notice of violation sent to the Violator and/or Responsible Participant. Receipt of notice is presumed to be the sooner of three (3) business days after mailing or one (1) business day after email or facsimile transmission. Failure to correct a noted violation within the two (2) day time period allotted will result in a new violation for the uncorrected violation with the associated fine for that level of violation and violation type. Failure to correct a violation within the two (2) day correction period may also subject a non-conforming listing to removal by the MLS from active display. New violations may be issued for any remaining uncorrected violations until the violations are corrected or the maximum fine is reached as set forth below.

Tier One (1) and/or Two (2) violations and fines will be waived if notice of the violation occurs more than 180 days after the listing has been sold, canceled or expired.

- E. The fine amount is determined by the total number of violations accumulated in each violation type by each MLS member during a calendar year.
- F. Fines are due within fifteen (15) business days of receipt of a violation notice. Receipt of notice is presumed to be three (3) business days after mailing or one (1) business day after email or facsimile transmission.
- G. If a Violator believes that a violation notice and fine was issued in error, the Violator may request a hearing in accordance to the procedures set out by their MLS/AOR. Prior to requesting a hearing, the violation must be corrected and any fines must be paid.
- H. Failure to pay assessed fines may result in suspension of MLS privileges as detailed in Paragraph 17.1 of the MLS Rules and Regulations.
- I. The MLS Committee and/or the Board of Directors reserves the right, at its discretion, to charge a Participant or Subscriber with rules violations by virtue of the hearing process, including the possibility of additional fees or fines, suspension or expulsion, rather than utilizing the citation process. Thus, the below fines may not be all inclusive. Any Participant or Subscriber who accumulates in excess of 5 (five) violations in one calendar year, unless otherwise specified, may be referred to the MLS Committee and/or the Board of Directors for a review to determine whether or not further discipline and possible suspension of MLS service is warranted.
- J. Reporting of violations will remain confidential.
- K. Effective 01/01/14, MLS fines will be held in abeyance and then waived if the violation is greater than 180 days of the listing being sold, cancelled or expired and the Participant/Subscriber has submitted a correction of the violation to the MLS staff within 30 days' notice of the violation. If no correction is received within the 30-day period after then notice, then the fine will be processed by MLS staff.
- L. The violation fine schedule is as follows. A Tier designates fine amounts, with multiple violation types per tier.

V. FINE SCHEDULE

| Tier | First Violation | Second Violation | Third and subsequent Violations |
|-------------|--|--|--|
| Tier One | Warning Letter (only if Violator has not already received two prior Warning Letters) | Attend MLS Rules and Regulations Class (if such class offered by AOR/MLS) and pay a \$100 fine. The Violator will complete the MLS Rules and Regulations Class within a 60-day period and pass the test on the Class material. The Violator will be given the opportunity for one make-up session only. Failure to complete the make-up session will result in suspension of MLS privileges. | \$300 fine |
| Tier Two | Warning Letter (only if Violator has not already received two prior Warning Letters) | Attend MLS Rules and Regulations Class (if such class offered by AOR/MLS) and pay a \$250 fine. The Violator will complete the MLS Rules and Regulations Class within a 60-day period and pass the test on the Class material. The Violator will be given the opportunity for one make-up session only. Failure to complete the make-up session will result in suspension of MLS privileges. | \$500 fine |
| Tier Three | Warning Letter (only if Violator has not already received a prior Warning Letter) | Attend MLS Rules and Regulations Class (if such class offered by AOR/MLS) and pay a \$2,500 fine. The Violator will complete the MLS Rules and Regulations Class within a 60-day period and pass the test on the Class material. The Violator will be given the opportunity for one make-up session only. Failure to complete the make-up session will result in suspension of MLS privileges. | \$5,000 fine |
| Tier Four | \$2,500 fine | \$5,000 fine | \$5,000 fine |

As set forth in Section D above, violations must be corrected within two (2) business days of notice. Violations which remain uncorrected subject the violator to the imposition of new penalties and removal of the listing from active display.

The maximum accumulated fine for a single violation may not exceed the top amount of \$15,000 allowed by NAR for assessment of financial penalty. If the maximum accumulated fine amount has been assessed and the violation has not been corrected, the Violator's MLS privileges may be suspended until all accumulated fines have been paid and the noted violation has been corrected.

VI. LIST OF OFFENSES

| Tier One | Offense | Rule | Rule description |
|----------|--|---------|--|
| Tier One | Failure to Properly Designate/Correlate License Type | 4.1.3 | Redundant Participant Qualifications |
| Tier One | Non-Completion of Required MLS Orientation Program within Set Time Allowed | 4.1-4.4 | Participant and Authorized Access |
| Tier One | Failure to Properly Designate/Correlate License Type | 4.2.3 | Redundant Subscriber Qualifications |
| Tier One | Failure of Participant or Subscriber to Notify the MLS of Termination, Transfer, or Addition of Any Clerical Users Affiliated with Participant or Subscriber | 4.3 | Clerical Users |
| Tier One | Failure of Participant to Notify the MLS of Termination, Transfer or Addition of any Licensees Under Participant's License | 4.5 | Notification of Licensees |
| Tier One | Failure to Update/Change Listing Information | 7.11 | Change of Listing Information |
| Tier One | Unauthorized Cancellation/Withdrawal of Listing | 7.12 | Cancellation/Withdrawal of Listing Prior to Expiration |
| Tier One | Failure of Ongoing Obligation to Report Solds | 7.12 | Cancellation/Withdrawal of Listing Prior to Expiration |
| Tier One | Failure to Provide Complete Listing Information | 7.14 | Detail on Listings Filed With the MLS |
| Tier One | Making (or Alluding to) an Offer of Compensation to other Participants within the MLS | 7.15 | No Compensation Specified on MLS Listings |
| Tier One | Failure to Comply with Auction Listing Requirements | 7.17.2 | Auction Listings |
| Tier One | Entering a Listing Twice or More in the Same Listing Template | 7.2 | Property Already Listed |
| Tier One | Failure to Disclose REO Status | 7.24 | REO Disclosure |
| Tier One | Failure to Properly Specify Listing Type of Class | 7.5 | Types of Listings; Responsibility for Classification |
| Tier One | Failure to Properly Specify Listing Type of Class | 7.6 | Types of Properties; Responsibility for Classification |
| Tier One | Failure to Input Accurate Information | 8.6 | Accuracy of Information; Responsibility for Accuracy |
| Tier One | Failure to Provide Seller's Written Direction to Alter Time of Submission of Offers | 9.4 | Presentation of Offers |
| Tier One | Failure to Provide Clear and Accurate Notice of Altered Offer Presentation Date/Time | 9.4 | Presentation of Offers |
| Tier One | Failure to Timely Provide Written Verification that Offer was Presented (or that Seller Waived the Obligation to Have Offer Presented) | 9.5 | Submission of Offers and Counter-Offers |

| | | | |
|----------|--|------|--|
| Tier One | Failure to Timely/Accurately Report Listing Status, Status Changes and Sales | 10.1 | Statuses |
| Tier One | Failure to Timely/Accurately Report Listing Status, Status Changes and Sales | 10.2 | Reporting of Sales |
| Tier One | Failure to Timely Report Cancellation of Pending Sale | 10.4 | Reporting Cancellation of Pending Sale |
| Tier One | Wrongful Use of Photographs/Use of Photographs on a Listing Without Proper Authorization | 11.5 | Photographs/Images on the MLS |
| Tier One | Misuse of Public Remarks | 12.5 | Misuse of Public Remarks and Media |
| Tier One | Failure to Limit Public Remarks to Marketing, Description and Condition of the Property | 12.5 | Misuse of Public Remarks and Media |
| Tier One | Wrongful Use of Remarks on a Listing Without Proper Authorization | 12.5 | Misuse of Public Remarks and Media |
| Tier One | Unauthorized Use of Term "Sold" | 12.7 | "Sold" Signs, Use of the Term "Sold" and Advertising Sold Listings |
| Tier One | Unauthorized Advertisement of Listing of Another Broker | 12.8 | Advertising of Listing Filed With the MLS |
| Tier One | Unauthorized User of Statistical Reports, Sold Data or Comparable Reports in Advertising | 12.9 | Limitations on Use of MLS Information in Advertising |
| Tier One | Failure to Provide Adequate Information Notice on Print or Non-Print Forms of Advertising or Other Forms of Public Representations | 12.9 | Limitations on Use of MLS Information in Advertising |

| Tier Two | Offense | Rule | Rule description |
|-----------------|--|-------------|--|
| Tier Two | Failure to Comply with "Certification of Nonuse" (back fees owing under Certification to be cumulatively added to citation amount) | 5.1.6 | Certification of Nonuse |
| Tier Two | Entry of a Listing as New after Withdrawn without a New or Amended Listing Contract | 7.11 | Change of Listing Information |
| Tier Two | Failure to Disclose Interest by a Broker Participant or R.E. Subscriber in the Subject Listing | 7.18 | Broker Participant or R.E. Subscriber as Principal |
| Tier Two | Failure to Remove Expired Listing | 7.20 | Expiration, Extension, and Renewal of Listings |
| Tier Two | Entry of a Listing as New after Withdrawn without a New or Amended Listing Contract | 7.20 | Expiration, Extension, and Renewal of Listings |
| Tier Two | Failure to Obtain Seller's Written Authorization before Extension/Renewal | 7.20 | Expiration, Extension, and Renewal of Listings |
| Tier Two | Prohibited Co-Listing | 7.3 | Listing and Co-Listing Agents/Brokers |
| Tier Two | Failure to Provide Appropriate Written Documentation of Listing | 8.2 | Listing Agreement |
| Tier Two | Failure to Correct Incomplete or Inaccurate Information after MLS Notification | 8.6 | Accuracy of Information; Responsibility for Accuracy |

| | | | |
|----------|--|--------|---|
| Tier Two | Failure to Provide Appropriate Written Documentation of Buyer Broker Agreement | 8.4 | Buyer Broker Agreement Written Documentation |
| Tier Two | Failure to Provide Required Consumer Disclosures Regarding Broker Compensation | 8.5 | Required Consumer Disclosures Regarding Compensation |
| Tier Two | Relisting a property into the Coming Soon status within 30 days of a Withdrawn or Cancelled status | 10.1.1 | Restrictions Related to Coming Soon Status |
| Tier Two | Failure to obtain Seller's authorization to enter a listing into the Coming Soon status | 10.1.1 | Restrictions Related to Coming Soon Status |
| Tier Two | Marketing a Coming Soon listing without clear indication that listing is in Coming Soon status | 10.1.1 | Restrictions Related to Coming Soon Status |
| Tier Two | False Representations | 12.10 | False or Misleading Advertising and Representations; True Picture Standard of Conduct |
| Tier Two | Failure to Abise by True Picture Standard of Conduct | 12.10 | False or Misleading Advertising and Representations; True Picture Standard of Conduct |
| Tier Two | Violation of Competency Standard | 12.21 | Participant and Subscriber Standards of Conduct |
| Tier Two | Failure to Provided Authorized Lockbox | 13.6 | Lockbox Requirements |
| Tier Two | Failure to Timely Remove Lockbox after COE or Expiration/Cancellation of Listing | 13.9 | (Lockboxes) Removal |
| Tier Two | Violation of Temporary Code Procedure | 13.2.2 | Issuing Temporary Codes |

| Tier Three | Offense | Rule | Rule description |
|-------------------|--|-------------|--|
| Tier Three | Failure to Input a Required Listing | 7.8 | Mandatory Submission |
| Tier Three | Failure to Disclose Known Additional Property Owner Information | 7.8 | Mandatory Submission |
| Tier Three | Failure to Provide Signed Seller Exemption | 7.9 | Exempted Listings |
| Tier Three | Failure to Submit Compliant Signed Seller Exemption | 7.9 | Exempted Listings |
| Tier Three | Marketing of a Property During a Qualifying SELM DIM Recalculation Term | 7.9.1 | Modification of DOM for Exempted Listings |
| Tier Three | Public Marketing of a Property while not entered into the MLS under Active, Active Under Contract, or Coming Soon statuses | 7.9.1 | Modification of DOM for Exempted Listings |
| Tier Three | Showing or holding an Open House while a listing is in Coming Soon status | 10.1.1 | Restrictions Related to Coming Soon Status |

| Tier Four | Offense | Rule | Rule description |
|------------------|---|-------------|---|
| Tier Four | Failure to obtain seller authority to list in MLS | 8.1 | Listing Agreement and Seller's Permission |
| Tier Four | Failure to be Physically Present when Providing Access to a Listed Property to Buyers and Potential Buyers | 9.8 | Physical Presence of Participant or Subscriber |
| Tier Four | Failure to follow or exhaust required internal pre-procedure for participant vs participant complaints of unauthorized use of listing content prior to proceeding to Court | 11.11 | Pursing Complaints of Unauthorized Use of Listing Content |
| Tier Four | Use of MLS data or data feeds to directly or indirectly establish or maintain a platform to make offers of compensation from multiple brokers to buyer brokers or other buyer representatives | 11.13 | Prohibition on Creating a Platform for Making Offers of Compensation from Multiple Brokers |
| Tier Four | Failure to timely notify of CalDRE or BREA adverse action | 12.1 | Notification of California Department of Real Estate (DRE) or California Bureau of Real Estate Appraisers (BREA) Action |
| Tier Four | Unauthorized Use of MLS Information | 12.11 | Use of MLS Information |
| Tier Four | Sharing the MLS compilation or portion thereof with any third-party vendor not authorized by the MLS | 12.11 | Use of MLS Information |
| Tier Four | Unauthorized Sharing of MLS Information and Pass Codes | 12.12 | Confidentiality of MLS Information |
| Tier Four | Use of MLS by Unauthorized Party | 12.12 | Confidentiality of MLS Information |
| Tier Four | Sharing the MLS compilation or portion thereof with any third-party vendor not authorized by the MLS | 12.12 | Confidentiality of MLS Information |
| Tier Four | Unauthorized Clerical User Access and Use of MLS Information | 12.12.1 | Clerical Users |
| Tier Four | Misuse of Reproduction of MLS Information | 12.15 | Reproduction |
| Tier Four | Sharing the MLS compilation or portion thereof with any third-party vendor not authorized by the MLS | 12.15 | Reproduction |
| Tier Four | Unauthorized Reproduction of Confidential Fields and Information | 12.15.2 | Information Reproduced |
| Tier Four | Unauthorized Compilation Downloading or Transmission of Data | 12.15.4 | Downloading into Computers |
| Tier Four | Failure to Restrict Access to Authorized Party | 12.15.4 | Downloading into Computers |
| Tier Four | Misuse of MLS Data on Public Website | 12.16 | Use of Listing Information on Internet (Also known as Internet Data Exchange ("IDX")) |

| | | | |
|-----------|--|------------|---|
| Tier Four | Violation of IDX Rules | 12.16 | Use of Listing Information on Internet (Also known as Internet Data Exchange (“IDX”)) |
| Tier Four | Unauthorized Sharing of Lockbox Key | 13.2 | Key Use and Service |
| Tier Four | Failure to Account for Lockbox Key | 13.4 | Deemed Unaccountable |
| Tier Four | Failure to Obtain Seller's Permission to Place a Lockbox | 13.5 | Written Authority |
| Tier Four | Unauthorized Entrance into a Listed Property | 13.7 | Listing Broker's Permission |
| Tier Four | Failure to Follow Showing Instructions | 13.7 | Listing Broker's Permission |
| Tier Four | Failure to Report Lost or Stolen Lockbox Keys | 13.8 | Reporting Missing or Unaccountable Keys |
| Tier Four | Wrongful Use or Removal of Lockbox Contents | 13.2.1 | Use of Lockbox Contents |
| Tier Four | Misuse of MLS Data on Public Website | 19.1-19.25 | Virtual Office Websites (VOW) |
| Tier Four | Violation of VOW Rules | 19.1-19.25 | Virtual Office Websites (VOW) |