

Keystone MLS Network, Inc. Rules & Regulations

Keystone MLS Network, Inc. (Service), on behalf of the Shareholder Associations, is responsible for enforcing Rules & Regulations for all Service Participants and Users purchasing its services. This document contains the complete text of the Rules & Regulations, as established by the Board of Directors.

SECTION 1 – LISTING PROCEDURES

1.0 Types of Properties

This Service shall accept these types of property, which shall be listed subject to a real estate broker's license: residential single & multi-family dwellings, farms, residential lots, improved and unimproved commercial and industrial land/property, and any other real property as may from time to time be determined by the Service. The Service shall also accept listings of business opportunities, with or without the sale or lease of real property, and listings of commercial and industrial leases.

1.1 Acceptance by Service

No property may be submitted to the Service except by a signed exclusive right to sell listing agreement or an exclusive agency listing agreement. In order to be accepted by the Service, any listing agreement submitted by a Participant shall be filled out in full without alteration, unless the seller initials such alteration. A 'Property Data Form' may be required as approved by the Service. However, the Service, through its legal counsel:

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

NOTE: *The exclusive right to sell listing is the conventional form of listing submitted to the Multiple Listing Service in that the seller authorizes the listing broker to cooperate with and compensate other brokers. The exclusive agency listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation, on a blanket, unilateral basis, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to sell listings with no named prospects exempted, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right to sell listings with no named prospect exempted. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right to sell listings with prospect reservations.*

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

1.2 Filing of Paperwork

A listing agreement or property data form, whether filed with the Service or retained by the Participant shall be complete in every detail which is ascertainable as specified on the property data form.

While not required to file paperwork with the submission of a listing, each Participant is required to immediately provide a copy of any appropriate paperwork to the Service upon request.

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

1.3 Listings Subject To Rules & Regulations of the Service

All listings obtained on an exclusive right to sell or exclusive agency listing agreement immediately come under the Rules & Regulations of the Service upon signature of the seller and the Participant of the participating firm, or his/her manager, acting on behalf of the Participant. Such listings must be placed into the Service within two business days of acceptance; all listing agreements must contain the signature(s) of seller(s) and listing agent; one copy must be retained by the listing office and one copy by the seller(s).

1.4 Exempted Listings

If the seller refuses to permit the listing to be disseminated by the Service, the Participant may then take the listing ("office exclusive") and such listing shall be available to the Service upon request but not disseminated to the Participants. Filing of the listing should be accompanied by a certification, signed by the seller, that he does not desire the listing to be disseminated by the Service.

1.5 Change of Status of Listing

Any change in status, listing price or any other change in the original listing shall be made only when authorized in writing by the seller and shall be entered into the Service within two business days of such authorization being received by the listing broker.

1.6 Withdrawal of Listing Prior To Expiration

Listings of property may be withdrawn from the Service by the listing broker before the expiration date of the listing agreement, provided notice is filed with the Service, including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal.

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

1.7 Contingencies Applicable To Listings

Any contingency or condition in a listing shall be specified and "noticed" to Participants. If a listing is accepted with exceptions, all exceptions must be disclosed in the listing.

1.8 Access to Listed Property

No listing shall be entered into the database where a "No Showing Until" notation exists. Offers and counter-offers shall be submitted objectively and as quickly as possible.

1.9 Listing Price Specified

The full gross listing price stated in the listing contract will be included in the information published in any compilation of current listings.

1.10 Remarks & Photographs

The "Remarks" section of a listing shall contain only that information which is descriptive and relevant to an accurate portrayal of the property being marketed.

The Service does not permit the placement of the listing agent's name, phone number, e-mail address, web address or any other information of this nature that is not descriptive or relevant to an accurate portrayal of the property being marketed. The same restrictions apply to property photographs, 360⁰ and virtual tours as well as any personal promotion materials attached to the User's photo.

1.11 Inter-Office E-mail

All inter-office E-mail must be "property specific" whether the subject relates to Bonuses, Broker Opens, "Looking For" Options, Open Houses, Price Reductions, Rentals or Other. Failure to follow this Rule shall result in a warning from the System Administrator for the first offense and a \$50.00 fine, per violation, for each subsequent offense.

1.12 Listing Multiple Unit Properties

All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the Property Data Form. When part of a listed property has been sold, proper notification should be given to the Service.

1.13 Listing Property in Multiple Classifications

Listings which can reasonably be placed in multiple classifications may be entered as such, provided a listing fee (if any) is paid for all such entries, and further provided that all entries in any classification except the one under which the property was sold, shall be deleted upon sale of the property.

1.14 Commission Rates or Fees

The Service shall not fix, control, recommend, suggest or maintain commission rates or fees for services to be rendered by Participants. Further, the Service shall not fix, control, recommend, suggest or maintain the division of commissions or fees between cooperating Participants or between Participants and non-Participants.

1.15 Expiration of Listings

Listings filed with the Service will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the Service receives notice that the listing has been extended or renewed.

If notice of renewal or extension is received after the listing has been removed from the compilation of current listings, the extension or renewal will be published in the same manner as a new listing. Any extension or renewal of a listing must be signed by the seller(s) and available to the Service upon request.

1.16 Termination Date on Listings

Listings filed with the Service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.

1.17 Jurisdiction

Only listings of the designated types of property located within the jurisdiction of the Shareholders are required to be submitted to the Service. Listings of property located outside this jurisdiction will be accepted if submitted voluntarily by a Participant.

1.18 Listings of Suspended Participants

When a Participant is suspended from the Service for failing to abide by a membership duty (i.e. violation of the

Code of Ethics, Service Bylaws, Rules & Regulations or other obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with the Service by the suspended Participant shall, at the Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the Service beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from an Association of Realtors®, 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 suspended Participant's listings in any compilation of current listing information. Prior to any removal of a suspended Participant's listings from the Service, the suspended Participant should be advised, in writing, of the intended removal so that the suspended Participant may advise his clients.

1.19 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, Service Bylaws, Rules & Regulations or other obligation 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 an Association of Realtors®, 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 any compilation of current listing information. Prior to any removal of an expelled Participant's listings from the Service, the expelled Participant shall be advised in writing of the intended removal so that the expelled Participant may advise his/her clients.

1.20 Listings of Resigned Participants

When a Participant resigns from the Service, the Service is not obligated to provide services, including continued inclusion of the resigned Participant's listings in any compilation of current listing information. Prior to any removal of a resigned Participant's listings from the Service, the resigned Participant shall be advised in writing of the intended removal so that the resigned Participant may advise his/her clients.

SECTION 2 – SELLING PROCEDURES

2.0 Showings and Negotiations

Appointments for showings and offer presentations with the seller for the purchase of listed property filed with the Service shall be conducted through the listing broker, except under the following circumstances:

- a) The listing broker gives the cooperating broker specific authority to show and/or present offers directly, or
- b) After reasonable effort (48 hours), the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his option, may preclude such direct contact by cooperating brokers.

2.1 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.

2.2 Submission of Written Offers

The listing broker shall submit to the seller all written offers until closing, unless precluded by law, government rule or 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.

2.3 Right of Cooperating Broker in Presentation of Offer

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

2.4 Right of Listing Broker in Presentation of Counter-Offer

The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker need not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

2.5 Reporting Sales to the Service

Status changes, including final closing of sales, shall be reported to the Service by the listing broker within 72 hours after they have occurred. If negotiations were carried out under Sections 2.0 a) or b) hereof, the cooperating broker shall report accepted offers to the listing broker within 72 hours after occurrence and the listing broker shall report them to the Service within 72 hours after receiving notice from the cooperating broker.

***NOTE:** The listing agreement of a property filed with the Service by the listing broker should include a provision expressly granting the listing broker authority to advertise, to file the listing with the Service, to provide timely notice of status changes to the Service and to provide sales information including, selling price, to the Service upon sale of the property. If deemed desirable by the Service to publish sales information prior to settlement of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the Service to its Participants.*

NOTE: In any cooperative transaction, the listing broker shall include the name of the cooperating office and agent.

2.6 Reporting Resolutions of Contingencies

The listing broker shall report to the Service within twenty-four (24) hours that a contingency has been fulfilled, renewed or the agreement cancelled.

2.7 Advertising of Listing Filed With the Service

A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker.

2.8 Reporting Cancellation of Pending Sale

The listing broker shall report immediately to the Multiple Listing Service the cancellation of any pending sale, and the listing shall be reinstated immediately.

SECTION 3 – REFUSAL TO SELL

3.0 Refusal to Sell

If the seller of any listed property filed with the Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the Service and, provided the listing broker and the seller agree, the listing shall be withdrawn from active status.

SECTION 4 – PROHIBITIONS

4.0 Information for Participants Only

Any listing filed with the Service shall not be made available to any broker or firm not a Member of the Service without the prior consent of the listing broker.

4.1 "For Sale" Signs

Only the "For Sale" sign of the listing broker may be placed on a property.

4.2 "Sold" Signs

Prior to closing, only the "Sold" sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

4.3 Solicitation of Listing Filed With the Service

Participants shall not solicit a listing on property filed with the Service unless such solicitation is consistent with Article 16 of the Realtors[®] Code of Ethics, its Standards of Practice and its Case Interpretations.

NOTE: *This Section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4. This Section is intended to encourage sellers 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 filing of the listing with the Service, 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.

SECTION 5 – DIVISION OF COMMISSIONS

5.0 Compensation Specified On Each Listing

The listing broker shall specify, on each listing filed with the Service, the compensation offered to other Participants for their services in the sale 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 the Service 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 might not be paid and how promptly had the listing broker communicated this fact to cooperating brokers.

*NOTE 1: In filing a property with the Service, the Participant is making blanket, unilateral offers of compensation to the other Participants, and shall therefore specify on each listing filed with the Service the compensation being offered to the other Participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be, prior to his endeavor to 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 non-agency capacities defined by law) which may be the same or different. This shall not preclude the listing broker from offering any Participant compensation other than the compensation indicated on any listing published by the Service, provided the listing broker informs the other broker, in writing, in advance of submitting 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 superceding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

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 Service shall not publish the total negotiated commission on a listing which has been submitted to the Service by a Participant. The Service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

** The compensation specified on listings filed with the Service shall appear in one of two forms. The essential and appropriate requirement by the 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 submitting an offer to purchase. The compensation specified on listings published by the Service shall be shown in one of the following forms: a) By showing a percentage of the gross selling price or b) By showing a definite dollar amount.*

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

NOTE 3: The Service shall make no rule on the division of commissions between Participants and non-participants.

NOTE 4: The listing broker shall communicate potential cooperating brokers if the gross commission established in the listing contract is subject to court and whether the compensation specified on the listing may be reduced, if the gross commission established in the listing contract is reduced by the court. In such instances, the fact that the gross commission is subject to court 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 submit an offer that ultimately results in a successful transaction.

NOTE 5: Nothing in these MLS rules precludes a listing Participant and a cooperating Participant from modifying the cooperative compensation to be paid in the event of a successful transaction.

Note 6: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they may, as a matter of local discretion, also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales, if allowed by local rules, must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers.

5.1 Participant as Principal

If a Participant, licensee or licensed/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 submitted to the Service and such information shall be disseminated to all Participants.

5.2 Participant as Purchaser

If a Participant, licensee or licensed/certified appraiser, 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.

5.3 Dual or Variable Rate Commission Arrangements

The existence of a dual or variable rate commission arrangement, i.e. one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by a key, code or symbol as required by the Service. 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 the Client before the client makes an offer to purchase or lease.

5.4 Disclosure of Potential Short Sales

Participants must disclose potential short sales when reasonably known to the listing Participant. When disclosed, Participants shall advise other Participants whether and how any reduction in the gross commission established in the listing agreement, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating Participants

SECTION 6 – SERVICE CHARGES

6.0 Service Fees and Charges

Service charges for operation of the Service to defray the costs of the Service are subject to change from time to time. They may include, but are not limited to, the following:

- a) Initial Entry Fee

- b) Participation Fee – Participant fees for all licensed brokers, salespersons and assistants, licensed or certified appraisers, licensed appraisal assistants and non-licensed appraisal assistants who are logging hours of experience for certification are assessed to the Participant. The Participant shall be responsible for paying an assessment for all such individuals affiliated with him/her, who have use of or access to the Service, and shall be assessed an amount equal to his/her own fees plus an assessment for the total number of such individuals affiliated with him/her.
- c) Listing Fee
- d) Comparable/Sold Compilation Fee.

6.1 Exemptions

The Board of Directors, on an individual case basis, may grant exemptions from the service charges defined above. Such requests will be reviewed by the Board of Directors at its regularly scheduled meeting and, if granted, will expire at the end of each calendar or fiscal year unless otherwise determined by the Directors.

The Directors, on an individual case basis, may grant medical, maternity or military exemptions for a term approved by the Board of Directors.

Exemption requests will be restricted to non-principals and individuals who are not actively engaged in the management of the firm, or individuals who are not engaged as licensed assistants.

6.2 Penalties

A Participant, granted an exemption for a licensed broker, salesperson or assistant, licensed or certified appraiser, licensed appraisal assistant or non-licensed appraisal assistant or appraiser trainee who is logging hours of experience for certification, who, without notification to the Service of a change in this individual's status, allows said individual to utilize the Service; shall be liable for a fine not to exceed one (1) year's assessment, and the assessment(s) for the calendar quarter in which the violation occurred and all subsequent calendar quarters for the current year, shall become immediately due and payable.

SECTION 7 – INTERNET & WEBSITE DISPLAY

7.0 Internet Data Exchange (IDX) Defined

IDX affords Participants the option of authorizing display of their listings on other Participants'/Users' Internet websites.

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

7.1 Authorization

Participants' consent for display of their listings by other Participants pursuant to these rules and regulations is presumed, unless a Participant affirmatively notifies the Service, on a blanket or on a listing-by-listing basis that Participant refuses to permit display. If a Participant refuses on a blanket basis to permit display of his listings, such Participant may not download or frame the aggregated Service 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.

7.2 PARTICIPATION

Participation in IDX is available to all Service Participants who are Realtors® engaged in real estate brokerage, and who consent to display of their listings by other Participants.

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

7.3 DISPLAY

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

- **Listing:** Display shall include both thumbnail and detail sketches/information.
- **Fields Displayed:** Listings displayed pursuant to IDX shall contain only those fields of data designated by the Board of Directors. Display of all other fields 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.
- **Type of Listing Displayed:** Participants or Users shall determine which types of listings they will display on their websites. Examples include property type, price or location.

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

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

- **Modification of Information:** Participants, or Users, 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.
- **Firm Identification:** All listings displayed pursuant to IDX shall identify the listing firm, pursuant to the requirements of state law and/or regulation, in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.
- **MLS Identification:** All listings displayed pursuant to IDX shall identify Keystone MLS Network, Inc. as the source of the information.
- **Updating:** Participants, or Users, must refresh all downloads and refresh all data on their websites at least once every three (3) days. Such update schedule shall be furnished to the Service upon request.
- **Consumer Use:** Any Internet site used by a Participant, or User, shall indicate on the website that IDX information is provided exclusively for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, 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.

- **Right to Display:** The right to display other Participants' listings pursuant to IDX shall be limited to a Participant's office(s) holding participatory rights in the Service.
- **Third Party Use:** No portion of the IDX database shall be used or provided to a third party for any purpose other than those expressly provided for in these rules.
- **Service Fees and Charges:** Service fees and charges, if any, for participation in IDX, shall be established by the Board of Directors.
- **Disclaimer:** Appearing on the IDX host's Internet site shall be the following disclaimer: *All information provided is deemed reliable but is not guaranteed and should be independently verified. Participants, and their affiliated licensees, shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.*
- **Notification:** Participants must notify the Service of their intention to establish an IDX site and make their IDX site directly accessible to the Service for purposes of monitoring/ensuring compliance with applicable rules and policies.
- **Misappropriation:** MLS participants may not use IDX-provided listings for any purpose other than display on their websites. This does not require participants to prevent indexing of IDX listings by recognized search engines.
- **Seller Consent:** Listings or property addresses of Sellers who have directed their listing broker to withhold their listing or property address from display on the Internet (including, but not limited to, publicly-accessible websites or VOWs) shall not be accessible via IDX sites.
- **Objective Criteria:** Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location ("uptown", "downtown", etc.), list price, type of property (e.g. condominiums, cooperatives, single family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g. exclusive right to sell or exclusive agency) or the level of service being provided by the listing firm. Election of listings displayed on any IDX site must be independently made by each Participant. The type of listing agreement (e.g. exclusive right to sell, exclusive agency, etc.) may not be displayed on IDX sites.
- **Refresh Data:** Participants must refresh all MLS downloads and refresh all MLS data at least once every three (3) days.
- **Distribution:** Except as provided elsewhere in this policy or elsewhere in these Rules & Regulations, an IDX site or Participant operating an IDX site may not distribute, provide or make any portion of the MLS database available to any person or entity.
- **Name of Firm:** 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.
- **Joinder of Computer Consultant or Internet Service Provider:** Any third party computer expert or consultant or ISP (collectively "Consultant") advising or assisting the User/Participant in transfer of data, shall also sign the IDX agreement.

- **Keystone May Terminate At Any Time:** For violation of these Rules, after written notice to the Participant, or User, the Service shall have the right, at any time and in its sole discretion, to terminate the Participant's, or User's, right to so transfer information, consistent with the provisions of Sections 10.0 and 10.1. Said termination shall not be for a reason deemed to be arbitrary, exclusionary, anti-competitive or restrictive of fair trade.
- **Comments or Reviews:** Any IDX site that:
 - a) allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
 - b) displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing,

Shall disable or discontinue either or both of those features as to the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all participants' websites. Except for the foregoing a participant's IDX site may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX site from notifying its customers that a particular feature has been disabled at the request of the seller.

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

- **Downloading Agreements:** From time to time, the Service may enter into agreements with third parties. Such agreements will provide these third parties with access to the Service's database under the following conditions:
 - 1) The third party agrees to retain in its possession all information transferred pursuant to such agreement, and further agrees that all Service Rules and Bylaws will continue to apply to such information, even though it may be processed by the third party's own computer, and be in a format different than it appears on the Service's on-line system.
 - 2) The process and procedure for downloading shall be by such equipment and procedure as may be mutually determined.
 - 3) The third party may republish all or a portion of the Service's database in strict compliance with the then-current rules, regulations and policies of the Service, and in accordance with the Rules & Regulations of the State Real Estate Commission, on an Internet site controlled by the third party and advertised as third party's Internet site.
 - 4) An explanation that the listings have been downloaded from the Keystone MLS Network, Inc. shall appear on the first screen where such properties are displayed and shall display the Keystone MLS Network, Inc. logo.

- 5) Participants have the right to exclude listings from publication by marking any of the choices listed in the "Internet Exclusions" area on the data sheet.
- 6) The third party agrees not to permit any other person or entity to take information from the database content, and further agrees not to sell such data to any other person or entity. The third party agrees to take steps to prevent other sites from scraping data from the site. This action could include blocking the address of the offending site.
- 7) The third party must keep the listing information current by updating no less frequently than every three (3) days.
- 8) A disclaimer must appear on the site disclaiming liability for inaccuracies of data.

SECTION 8 – VIRTUAL OFFICE WEBSITES (VOWs)

8.0 Virtual Office Websites (VOWs) Defined

- a) A Virtual Office Website ("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision and accountability.
- b) As used in Section 8 of these Rules, the term "Participant" includes a Participant's affiliated non-principal brokers and sales licensees – except when the term is used in the phrases "participant's consent" and "Participant's oversight, supervision and accountability". References to "VOW" and "VOWs" include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner ("AVP") on behalf of a Participant.
- c) "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability and compliance with VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.
- d) As used in Section 8 of these Rules, the term "MLS Listing Information" refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

8.1 Authorization

- a) The right of a Participant's VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.
- b) Subject to the provisions of the VOW Policy and these Rules, a Participant's VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information or functions, e.g. Internet Data Exchange ("IDX").

- c) Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW.

8.2 Terms of Use

- a) Before permitting any consumer to search for or retrieve any MLS Listing information on his or her VOW, the Participant must take each of the following steps:
 - i. The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers ("hereinafter "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency and other disclosure obligations, and execution of any required agreements.
 - ii. The Participant must obtain the name of, and a valid e-mail address for, each Registrant. The Participant must send an e-mail to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the e-mail address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.
 - iii. The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any e-mail address is associated with only one user name and password.
- b) The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, e-mail address, user name and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.
- c) If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, e-mail address, user name and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.
- d) The Participant shall require each Registrant to review and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:
 - i. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant.
 - ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;
 - iii. That the Registrant has a bona fide interest in the purchase, sale or lease of real estate of the type being offered through the VOW;
 - iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in

connection with Registrant's consideration of the purchase or sale of an individual property;

- v. That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.
- e) The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labeled as such and may not be accepted solely by a mouse click.
- f) The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

8.3 Display

A Participant's VOW must prominently display an e-mail address, telephone number or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

8.4 Security

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

8.5 Seller Opt-Out

- a) A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as e-mail, fax or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.
- b) A Participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that includes the following (or a substantially similar) provision:

Seller Opt-Out Form

1. *Please check either Option a or Option b*

- a. *I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.*

OR

b. I have advised my broker or sales agent that I do not want the address of the listed property to be displayed on the Internet.

2. I understand and acknowledge that, if I have selected option a, consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their search.

Initials of Seller

c) The Participant shall retain such forms for at least one year from the date they are signed, or one year from the date the listing goes off the market, whichever is greater.

8.6 Third Party Comments

a) Subject to subsection (b), a Participant's VOW may allow third-parties (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.

b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participant's websites. Subject to the foregoing and to Section 8.7, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller."

8.7 Listing Broker Comments

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

8.8 Updating

A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

8.9 Restrictions

Except as provided in these rules, the *National Association of Realtors® VOW Policy* or any other applicable MLS rules or policies, no Participant shall distribute, provide or make accessible any portion of the MLS Listing Information to any person or entity.

8.10 Privacy Policy

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

8.11 Exclusions

A Participant's VOW may exclude listings from display based only on objective criteria including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker and whether the listing broker is a Realtor®.

8.12 Access by MLS

A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy and any other applicable MLS rules or policies.

8.13 Multiple VOWs

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

SECTION 9 – COMPLIANCE WITH RULES/AUTHORITY TO IMPOSE DISCIPLINE

By becoming and remaining a Participant or User in the Service, each Participant and User agrees to be subject to these Rules & Regulations and to any other Service governance provision. The Service may, through the administrative and hearing procedure established in these Rules, impose discipline for violations of the Rules and other Service governance provisions. Discipline that may be imposed may only consist of one or more of the following: a. letter of warning, b. letter of reprimand, c. attendance at MLS training or other appropriate course or seminar which the Participant or User can reasonably attend taking into consideration cost, location and duration, d. appropriate and reasonable fine not to exceed \$15,000, e. probation for a stated period of time not less than 30 days nor more than one year, f. suspension of Service rights, privileges and services for not less than 30 days nor more than one year, g. termination of Service rights, privileges and services with no right to reapply for a specified period of time not to exceed three (3) years.

9.0 Compliance with Rules

The following action may be taken for noncompliance with the rules:

- a) For failure to pay any service charge, fee or fine under the terms established by the Service, services to the Participant shall be suspended until service charges, fees or fines are paid in full; provided however, that any Participant whose service charges, fees or fines remain unpaid for a period of two consecutive quarters, shall be removed from the Service with reinstatement subject to completion of a new Application, payment of all past due accounts and a reinstatement fee as determined by the Board of Directors.
- b) For failure to comply with any other rule, the provisions of Section 10.0 and 10.1 shall apply.

9.1 Applicability of Rules

Non-principal brokers, sales licensees, appraisers and others authorized to have access to information published by the Service are subject to these Rules & Regulations and may be disciplined for violations thereof. Further, failure of any User to abide by the Rules and/or any sanction imposed for violations thereof, may subject the Participant to the same or other discipline. This provision does not eliminate the Participant's ultimate responsibility and accountability for all Users affiliated with the Participant.

SECTION 10 – ENFORCEMENT OF RULES OR DISPUTES

10.0 Consideration of Alleged Violations

The Board of Directors shall give consideration to all written complaints having to do with violations of the Rules & Regulations.

10.1 Violations of Rules & Regulations

If the alleged offense is a violation of the Rules & 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. If a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Association of Realtors® where the individual named in the complaint purchases MLS services, in accordance with the Bylaws and Rules & Regulations of the Association, within twenty (20) days following receipt of the Directors' decision. If, rather than conducting an administrative review, the Service has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the Board of Directors of the Service within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the Association of Realtors® where the individual named in the complaint purchases MLS services, 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® where the individual named in the complaint purchases MLS services.

10.2 Complaints of Unethical Conduct

All other complaints of unethical conduct shall be referred by the Board of Directors of the Service to the Association of Realtors® where the individual named in the complaint purchases MLS services, for appropriate action in accordance with the professional standards procedures established in the respective Association's Bylaws.

SECTION 11 – MEETINGS

11.0 Meetings

Meetings of the Participants, the Board of Directors or Delegates for the transaction of business shall be held in accordance with the provisions of the Bylaws of the Service.

SECTION 12 – CONFIDENTIALITY OF INFORMATION

12.0 Confidentiality of Information

Any information provided by the Service to the Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and real estate licensees affiliated with such Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated

with such Participants.

12.1 Accuracy of Information

The information published and disseminated by the Service is communicated verbatim, without change by the Service, as submitted to the Service by the Participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

12.2 Revision of Information

The Service shall establish a program whereby an appraiser, reviewer or user may recommend revisions to the database; provided the Service sends such recommendations to the Participant or Designated Manager of the listing office, for review. The listing office shall have the right to agree or object to the proposed revisions. In the absence of any response, the Service may revise the database. In the event the listing office disagrees with the revisions, the Service will take no action without an Arbitrator's decision.

12.3 Access to Comparable and Statistical Information

Association of Realtors[®] members who are actively engaged in real estate brokerage, management, appraising, land development or building, but who do not participate in the Service, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the Service, including comparable information, sold information and statistical reports. This information is provided for the exclusive use of these individuals and individuals affiliated with them who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm, except as otherwise provided in these Rules & Regulations.

SECTION 13 – OWNERSHIP OF MLS COMPILATION AND COPYRIGHT

13.0 Authority for Inclusion

By the act of submitting any property listing content to the Service, the Participant represents that he has been authorized to grant, and does thereby grant, authority for the Service to include the property listing content in its copyrighted compilation and also in any statistical report of comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information and other details or information related to listed property.

13.1 All Rights, Title and Interest in Compilation

All rights, title, and interest in each copy of every Service compilation created and copyrighted by the Service, and in the copyrights therein, shall at all times remain vested in the Service.

The term "compilation" shall be construed to include any format in which property listing or comparable data and photographs is collected and disseminated to the Participants, including but not limited to bound book, loose-leaf binder, computer database, card file, compact disk or any other format whatever, including the Internet.

13.2 Lease of Compilations

Participants shall be entitled to lease from the Service a number of copies of any compilation sufficient to provide the Participant, and each licensee or certified appraiser affiliated with the Participant, with one copy of such compilation. The Participant shall pay for each such copy the rental fee set by the Service. Participants shall acquire by such lease only the right to use the compilation in accordance with these rules.

13.3 No Requirement to Lease Compilation

The above Section 13.2 should not be construed to require the Participant to lease a copy of any compilation for any licensee or certified appraiser affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, or appraising the types of properties which are required to be filed with the Service and who does not, at any time, have access to or use of the Service information or the facilities of the Service.

SECTION 14 – USE OF COPYRIGHTED MLS COMPILATION

14.0 Distribution

Participants shall, at all times, maintain control over and responsibility for each copy of any compilation leased to them by the Service, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property or any other subscribers authorized pursuant to the governing documents of the Service. 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 or published by the Service where access to such information is prohibited by law.

14.1 Display of Compilation in General

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

14.2 Reproduction

Participants or their affiliated licensees shall not, under any circumstances, reproduce any MLS compilation, or any portion thereof, except in the following limited circumstance: utilizing, displaying, distributing or reproducing property listing sheets, or other compilations of data, pertaining exclusively to properties currently listed for sale with the Participant.

SECTION 15 – USE OF INFORMATION

15.0 Limitations on Use of MLS Information

Information from any compilation of current listing information, from statistical reports and from any sold or comparable report of the Service, may be used by Participants as the basis for aggregated demonstrations of market share or comparisons of firms in public mass-media advertising or in other public representations. This authority does not convey the right to include in any such advertising or representation information about specific properties which are listed with other Participants, or which were sold by other Participants as either listing or cooperating broker. 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 from the Keystone MLS Network, Inc. for the period (date) through (date)."*

SECTION 16 – CHANGES IN RULES & REGULATIONS

16.0 Changes in Rules & Regulations

Amendments to the Rules & Regulations of the Service shall be by consideration and approval of the Board of

Directors of the Service in accordance with the provisions of Article III, Section 8 of the Service Bylaws, concerning meetings of the Board of Directors, subject to final approval by the Boards of Directors of the Charter Shareholder Associations of Realtors®.

When approved by the Boards of Directors of the Charter Shareholder Associations of Realtors® as described, the amendments to the Rules & Regulations of the Service shall be effective immediately or as stated in the amending resolution.

If the proposed amendments of the Service's Rules & Regulations fail approval of the Boards of Directors of the Charter Shareholder Associations of Realtors®, the Board of Directors of the Service shall be informed and advised that the proposed amendment or amendments must be further considered and resubmitted to the Charter Shareholder Associations as approved by the Board of Directors of the Service.

SECTION 17 – ORIENTATION

17.0 Orientation

Any applicant for Service Participation and any licensee affiliated with such Participant, who has access to or use of Service-generated information, may be required to complete an orientation program of no more than eight (8) classroom hours devoted to the Service Rules & Regulations and computer training related to Service information entry and retrieval, and the operation of the Service, within thirty (30) days after access has been provided.

SECTION 18 – KEYCARDS/LOCKBOXES

18.0 Keycard/Lockbox Program

Every Service Participant and every non-principal broker, sales licensee and licensed or certified appraiser who is affiliated with a Service Participant, who is legally eligible for Service access, shall be eligible to hold an electronic key. This program is available to, and may be administered by, the Shareholder Associations. As the administrator(s), they agree to abide by the guidelines and rules as follows:

- a) Keys may be leased or sold to individual Participants/Users, subject to the execution of a *Keycard Usage Agreement*.
- b) Keys are subject to audit by the Service.
- c) Keys must be updated according to the procedures established by the Service.
- d) Lockboxes may be leased or sold to individual Users or Participants, and become the responsibility of the lessee/owner.

The Service may refuse access to the system to any individual convicted of a felony, or misdemeanor, if the crime, at the determination of the Service, relates to the real estate business or puts clients, customers or other real estate professionals at risk. Factors to be considered in making such determination include, but are not limited to:

- a) The nature and seriousness of the crime
- b) The relationship of the crime to the purposes for limiting lockbox access
- c) The extent to which access might afford opportunities to engage in similar criminal activity
- d) The extent and nature of past criminal activity

- e) Time since the criminal activity
- f) Evidence of rehabilitation while incarcerated or following release
- g) Evidence of present fitness.

SECTION 19 – RECIPROCAL AGREEMENTS

19.0 Reciprocal Agreements

From time to time the Service may enter into reciprocal agreements with other multiple listing services provided such services are not located within the jurisdiction of Keystone MLS Network, Inc. as outlined in the Bylaws. Such agreements will provide non-resident firms, which are not Participants, with access to the Service under the following conditions:

- a) Any firm seeking reciprocal participation must hold active membership in a Realtor[®] Association.
- b) Reciprocal Participants will be assessed fees for the service.
- c) All licensees and licensed or certified appraisers affiliated with the reciprocal Participant will be eligible for voluntary subscription.

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