

BY LAWS OF THE
BRONX-MANHATTAN *NORTH* ASSOCIATION OF REALTORS, INCORPORATED
(ADOPTED February 15, 2007)

INDEX

PAGE 2	ARTICLE I	NAME
PAGE 2	ARTICLE II	OBJECTIVES
PAGE 3	ARTICLE III	JURISDICTION
PAGE 3	ARTICLE IV	MEMBERSHIP
PAGE 5	ARTICLE V	QUALIFICATION AND ELECTION
PAGE 9	ARTICLE VI	PRIVILEGES AND OBLIGATIONS
PAGE 11	ARTICLE VII	PROFESSIONAL STANDARDS AND ARBITRATION
PAGE 11	ARTICLE VIII	USE OF THE TERMS REALTOR, REALTORS AND REALTOR-ASSOCIATE
PAGE 12	ARTICLE IX	STATE AND NATIONAL MEMBERSHIPS
PAGE 13	ARTICLE X	DUES AND ASSESSMENTS
PAGE 15	ARTICLE XI	OFFICERS AND GOVERNORS
PAGE 17	ARTICLE XII	MEETINGS
PAGE 17	ARTICLE XIII	COMMITTEES
PAGE 18	ARTICLE XIV	FISCAL YEAR
PAGE 18	ARTICLE XV	RULES OF ORDER
PAGE 18	ARTICLE XVI	AMENDMENTS
PAGE 19	ARTICLE XVII	DISSOLUTION
PAGE 19	ARTICLE XVIII	NOMINATING COMMITTEE
PAGE 20	ARTICLE XIX	MULTIPLE LISTING SERVICE

BRONX-MANHATTAN *NORTH* ASSOCIATION OF REALTORS, INCORPORATED
(Adopted February 15, 2007)

ARTICLE I - NAME

Section 1: Name

The name of this organization shall be the Bronx-Manhattan North Association of REALTORS, Incorporated, hereinafter referred to as the “Board.”

Section 2: REALTORS

Inclusion and retention of the Registered Collective Membership Mark REALTORS in the name of the Board shall be governed by the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS as from time to time amended.

ARTICLE II - OBJECTIVES

The objectives of the Board are:

Section 1:

To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests.

Section 2:

To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS.

Section 3:

To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced.

Section 4:

To further the interests of home and other real property ownership.

Section 5:

To unite those engaged in the real estate profession in this community with the New York State and the NATIONAL ASSOCIATION OF REALTORS, thereby furthering their own objectives throughout the state and national, and obtaining the benefits and privileges of membership therein.

Section 6:

To designate, for the benefit of the public, those individuals authorized to use the terms REALTOR, REALTORS, AND REALTOR-ASSOCIATE as licensed, prescribed, and controlled by the NATIONAL ASSOCIATION OF REALTORS.

ARTICLE III - JURISDICTION

Section 1:

The territorial jurisdiction of the Board as a Member of the NATIONAL ASSOCIATION OF REALTORS is the County of Bronx and the County of New York, New York; north of 149th street.

Section 2:

Territorial jurisdiction is defined to mean:

(a) The right and duty to control the use of the terms REALTOR, REALTORS, and REALTOR-ASSOCIATE subject to the conditions set forth in these Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS, in return for which the Board agrees to protect and safeguard the property rights of the National Association in the terms.

ARTICLE IV – MEMBERSHIP

Section 1:

There shall be seven classes of Members as follows:

(a) REALTOR Members. REALTOR Members, whether primary or secondary shall be:

(1) Individuals who, as sole proprietors, partners, or corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the state of New York or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR Membership only, and each is required to hold REALTOR Membership (except as provided in the following paragraph) in a Board of REALTORS within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(B) of Article IV.

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the board in which one of the firm's principals hold REALTOR membership, shall be required to hold REALTOR membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV (Amended 1/01)

NOTE: REALTOR Members may obtain membership in a “secondary” Board in another state.

(2) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, or corporate officers, or branch office managers and are associated with a REALTOR Member and meet the qualifications set out in Article V.

(3) Primary and secondary REALTOR Members. An individual is a primary member if the Board pays state and National dues based on such Member. An individual is a secondary Member if state and National dues are remitted through another Board. One of the principals in a real estate firm must be a Designated REALTOR Member of the Board in order for licensees affiliated with the firm to select the Board as their “primary” Board.

(4) Designated REALTOR Members. Each firm shall designate in writing one REALTOR Member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board dues as established in Article X of the Bylaws. The “Designated REALTOR” must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm's principal(s) and must meet all other qualifications for REALTOR Membership established in Article V, Section 2, of the Bylaws.

(5) Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the Commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR membership (including compliance with the Code of Ethics) EXCEPT: obligations related to Board mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR in connection with their franchise organization's name; the right to hold elective office in the local Board, State Association and National Association.

(b) REALTOR-ASSOCIATE Members. REALTOR-ASSOCIATE Members shall be individuals who are engaged in the real estate profession other than as principals, partners, or corporate officers and do not qualify for or seek REALTOR Membership as described in Article V, Section 2(b). Salesmen and other associates of a real estate office shall be eligible for REALTOR-ASSOCIATE Membership if they are employed by, or affiliated as an independent contractor with, a REALTOR Member as provided in this Article. REALTOR-ASSOCIATE Members may transfer to REALTOR Membership by meeting the requirements for such membership set out in Article V.

(c) Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation by an Institute, Society, or Council affiliated with the NATIONAL ASSOCIATION OF REALTORS that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR or REALTOR-ASSOCIATE membership, subject to payment of applicable dues for such membership.

(d) Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (a), (b) or (c) of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Board.

“Affiliate Membership shall also be granted to individuals licensed or certified to engage in real estate practice who, if otherwise eligible, do not elect to hold REALTOR and REALTOR-ASSOCIATE membership in the board, provided the applicant is engaged exclusively in a specialty of the real estate business other than brokerage of real property.”

(e) Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business.

(f) Honorary Members. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Board, or for the public.

(g) Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office.

ARTICLE V - QUALIFICATION AND ELECTION

Section 1: Application

(a) An application for membership shall be made in such manner and form as may be prescribed by the Board of Governors and made available to anyone requesting it. The application form shall contain among the statements to be requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself with the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS, the Constitutions, Bylaws, and Rules and Regulations of the Board, State and National Associations, and if elected a Member, will abide by the Constitutions and Bylaws and the Rules and Regulations of the Board, State and National Associations, and if a REALTOR, or REALTOR-ASSOCIATE, will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS including the obligation to arbitrate controversies arising out of real estate transactions as specified in the Code of Ethics, and as further specified in the Code of Ethics and Arbitration Manual of the NATIONAL ASSOCIATION OF REALTORS , as from time to time amended, and (2) that applicant consents that the Board, through its Membership Committee or otherwise, may invite and receive information and comment about applicant from any Member or other persons, and that applicant agrees that any information and comment furnished to the Board by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules and Regulations, and Code of Ethics referred to above.

Section 2: Qualification

An applicant for REALTOR Membership who is a sole proprietor, partner, or corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Membership Committee that he is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy, has no record of official sanctions involving unprofessional conduct, agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS, and shall pass such reasonable and nondiscriminatory written examination thereon as may be required by the Committee, and shall agree that if elected to membership, he will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics.

(*NO RECORD OF OFFICIAL SANCTIONS INVOLVING UNPROFESSIONAL CONDUCT is intended to mean that the Board may only consider judgments within the past three (3) years of violations of (1) civil rights laws; (2) real estate license laws; (3) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities, and (4) findings of violations of the REALTORS Code of Ethics resulting in suspension or expulsion from any Member Board/Association in which applicant is or was a Member.

NO RECENT OR PENDING BANKRUPTCY is intended to mean that the applicant or any real estate firm in which the applicant is a sole proprietor, general partner, or corporate officer, or branch office manager is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Board established that its interest and those of its members and the public could not be adequately protected

by requiring that the bankrupt applicant pay cash in advance for Board and MLS fees for up to one (1) year from the date that membership is approved or from the date that the applicant is discharged from bankruptcy (whichever is later). In the event that an existing member initiates bankruptcy proceedings, the member may be placed on a “cash basis” from the date that bankruptcy is initiated until one (1) year from the date that the member has been discharged from bankruptcy.

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, or corporate officers, or branch office managers in order to qualify for REALTOR Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR Member of the Board, or a Designated Realtor Member of another Board (if a secondary member) and must maintain a current, valid real estate broker’s or salesperson’s license or be licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the State Association, and the Constitution and Bylaws and Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS and shall pass such reasonable and non-discriminatory written examinations thereon as may be required by the committee and shall agree in writing that if elected to membership he will abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS, and by the Constitution, Bylaws, and Rules and Regulations of the local Board, State Association, and the National Association.

(c) The Board/Association will also consider the following in determining an applicant's qualifications for REALTOR® membership:

1. All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years
2. Pending ethics complaints (or hearings)
3. Unsatisfied discipline pending
4. Pending arbitration requests (or hearings)
5. Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS
6. Any misuse of the term REALTOR or REALTORS in the name of the applicant’s firm. (Amended 06/2006)

“Provisional” membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics; See Article V, Section 2 (a) NOTE 2) provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel.

Section 3: Election

The procedure for election to membership shall be as follows:

(a) The Membership Committee shall determine whether the applicant is applying for the appropriate class of membership. It shall then give written notice to the REALTOR Members of such application and invite written comment. If one or more of the REALTOR Members object to the approval of the application, basing such objection on lack of qualification as set forth in these Bylaws, the Committee shall invite any objecting Member

to appear and substantiate his objections. Objections which are not substantiated shall be totally disregarded. The committee may not find objections substantiated without (1) informing the applicant in advance, in writing, of the objections and identifying the objecting Member, and (2) giving the applicant a full opportunity to appear before the Committee and establish his qualifications. The Committee shall thereafter make a written report of its findings. The Membership Committee shall conduct all proceedings with strict attention to the principles of due process and compliance with the Bylaws of the Board.

(b) Thereafter, within two months, and Membership Committee shall report its recommendation to the Board of Governors in writing. If the recommendation is adverse to the approval of the application, the reasons shall be specifically stated. If any member of the Membership Committee submits a dissenting recommendation, it shall also be reported to the Board of Governors.

(c) The Board of Governors shall review the qualifications of the applicant and the recommendations of the Committee and then vote on the applicant's eligibility for membership. If the applicant receives a majority vote of the Board of Governors, he shall be declared elected to membership and shall be advised by written notice.

(d) The Board of Governors may not reject an application without providing the applicant with advance notice of the findings and recommendations of the Membership Committee, an opportunity to appear before the Board of Governors, to call witnesses on his behalf, to be represented by counsel, and to make such statements as he deems relevant. The Board of Governors may also have counsel present. The Board of Governors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings.

(e) If the Board of Governors determines that the application should be rejected, it shall record its reasons with the Secretary. If the Board of Governors believes that denial of membership to the applicant may become the basis of litigation and a claim of damage by the applicant may specify that denial shall become effective upon entry in a suit by the Board for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the rejection violates no rights of the applicant.

Section 4: Status Changes

(a) A REALTOR or REALTOR-ASSOCIATE who changes the conditions under which he holds membership shall be required to provide written notification to the Board within 30 days. A REALTOR (non-principal) or REALTOR-ASSOCIATE who becomes a principal in the firm with which he has been licensed or alternatively, becomes a principal in a new firm which will be comprised of REALTOR principals may be required to satisfy any previously unsatisfied membership requirements applicable to REALTOR (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR (principal). If the REALTOR (non-principal) or REALTOR-ASSOCIATES does not satisfy the requirements established in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Board of their change in status, their new membership application will terminate automatically unless otherwise so directed by the Board of Governors.

A Realtor(or REALTOR-ASSOCIATE, where applicable) who is transferring their license from one firm comprised of REALTOR principals to another firm comprised of REALTOR principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors.

NOTE: The Board of Governors, at its discretion, may waive any qualification which the applicant has already fulfilled in accordance with the Board's Bylaws.

(b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant.

(c) Dues shall be prorated from the first day of the quarter in which the member is notified of election by the Board of Governors and shall be based on the new membership status for the remainder of the year.

Section 5: Continuing Member Code of Ethics Training:

Effective January 1, 2001, through December 31, 2004, and for successive four years periods thereafter, each Realtor and Realtor Associate member of the association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, the State Association of Realtors, the National Association of Realtors, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by the National Association of Realtors from time to time. Realtor and Realtor Associate members who have completed training as a requirement of membership in another association and Realtor and Realtor Associate members who have completed the New Member Code of Ethics Orientation during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences.

Failure to satisfy this requirement shall be considered a violation of a membership duty for which Realtor and Realtor Associates shall be suspended until such time as the training is completed. (Adopted 1/01)

Members suspended for failing to meet the requirement for the first four (4)- year cycle (2001 through 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. Failure to meet the requirement for the second (2005 through 2008) cycle and subsequent four (4)- year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4)- year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of a member who is still suspended as of that date will be automatically terminated. (Adopted 1/01, revised 5/05)

ARTICLE VI - PRIVILEGES AND OBLIGATIONS

Section 1:

The privileges and obligations of Members, in addition to those otherwise provided in these Bylaws, shall be specified in this Article.

Section 2:

Any Member of the Board may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Governors for a violation of these Bylaws and Board Rules and Regulations not inconsistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Board. Although Members other than REALTORS and REALTOR-ASSOCIATES are not subject to the Code of Ethics nor its enforcement by the Board, such Members are encouraged to abide by the principles established in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS and conduct their business and professional practices accordingly. Further, Members other than REALTOR and REALTOR-ASSOCIATES may, upon recommendation of the Membership Committee, or upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Governors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR or REALTORS, or REALTOR-ASSOCIATES and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Board, the State Association, and the NATIONAL ASSOCIATION OF REALTORS.

Section 3:

Any REALTOR or REALTOR-ASSOCIATE member of the Board may be disciplined by the Board of Governors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the Board, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of the NATIONAL ASSOCIATION OF REALTORS as set forth in the Code of Ethics and Arbitration Manual of the National Association.

Section 4:

Resignations of Members shall become effective when received in writing by the Board of Governors, provided, however, that if any Member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of the Board or any of its services, departments, divisions, or subsidiaries, the Board may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed.

Section 5:

If a Member resigns from the Board or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel. If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a Realtor.

Section 6:

REALTOR Members. REALTOR Members, whether primary or secondary, in good standing whose financial obligations to the Board are paid in full shall be entitled to vote and to hold elective office in the Board; may use the terms REALTOR and REALTORS, which use shall be subject to the provisions of Article VIII; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Board and the real estate profession.

(d) If a REALTOR Member is a principal in a firm, partnership, or corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR or REALTORS in connection with its business during the period of suspension, or until readmission to REALTOR Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply.

Further, the membership of REALTORS other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR Member (non-principal) elects to sever his connection with the REALTOR and affiliate with another REALTOR Member in good standing in the Board, whichever may apply. If a REALTOR Member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms REALTOR or REALTORS by the firm, partnership, or corporation shall not be affected.

(e) In any action taken against a REALTOR Member for suspension or expulsion under Section 6 (d) hereof, notice of such action shall be given to all REALTORS and/or REALTOR-ASSOCIATE'S employed by or affiliated as independent contractors with such REALTOR Member and they shall be advised that the provisions in Article VI, Section 6 (d) and 7 (d) shall apply.

Section 7: REALTOR-ASSOCIATE Members.

(a) REALTOR-ASSOCIATE Members shall have the right to use the term REALTOR-ASSOCIATE subject to Article VIII of these Bylaws, and shall have all the rights and privileges of membership in the Board except the right to use the terms REALTOR and REALTORS, to vote, or to hold elective office in the Board.

(b) REALTOR-ASSOCIATE Members shall promote the interests and welfare of the Board and the real estate profession.

(c) REALTOR-ASSOCIATE Members shall maintain and promote the same high standards of ethical conduct in their real estate business as is required of REALTOR Members.

(d) The membership of a REALTOR-ASSOCIATE Member shall suspend or terminate during the period of suspension or termination of a REALTOR Member (principal) of the firm, partnership, or corporation with which he is associated, or until readmission of the disciplined REALTOR Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR-ASSOCIATE Member elects to sever his connection with the REALTOR and affiliate with another REALTOR Member in good standing in the Board, whichever may apply.

Section 8: Institute Affiliate Members.

Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Governors consistent with the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS.

Section 9: Affiliate Members.

Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Governors.

Section 10: Public Service Members.

Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Governors

Section 11: Honorary Members.

Honorary Membership shall confer only the right to attend meetings and participate in discussions.

Section 12: Student Members.

Student Members shall have rights and privileges and be subject to obligations prescribed by the Board of Governors.

Section 13: Certification by REALTOR.

“Designated” REALTOR Members of the Board shall certify to the Board during the month of April on a form provided by the Board, a complete listing of all individuals licensed or certified with the REALTOR’S office(s) and shall designate a primary Board for each individual who holds membership. Designated REALTORS shall also identify any non-member licensees in the REALTOR’S office(s) and if Designated REALTOR dues have been paid to another Board based on said non-member licensees, the Designated REALTOR shall identify the Board to which dues have been remitted. These declarations shall be used for purposes of calculating dues under Article X, Section 2(s) of the Bylaws. “Designated” REALTOR Members shall also notify the Board of any additional individual(s) licensed or certified with the firm(s) within 30 days of the date of affiliation or severance of the individual.

Section 14:Harassment

Any member of the association may be reprimanded, placed on probation, suspended or expelled for harassment of an association or MLS employee or Association Officer or Director after a hearing in accordance with the established procedures of the association. Disciplinary action may also consist of any sanction authorized in the association's Code of Ethics and Arbitration Manual. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Vice President and one member of the Board of Governors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the association. If the complaint names the President, President-elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Governors selected by the highest ranking officer not named in the complaint.

ARTICLE VII - PROFESSIONAL STANDARDS AND ARBITRATION

Section 1:

The responsibility of the Board and of Board Members relating to the enforcement of the Code of Ethics, the disciplining of Members, and the arbitration of disputes, and the organization and procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the Board, as from time to time amended, which by this reference is made a part of these Bylaws provided, however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law.

Section 2:

It shall be the duty and responsibility of every REALTOR and REALTOR-ASSOCIATE Member of this Board to abide by the Constitution and Bylaws and the Rules and Regulations of the Board, the Constitution and Bylaws of the State Association, the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS, and to abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS, including the duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Board as from time to time amended. Arbitration filing fee is \$500.00 for both members and non-members.

ARTICLE VIII -USE OF THE TERM REALTOR AND REALTORS®

Section 1:

Use of the terms REALTOR, REALTORS, and REALTOR-ASSOCIATE by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of the National Association of Realtors and to the Rules and Regulations prescribed by its Board of Directors. The Board shall have the authority to control, jointly and in full cooperation with the National Association of Realtors, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the association's Code of Ethics and Arbitration Manual. (Amended 06/2006)

Section 2:

REALTOR Members of the Board shall have the privilege of using the terms REALTOR and REALTORS in connection with their places of business within the state or a state contiguous there to so long as they remain REALTOR Members in good standing. No other class of Members shall have this privilege.

Section 3:

A REALTOR Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR and REALTORS only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession are REALTOR Members of the Board within the state or a state contiguous thereto or Institute Affiliate Members as described in Section 1(c) of Article IV.

(a) In the case of a REALTOR Member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR or REALTORS shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership or corporation holds REALTOR membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch manager holds Realtor membership, the term REALTOR or REALTORS may not be used in any reference to those additional places of business. (Amended 1/01)

Section 4:

REALTOR-ASSOCIATE Members of the Board shall have the right to use the term REALTOR-ASSOCIATE so long as they remain REALTOR-ASSOCIATE Members in good standing and the REALTOR Member with whom they are associated as independent contractors or by whom they are employed is also a REALTOR Member in good standing.

Section 5:

Institute Affiliate Members shall not use the terms REALTOR, REALTORS, or REALTOR-ASSOCIATE, nor the imprint of the emblem seal of the National Association of Realtors.

ARTICLE IX - STATE AND NATIONAL MEMBERSHIPS

Section 1:

The Board shall be a Member of the National Association of Realtors and the New York State Association of Realtors. By reason of the Board's Membership, each REALTOR and REALTOR-ASSOCIATE Member of the Member Board shall be entitled to membership in the National Association of Realtors and the New York State Association of Realtors without further payment of dues. The Board shall continue as a Member of the State and National Associations, unless by a majority vote of all of its REALTOR Members, decision is made to withdraw, in which case the State and National Associations, shall be notified at least one month in advance of the date designated for the termination of such membership.

Section 2:

The Board recognizes the exclusive property rights of the National Association of Realtors in the terms REALTOR, REALTOR, and REALTOR-ASSOCIATE. The Board shall discontinue use of the terms in any form in its name, upon ceasing to be a Member of the National Association, or upon a determination by the Board of Governors of the National Association that it has violated the conditions imposed upon the terms.

Section 3:

The Board adopts the Code of Ethics of the National Association of Realtors and agrees to enforce the Code among its REALTOR and REALTOR-ASSOCIATE Members. The Board and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of the National Association and the New York State Association of Realtors.

ARTICLE X DUES AND ASSESSMENTS

Section 1: Application Fee

The Board of Governors may adopt an application fee for REALTOR Membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR Membership, which shall be required to accompany each application for REALTOR Membership and which shall become the property of the Board upon final approval of the application.

Section 2: Dues. The annual dues of Members shall be as follows:

- (a) **REALTOR Members.** The annual dues of each Designated REALTOR shall be \$____plus and amount equal to \$____times the number of real estate salespersons and licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR Member, and (2) are not REALTORS or Realtor Associate Members of any Board in the state or a state contiguous thereto or Institute Affiliate or Realtor Associate Members of the Board. In calculating the dues payable to the Board by a Designated Realtor Member, non-member licensees as defined in Section (1) and (2) of this paragraph shall not be included in the computation of dues if the Designated REALTOR has paid dues based on said non-member licensees in another Board in the State or a state contiguous thereto, provided the Designated REALTOR notifies the Board in writing of the identity of the Board of which dues have been remitted. In the case of a Designated REALTOR Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR (as defined in (1) and (2) of this paragraph) in the office where the Designated REALTOR holds membership, and any other offices of the firm located within the jurisdiction of this board. * (Amended 1/01)

(1) For the purpose of this Section, a REALTOR Member of a Member Board shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, or corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of the National Association of Realtors. An individual shall be deemed to be licensed with a REALTOR is the license of the individual is held by the REALTOR, or by any broker who is licensed with the REALTOR, or by any entity in which the REALTOR has a direct or indirect ownership interest and which is engaged in other aspects of the Real estate business (except as provided in Section 2 (a) (1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal, partner, or corporate officer of the entity.

A REALTOR with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR for consideration on a substantially exclusive basis shall annually file with the association a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR filing the form for the purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR.

Membership dues shall be prorated for any license included on certification form submitted to the association who during the same calendar year applies for REALTOR or REALTOR-ASSOCIATE membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR or REALTOR-ASSOCIATE membership during the preceding calendar year.

(b) The annual dues of REALTOR Members other than the Designated REALTOR shall be determined by the Board of Governors.

(c) REALTOR-ASSOCIATE Members. The annual dues of each REALTOR-ASSOCIATE Member shall be determined by the Board of Governors.

(d) Institute Affiliate Members. The annual dues of each Institute Affiliate Member shall be as established in Article II of the Bylaws of the NATIONAL ASSOCIATION OF REALTORS.

(e) Affiliate Members. The annual dues of each Affiliate Member shall be determined by the Board of Governors.

(f) Public Service Members. The annual dues of each Public Service Member shall be determined by the Board of Governors.

(g) Honorary Members. Dues payable, if any, shall be at the discretion of the Board of Directors.

(h) Student Members. Dues payable, if any, shall be at the discretion of the Board of Directors.

Section 3: Dues Payable

Dues and fees are payable annually in advance on first day of January of each year. Dues and fees for new members must be paid in full at the time of application. Membership dues for new members are prorated the second year of membership.

Section 4: Non Payment of Dues & Balances

(a) Any member owing a balance on their annual membership dues for a period of 30 days after January 1 of each year will be put on a cash basis for all Board services. Membership shall be terminated for non-payment of dues after January 31st of each year. Dropped members are still responsible to pay any balances on their accounts regardless of their membership status. REALTOR Members who wish to be readmitted as a member in good standing of the Bronx-Manhattan Association of REALTORS must pay any balance on their account in full plus a \$100.00 readmission administrative fee prior to being readmitted. REALTOR ASSOCIATE members who wish to be readmitted as a member in good standing of the Bronx-Manhattan Association of Realtors must pay any balance on their account in full plus a \$50.00 readmission administrative fee prior to being readmitted.

(b) Any member owing a balance on their account of more than \$100.00 for more than sixty (60) days shall have their membership terminated. Dropped members are still responsible to pay any balance on their accounts regardless of their membership or non-membership status. REALTOR members who wish to be readmitted as a member in good standing of the Bronx-Manhattan Association of Realtors must pay any balance on their account in full plus a \$100.00 readmission administrative fee prior to being readmitted. REALTOR ASSOCIATE members who wish to be readmitted as a member in good standing of the Bronx-Manhattan Association of Realtors must pay any balance on their account in full plus a \$50.00 readmission fee prior to being readmitted.

Section 5: Deposit

All monies received by the Board shall be deposited promptly in a bank designated by the Board of Governors by resolution.

Section 6: Expenditures

The Board of Governors shall administer the finances of the Board. The Board of Governors shall not authorize an expenditure in excess of twenty-five percent of the available funds of the Board without authorization of a meeting of the REALTOR Members.

Section 7: Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members

All dues, fees, fines, assessments, or other financial obligations to the Board or Board Multiple Listing Service shall be noticed to the delinquent Board Member in writing setting forth the amount owned and due date.

ARTICLE XI - OFFICERS AND GOVERNORS

Section 1: Officers

(a) The elective officers of the Board shall be President, President Elect, Vice President for the Bronx Residential Brokerage Division, Vice President for the Manhattan Residential Brokerage Division, Vice President for Commercial Industrial Division, Vice President for Owner Management Division, Secretary and Treasurer. They shall be elected for terms of one year.

(b) In the event of the incapacity of the President to fulfill his/her term of office, the President-Elect will automatically preside as President.

(c) The officers will serve as an Executive Committee and shall meet when necessary to propose policy to the Board of Governors for the betterment of the Bronx-Manhattan Association of Realtors, Inc.

(d) The terms of the elective offices of the Board shall begin September 1, through August 31 of the following year.

Section 2: Duties of the Officers.

The Officers of the Bronx-Manhattan Association of Realtors shall provide leadership to the membership, maintain the highest professional standards, support the Programs, Services, activities sponsored by the Board and the policies of the Board of Governors.

(a) Duties of the President: It shall be the duty of the President to preside at all meetings of the Board of Governors and of the Executive Committee. The President shall be an ex-official member of all committees and shall serve in an advisory capacity. The President shall attend meetings as necessary of the New York State Association and National Association of Realtors and shall be the spokesperson of the Bronx-Manhattan Association of Realtors.

(b) Duties of the President-Elect: It shall be the duty of the President-Elect to assist the President in fulfilling his/her duties and shall coordinate the activities of the three Divisional Vice Presidents.

(c) Duties of the Secretary: It shall be the duty of the Secretary to oversee the keeping of accurate records for the proceedings of every meeting of the Board, of the Board of Governors and of the Executive Committee. He/She shall attend meetings of the Board and of the Board of Governors and of the Executive Committee.

(d) Duties of the Treasurer: It shall be the duty of the Treasurer to oversee the collection and safekeeping the collection of all fees, dues and other bills owed to the Board, make disbursements of Board funds under orders

and regulations given by the Board of Governors, report the financial conditions of the Board and submit a statement of receipts and disbursements and comparisons to budget no later than the second meeting of the Board of Governors following the end of each quarterly period.

(e) Duties of the Vice President for the Bronx Residential Brokerage Division: It shall be the duty of the Vice President for the Bronx Residential Brokerage Division to organize annual or quarterly meetings of the residential division members for purposes of exchange of ideas amongst members, round-table discussions of contemporary issues, and or forums with guest speakers. The Vice President must serve as a member of the Annual Banquet and Annual Golf & Tennis Outing and the Annual Holiday Party Committee of the Board.

(f) Duties of the Vice President for the Manhattan Residential Brokerage Division: It shall be the duty of the Vice President for the Manhattan Residential Brokerage Division to organize annual or quarterly meetings of the residential division members for purposes of exchange of ideas amongst members, round-table discussions of contemporary issues, and or forums with guest speakers. The Vice President must serve as a member of the Annual Banquet and Annual Golf & Tennis Outing and the Annual Holiday Party Committee of the Board.

(g) Duties of the Vice President for Commercial Industrial Division: It shall be the duty of the Vice President for Commercial Industrial Division to organize annual or quarterly meetings of the commercial industrial division members for purpose of exchange of ideas amongst members, round-table discussions of contemporary issues, and or forums with guest speakers. The Vice President must serve as a member of the Annual Banquet and the Annual Golf & Tennis Outing and the Annual Holiday Party Committees of the Board.

(h) Duties of the Vice President for Owner Management Division: It shall be the duty of the Vice President for the Owner Management Division to organize annual or quarterly meetings of the owner management division members for the purposes of exchange of ideas amongst members, round-table discussions of contemporary issues, and or forums with guest speakers. The Vice President must serve as a member of the Annual Banquet and the Annual Golf & Tennis Outing and the Annual Holiday Party Committees of the Board.

Section 3: The Board of Governors shall consist of the following:

Eighteen Governors to be elected from the REALTOR or REALTOR ASSOCIATE membership, nine Governors to be elected from any other classes of membership, the President, President-Elect, the Vice President for the Bronx Residential Brokerage Division, the Vice President for the Manhattan Residential Brokerage Division, the Vice President for Owner Management Division, Vice President for Commercial Industrial Division, the Secretary and the Treasurer of the Corporation during their respective terms of office and each former President to be recognized as constituting a Senior Council of the Board; and such persons shall each have one vote at meetings of the Board of Governors subject to resolution by the Board of Governors whether or not acting in more than one capacity. The said persons shall constitute the Board of Governors with all powers of the Board of Governors of a membership corporation, and with full power to manage and conduct the affairs of the Corporation by a majority vote of those present at any duly held meeting of the Board of Governors, except as limited by the Constitution and by any limitations hereafter imposed by a majority vote of the REALTOR Members present at any general meeting of the Corporation, or as other wise, now or hereafter provided by statute.

Section 4: Governors acting by virtue of election as such shall be elected upon the expiration of the terms of the present and successive Governors for terms of three years and REALTOR Members shall be elected to succeed REALTOR Members and members of other classes shall be elected to succeed members of other classes.

Section 5: Realtor or Realtor Associate Governor members will automatically be removed from office for being absent from meetings of the Board for three consecutive months. Absent Realtor or Realtor Associate Governor members will receive via facsimile and regular mail a notice of removal after the second consecutive absence that his or her failure to attend the next meeting will result in automatic removal from the Board of Governors.

Section 6: Except in the months of July and August, the Board of Governors shall meet at least once each month to consider reports of committees and to transact such business as may come before them. The President may call a special meeting of the Governors at any time.

Section 7: Chief Executive Officer

The Board of Governors shall have the authority to hire an Administrator with the title Chief Executive Officer to serve as the Administrative Officer of the day to day operations of the Bronx-Manhattan Association of Realtors, Inc. The Board of Governors shall define the duties and responsibilities of the Chief Executive Officer.

Section 8: Board Counsel

The President shall appoint from among the REALTOR or other membership classifications, subject to confirmation by the Board of Governors, a Board Counsel. It shall be the duty of the Board Counsel to attend all meetings of the Board and of the Board of Governors providing legal advice and counsel. The Board Counsel shall not have a vote at the meeting of the Board of Governors.

ARTICLE XII - MEETINGS

Section 1: Annual Meetings

The annual meeting of the Board shall be held on the third Thursday of June each year, the place and time to be designated by the Board of Governors. Only Active Members in good standing can attend and vote at the Annual Meeting of the Board.

Section 2: Meetings of Governors

The Board of Governors shall designate a regular time and place of meetings.

Section 3: Other Meetings

Meetings of the members may be held at such other times as the Board of Governors may determine, or upon the written request of at least 15 percent of the REALTOR Members.

Section 4: Notice of Meetings

Written notice shall be given to every member entitled to participate in the meeting at least one week preceding all meetings. If a special meeting, it shall be accompanied by a statement of the purpose of the meeting.

Section 5: Quorum.

A Quorum for the transaction of business shall consist of ten Members.

ARTICLE XIII – COMMITTEES

Section 1: Standing and Special Committees.

The President shall appoint from among the Active and other membership classifications, subject to confirmation by the Board of Governors, the following committees:

- | | |
|------------------------|-------------------------------|
| APPRAISAL | MEMBERSHIP |
| BUDGET | MORTGAGE, FINANCE & INSURANCE |
| CONSTITUTION & BY-LAWS | MULTIPLE LISTING SERVICE |
| ECONOMIC DEVELOPMENT | OWNER MANAGEMENT |
| EDUCATION PROGRAM | POLITICAL AFFAIRS |
| GRIEVANCE | PROFESSIONAL STANDARDS |
| LEGISLATIVE | PUBLIC RELATIONS |

SPECIAL COMMITTEES

ANNUAL BANQUET
ANNUAL EXHIBITION & SPORTS EXPO
BUILDING FUND
EQUAL OPPORTUNITY
ESSAY CONTEST
POLITICAL ADVOCACY FUNDRAISING
TECHNOLOGY COMMITTEE

Section 2: Special Committees.

The President shall appoint, subject to confirmation by the Board of Governors, such special committees as he/she may deem necessary.

Section 3: Organization.

All committees shall be of such size and shall have such duties, functions and powers as may be assigned to them by the President or Board of Governors, except as otherwise provided in these By-Laws.

Section 4: President.

The President shall be an ex-officio member of all committees and shall be notified of their meetings.

ARTICLE XIV - FISCAL YEAR

Section 1: The fiscal year of the Board shall be the calendar year (January 1 through December 31).

ARTICLE XV - RULES OF ORDER

Section 1: Robert's Rules of Order, latest Edition, shall be recognized as the authority governing the meetings of the Board, its Board of Governors and committees, in all instances wherein its provisions do not conflict with these By-Laws.

ARTICLE XVI – AMENDMENTS

Section 1: These By-Laws may be amended by majority vote of the Governor Members present and qualified to vote at any meeting at which a Quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting. Article IX may be amended only by a majority vote of all REALTOR Members.

Section 2: Notice by mail of all meetings at which such amendments are to be considered shall be given to every Governor Member at least one week prior to the time of meeting.

Section 3: Amendments of these By-Laws affecting the admission or qualification or qualifications of REALTOR Members or REALTOR Associate Members in the use of the terms “REALTOR”, “REALTORS” and “REALTOR-ASSOCIATE”, or any alteration in the territorial jurisdiction of the Board shall become effective upon their approval by the Board of Directors of the National Association of Realtors.

ARTICLE XVII – DISSOLUTION

Section 1:

Upon the dissolution or winding up of the affairs of this Board, the Board of Governors, after providing for the payment of all obligations, shall distribute any remaining assets to a Board of REALTORS receiving territorial jurisdiction which includes Bronx County and New York County in the State of New York, as a member Board of the National Association of Realtors, or within its discretion to any other non-profit and tax exempt educational or charitable institution.

ARTICLE XVIII - NOMINATING COMMITTEE

Section 1: Nominating Committee consisting of seven persons shall be constituted each year. The President and President-Elect shall automatically serve on the Nominating Committee. The five additional members of the Nominating Committee shall be chosen by the Board of Governors at its March meeting for the following year; all of whom shall be Governor Members. The President shall accept nominations of Governor members to serve on the Nominating Committee. Each Governor present at the March meeting shall vote for five nominees of their choice. The five nominees with the most votes shall constitute the Nominating Committee and the one nominee with the most votes shall serve as Chairman. The Nominating Committee shall select candidates for President, President-Elect, Vice President for the Manhattan Residential Division, Vice President for the Bronx Residential Division, Vice President Owner Management Division, Vice President for Commercial Industrial Division Secretary, Treasurer, and Governors to be voted upon at the Annual Meeting of the Board.

Section 2: These nominations must be made and posted on the bulletin board in the offices of the Board prior to May 31, preceding the terms of office of the Officers nominated. A list of said nominations shall also be delivered to the Secretary of the Board, who shall cause same to be mailed to all REALTOR Members 10 days prior to the General Membership Meeting of the Board in the month of June.

Section 3: An independent candidate, or candidates, receiving the endorsement in writing of at least 15% of the REALTOR Members to a petition, shall be eligible for election provided such name or names be posted on the bulletin board in the Board's offices, with said petition, at least 15 days prior to the Annual Election. Such name or names shall then be placed on the ballot. Cumulative voting shall not be allowed.

Section 4: In the event of death, resignation, or other inability to serve of a member of the Nominating Committee, the Board of Governors may fill the vacancy by the election of a member to serve until the next annual election.

ARTICLE XIX - MULTIPLE LISTING SERVICE

Section 1: Authority:

The Bronx-Manhattan Association of Realtors shall maintain for the use of its Members a Multiple Listing Service, which shall be subject to the Bylaws of the Bronx-Manhattan Association of Realtors and such Rules and Regulations as may be hereinafter adopted

Section 2: Purpose:

A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency

capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepared appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale (or lease).

Section 3: Participation:

Any Realtor of this or any other Board who is a principle, partner, corporate officer, or branch office manager acting on behalf of a principle, without further qualification, except as otherwise stipulated in these Bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the Rules and Regulations thereof and to pay the costs incidental thereto.* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless they hold a current, valid real estate broker's license and are capable of offering and accepting cooperation and compensation to and from other Participants or are licensed or certified by an appropriated state regulatory agency to engage in the appraisal of real property.** Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 2/94)

*Any applicant for MLS participation any licensee (including licensed or certified appraisers) affiliated with an MLS Participant who desires access to MLS-generated information shall complete and orientation program devoted to the MLS Rules and Regulations and computer training related to MLS information entry and retrieval within thirty (30) days after access has been provided.

(Amended 11/95) The prerequisite for MLS participation is holding Realtor principal membership in good standing of this or any other Board and attendance of an orientation program.

**When there is more then one principal in a real estate firm, the chief principal officer of the firm is the MLS "Participant". If each principal is defined as a "Participant," then each shall have a separate vote on MLS matters. Brokers or salespersons other than principals are not considered "Participants" in the Service, but have access to and use of the Service through the principal(s) with whom they are affiliated.

A nonmember applicant for MLS Participation who is a principal, partner, corporate officer or branch office manager acting on behalf of a principal, shall supply evidence satisfactory to the Membership Committee that he or she has a place of business within jurisdiction of the Board, or a board contiguous thereto; has no record of recent or pending bankruptcy; has no pending bankruptcy; has no record of official sanctions involving unprofessional conduct; agrees to complete a course of instruction (if any) covering the MLS Rules and Regulations and computer training related to MLS information entry and retrieval, as may be required by the MLS; and shall agree that if elected as a participant, he/she will abide by such Rules and Regulations and pay the MLS fees and dues: including the nonmember differential (if any), as from time to time established. Under no circumstances is any individual or firm entitled to MLS participation or Membership unless they hold a current, valid real estate broker's license and are capable of offering and accepting cooperation and compensation to and from other Participants, or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by the Board's Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey Participation or Membership or any right of access to information developed by or published by the Board's Multiple Listing Service where access to such information is prohibited by law. (Amended 11/95)

Section 4: Supervision:

The activity shall be operated under the supervision of the Multiple Listing Committee in accordance with the Rules and Regulations, subject to the approval of the Board of Governors.

Section 5: Appointment of Committee:

The President shall appoint, subject to confirmation Board of Governors, a Multiple Listing Committee of ten Members. All members of the Committee shall be Participants in Multiple Listing except, at the option of the local Board, Realtors or Realtor-Associates affiliated with participants may be appointed to serve in such numbers as determined by the Board. The Committee Members so named shall serve two-year terms. The Chairperson shall be designated by the President.

Section 6: Vacancies:

Vacancies in unexpired terms shall be filled by the Chairperson of the MLS Committee in cooperation with the President.

Section 7: Attendance:

Any Committee Member who fails to attend three (3) consecutive regular or special meetings of the Committee, without excuse acceptable to the Chairperson of the Committee, shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees.

Section 8: Subscribers:

Subscribers (or users) of the MLS include non-principal brokers, sales associates, and licensed and certified appraisers affiliated with Participants.

Rules and Regulations for an MLS Operated as a Committee of the Bronx-Manhattan Association of Realtors, Inc.

LISTING PROCEDURES

Section 1: LISTING PROCEDURES:

Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, located within the territorial jurisdiction of the Board of Realtors taken by Participants on (indicate form(s) of listing(s) accepted by the Service - See Notes 1 and 2) shall be delivered to the Multiple Listing Service within 72 hours.

- (a) single family homes for sale or exchange
- (b) vacant lots and acreage for sale or exchange
- (c) two-family, three family, and four-family residential buildings for sale or exchange

Note 1: The Multiple Listing Service shall not require a Participant to submit listings on a form other than the form the Participant individually chooses to utilize provided the listing is of a type accepted by the Service, although a property data form may be required as approved by the Multiple Listing Service. However, the Multiple Listing Service, through its legal counsel:

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

The multiple Listing service shall accept exclusive right to sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer

compensation to the other Participants of the Multiple Listing Service acting as subagents, buyer agents, or both. (Amended 11/96)

The different types of listing agreements include:

- (a) exclusive right to sell
- (b) exclusive agency
- (c) open
- (d) net

The Service may not accept net listing 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. (Amended 4/91)

The exclusive right to sell listings is the conventional form of listing submitted to the Multiple Listing Service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers. (Amended 4/92)

The exclusive agency listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, 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 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 prospects 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. (Amended 4/92)

Note 2: A Multiple Listing Service does not regulate the type of listings its Members may take. This does not mean that a Multiple Listing Service must accept every type of listing. The Multiple Listing Service shall decline to accept open listings (except where acceptance is required by law) and net listings, and it may limit its service to listings of certain kinds of property. But, if it chooses to limit the kind of listings it will accept, it shall leave its Members free to accept such listings to be handled outside the Multiple Listing Service.

Note 3: A Multiple Listing Service may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the MLS compilation of current listings. (Adopted 11/92)

Types of Properties: Following are some of the types of properties that may be published through the Service, including types described in the preceding paragraph that are required to be filed with the Service and other types that may be filed with the Service at the Participant's option provided, however, that any listing submitted is entered into within the scope of the Participant's licensure as a real estate broker: (Amended 11/91)

1. residential
2. residential income
3. subdivided vacant lot
4. land and ranch
5. business opportunity

6. motel-hotel
7. mobile homes
8. mobile home parks
9. commercial income
10. industrial

Section 1.1: LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE:

Any listing taken on a contract to be filed with the Multiple Listing Service is subject to the Rules and Regulations of the Service upon signature of the seller(s).

Section 1.2: DETAIL ON LISTINGS FILED WITH THE SERVICE:

A listing agreement or property data form, when filed with the Multiple Listing Service by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form.

Section 1.3: 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 filed with the Service but not disseminated to the Participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the Service.

Section 1.4: CHANGE OF STATUS OF LISTING:

Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed via fax, hand delivery, or regular mail with the Service within twenty four (24) hours (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing broker.

Section 1.5: WITHDRAWAL OF LISTING PRIOR TO EXPIRATION:

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

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker’s concurrence. However, when a seller(s) can document that his exclusive relationship with the listing broker has been terminated, the Multiple Listing Service may remove the listing at the request of the seller. (Adopted 11/96)

Section 1.6: CONTINGENCIES APPLICABLE TO LISTINGS:

Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants.

Section 1.7: LISTING PRICE SPECIFIED:

The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings unless the property is subject to auction. (Amended 11/92)

Section 1.8: LISTING MULTIPLE UNIT PROPERTIES:

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

Section 1.9: NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS:

The Multiple Listing Service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the Multiple Listing Service shall not fix, control,

recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-participants.

Section 1.10: EXPIRATION, EXTENSION, AND RENEWAL OF LISTINGS:

Any listing filed with the Multiple Listing Service automatically expires on the dates specified in the agreement unless renewed by the listing broker and notice of renewal or extension is filed with the Service prior to expiration.

If notice of renewal or extension is dated after the expiration date of the original listing, then a new listing must be secured for the listing to be filed with the Service. It should then be published as a new listing. Any extension or renewal of a listing must be signed by the seller(s) and be filed with the Service.

Section 1.11: 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.

Section 1.12: JURISDICTION:

Only listings of the designated types of property located within the jurisdiction of the Board of REALTORS are required to be submitted to the Service. Listings of property located outside the Board's jurisdiction will be accepted if submitted voluntarily by a Participant, but cannot be required by the Service. (Amended 11/88)

Section 1.13: LISTINGS OF SUSPENDED PARTICIPANTS:

When a Participant of the Service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board Bylaws, MLS Bylaws, MLS Rules and Regulations, or other membership obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended Participant shall, at the

Participants option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the Board (except where MLS participation without Board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS compilation of current listing information. Prior to any removal of a suspended Participant's listings from the MLS, the suspended Participant should be advised in writing of the intended removal so that the suspended Participant may advise his clients.

Section 1.14: LISTINGS OF EXPELLED PARTICIPANTS:

When a Participant of the Service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board Bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS 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 MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a Participant has been expelled from the Board (except where MLS participation without Board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, a Board MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised in writing of the intended removal so that the expelled participant may advise his clients.

Section 1.15: LISTINGS OF RESIGNED PARTICIPANTS:

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

SELLING PROCEDURES

Section 2: SHOWINGS AND NEGOTIATIONS:

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

a) the listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or (b) after 72 hours and reasonable effort, the cooperating broker cannot contact the listing broker or his representative. However, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers (Amended 4/92)

Section 2.1: PRESENTATION OF OFFERS:

This 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. (Amended 4/92)

Section 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, 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. (Approved 11/87)

Section 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 lesser 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 lesser and the listing broker. However, if the seller or lesser gives written instructions to the listing broker that the cooperating broker 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 written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations. (Amended 4/92)

Section 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 where the cooperating broker is a subagent). However if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker 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. (Adopted 11/93)

Section 2.5: REPORTING SALES TO THE SERVICE:

Sales shall be reported immediately to the multiple listing service by the listing broker unless the negotiations were carried on under section 2(a) or (b) hereof in which case the cooperating broker shall report, sending a copy to the listing broker within 24 hours after acceptance. (Amended 4/92)

NOTE: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to file the listing with the MLS; to provide timely notice of status

changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (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 formation by the MLS to its participants.

Section 2.6: REPORTING RESOLUTIONS OF CONTINGENCIES:

The listing broker shall report to the multiple listing service within 24 hours that a contingency on file with the multiple listing service has been fulfilled or renewed, or the agreement canceled.

Section 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.

Section 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.

REFUSAL TO SELL

Section 3. REFUSAL TO SELL:

If the seller of any listed property filed with the Multiple Listing Service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the service and to all participants.

PROHIBITIONS

Section 4: 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 MLS without the prior consent of the listing broker.

Section 4.1: “FOR SALE” SIGNS:

Only the “For Sale” sign of the listing broker may be placed on a property. (Amended 11/89)

Section 4.2: “SOLD” SIGNS:

Prior to closing only the “sold” of the listing broker may be placed on a property unless the listing broker authorizes the cooperating (selling) broker to post such a sign. (Amended 11/95)

Section 4.3: SOLICITATION OF LISTING FIELD WITH THE SERVICE:

Participants shall not solicit a listing on property filed with the service unless such solicitations in consistent with article 16 of the Realtors Code of Ethics, its Standards of Practice and its Case Interpretations.

NOTE 1: This section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-4. This section is intended to encourage sellers to permit their properties to be filed with the service by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration.

Without such protection, a seller could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present broker. This section is also intended to encourage brokers to participate in the service by assuring them that the 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.

DIVISION OF COMMISSIONS

Section 5: COMPENSATION SPECIFIED ON EACH LISTING:

The listing broker shall specify, on each listing filed with the Multiple Listing Service, the compensation offered to other Multiple Listing Service participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of sale (or lease).

The listing broker's obligation to compensate any cooperating broker as the procuring cause of sale (or lease) may be excused if it is determined through arbitration, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid (Amended 2/97) 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.

NOTE 1: In filing a property with the Multiple Listing Service of a Board of Realtors, the participant of the service is making blanket unilateral offers of cooperation to the other MLS participants, and shall therefore specify on each listing filed with the service, the compensation being offered to the other MLS participants. Specifying the compensation on each listing is necessary because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell. (Amended 4/92) The listing broker retains the right to determine the amount of compensation offered to subagents and to buyer agents, which may be the same or different. (Adopted 4/92) This shall not preclude the listing broker from offering any MLS participant compensation other than the compensation indicated on any listing published by the MLS provided the listing broker informs the other broker in writing in advance of their producing an offer to purchase and provide that the modification in the specified compensation is not the result of any agreement among all or any other participants in the service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount. (Amended 11/95)

The Board Multiple Listing Service shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the Board Multiple Listing Service shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The Board Multiple Listing 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 Multiple Listing Service shall appear in one of two forms. The essential and appropriate requirement by a Board Multiple Listing Service is that the information to be published shall clearly inform the participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance of their producing an offer to purchase. The compensation specified on listings published by the MLS shall be shown in the following forms:

1. By showing a percentage of the gross selling price.
2. By showing a definite dollar amount. (Amended 11/95)

NOTE 2: The listing broker may, from time to time, adjust the compensation offered to other Multiple Listing Service participants for their services with respect to any listing by advance published notice to the service so that all participants will be advised. (Amended 4/92)

NOTE 3: The Multiple Listing Service shall make no rule on the division of commissions between participants and non-participants. This should remain solely the responsibility of the listing broker.

Section 5.1: PARTICIPANT AS PRINCIPAL:

If a participant or any licensee (or licensed or certified appraisers) affiliated with a participant has any ownership interest in a property, the listing of which is to be disseminated through the Multiple Listing Service, that person shall disclose that interest when the listing is filed with the Multiple Listing Service and such information shall be disseminated to Multiple Listing Service participants.

Section 5.2: PARTICIPANT AS PURCHASER:

If a participant or any licensee (including licensed and certified appraisers) affiliated with a participant wished to acquire an interest in property listed with another participant, such contemplated interest shall be disclosed in writing to the listing broker no later than the time an offer to purchase is submitted to the listing broker. (Adopted 2/92)

SERVICE CHARGES

Section 6: SERVICE FEES AND CHARGES:

The following services charges for operation of the Multiple Listing Service are in effect to defray the costs of the service and are subject to change from time to time in the manner prescribed:

(a) Initial Participation Fee: An applicant for participation in the service shall pay an application fee as determined by the MLS Committee with such fee to accompany the application.

NOTE: The Initial Participation Fee shall approximate the cost of bringing the service to the Participant.
Recurring Participation Fee: The annual participation fee of each participant shall be an amount determined by the MLS committee.

NOTE: A Multiple Listing Service may elect to have such fees payable on a quarterly or even on a monthly basis. However, added administrative services are necessitated by increased frequency of such payments.

(b) Listing

OPTIONAL: It is a matter of agreement between the listing and selling broker as to whether or not the cooperating broker shall reimburse the listing broker for the listing fee. The Multiple Listing Service shall not be concerned as this is an arrangement between cooperating brokers and the Multiple Listing Service rules do not dictate the compensation offered to cooperating brokers by the listing broker. (Amended 4/92)

(c) Subscription Fees: One complete set of current listings shall be supplied to the participant upon payment of the application fee and the participation fee, and the participant shall be responsible for a subscription fee as determined by the MLS Committee for each additional set of listings to be supplied to each individual, employed by or affiliated as an independent contractor (including licensed or certified appraisers) with the participant, who has access to and who utilizes the service.

NOTE: This should be a minimal charge based on actual costs of producing and distributing the information.

NOTE: Any combination of charges may be used if they are in accordance with the National Association's Multiple Listing policy point No.3. Multiple Listing policy point No.3 prohibits a fee that is contingent on the sale of a listed property.

NOTE: Financing from the Multiple Listing Service should be adequate but not in such amounts as to be the source of financing the Board's operation. The Multiple Listing Service should pay its own way and allow for a

reasonable operating reserve but it's merely another service of the Board and not the principal activity or reason for the Board's existence. So long as it is able to restrict its services exclusively or primarily to Board members, the Service is not properly a Board profit center.

NOTE: Multiple Listing Services that choose to include affiliated unlicensed administrative and clerical staff, personal assistants and/or individuals seeking licensure or certification as real estate appraisers among those eligible for access to and use of MLS information as "subscribers" may, at their discretion, amend sections 6 (b) and (d) as necessary to include such individuals in the computation of MLS fees and charges. (Adopted 4/92)

COMPLIANCE WITH RULES

Section 7: COMPLIANCE WITH RULES:

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

(a) For failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days notice has been given, the service shall be suspended until service charges or fees are paid in full.

(b) For failure to comply with any other rule, the provisions of sections 9 and 9.1 shall apply.

NOTE: Generally, warning, censure and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the rules and regulations of the Multiple Listing Service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service. If the MLS desires to establish a series of moderate fines, they should be clearly specified in the rules and regulations. (Amended 11/88)

Section 7.1: APPLICABILITY OF RULES TO USERS AND/OR SUBSCRIBERS:

Non-principal brokers, sales licensees, appraisers and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the participant to the same or other discipline. This provision does not eliminate the participant's ultimate responsibility and accountability for all users or subscribers affiliated with the Participant. (Adopted 4/92)

NOTE: Adoption of section 7.1 is optional and it should be adopted by Multiple Listing Services desiring to establish authority to impose discipline on non-principal "users" or "subscribers" affiliated with MLS "Members" or "Participants" (Adopted 4/92)

MEETINGS

Section 8: MEETINGS OF MLS COMMITTEE:

The Multiple Listing Service Committee shall meet for the transaction of its business at a time and place to be determined by the Committee or at the call of the Chairperson.

Section 8.1: MEETINGS OF MLS PARTICIPANTS:

The Committee may call meetings of the Participants in the service to be known as meetings of the Multiple Listing Service.

Section 8.2: CONDUCT OF THE MEETINGS:

The Chairperson, or a Co-Chairperson, shall preside at meetings or, in their absence, a temporary Chairperson from the membership of the committee shall be named by the Chairperson or, upon his failure to do so, by the committee.

ENFORCEMENT OF RULES OR DISPUTES

Section 9: CONSIDERATION OF ALLEGED VIOLATIONS:

The committee shall give consideration to all written complaints having to do with violations of the Rules and Regulations.

Section 9.1: VIOLATIONS OF RULES AND REGULATIONS:

If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged violation of one or more of the provisions of Section 16 of the rules and regulations or a request for arbitration, it may be administratively considered and determined by the MLS Committee and if a violation is determined, the MLS Committee may direct the imposition of sanction provided that the recipient of such sanction may request a hearing by the Professional Standards Committee of the Board in accordance with the Bylaws of the Board of Realtors.

If, rather than conducting an administrative review, the MLS Committee has a procedure established to conduct hearings, the decision of the hearing tribunal may be appealed to the Board of Directors of the Board of Realtors. Alleged violations of Section 16 of the rules and regulations shall be referred to the Board's Grievance Committee for processing in accordance with the professional standards procedures of the board, except that if the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board. (Amended 2/98)

Section 9.2: COMPLAINTS OF UNETHICAL CONDUCT:

All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the Board of Realtors for appropriate action in accordance with the professional standards procedures established in the Board's Bylaws.

CONFIDENTIALITY OF MLS INFORMATION

Section 10: CONFIDENTIALITY OF MLS INFORMATION:

Any information provided by the Multiple Listing 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. (Amended 4/92)

Section 10.1: MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION:

The information published and disseminated by the service is communicated verbatim, without change by the service, as filed with 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.

Section 10.2: ACCESS TO COMPARABLE AND STATISTICAL INFORMATION:

Board members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS, 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 MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Board members and individuals affiliated with Board members 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 and Regulations.

OWNERSHIP OF MLS COMPILATIONS AND COPYRIGHTS

Section 11: By the act of submission of any property listing content to the MLS the participant represents that he has been authorized to grant and also thereby does grant authority for the MLS to include the property listing content its copyrighted MLS compilation and also in any statistical report on 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.

Section 11.1: All right, title, and interest in each copy of every Multiple Listing Compilation created and copyrighted by the Bronx-Manhattan Association of Realtors and in the copyrights therein, shall at all times remain vested in the Bronx-Manhattan Association of Realtors.

Section 11.2: Each participant shall be entitled to lease from the Bronx-Manhattan Association of Realtors a number of copies of each MLS compilation sufficient to provide the participant and each person affiliated as a licensee (including licensed or certified appraisers) with such participant with one copy of such compilation. The participant shall pay, for each such copy a fee set by the Board. Participants shall acquire by such lease only the right to use the MLS compilations in accordance with these Rules.

The term MLS compilation, as used in sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to the participants, including, but not limited to, bound book, loose-leaf binder, computer database, card file, or any other format whatsoever.

This section should not be construed to require the participant to lease a copy of the MLS compilation for any licensee (or licensed 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 MLS, and who does not, at any time, have access to nor use of the MLS information or MLS facility board.

USE OF COPYRIGHTED MLS COMPILATIONS

Section 12: DISTRIBUTION:

Participants shall at all times maintain control over and responsibility for each copy of any MLS compilation leased to them by the Board of Realtors, and shall not distribute any such copies to persons other than subscribers who are affiliated with such participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. (Amended 4/92)

Section 12.1: DISPLAY:

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

Section 12.2: REPRODUCTION:

Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof except in the following limited circumstances:

Participants or their affiliated licensees may reproduce from the MLS compilation, and distribute to prospective purchasers or sellers a reasonable number of single copies of property listing data contained in the MLS compilation which relate to any properties in which the prospective purchasers are or may, in the judgment of the Participant or their affiliated licensees, be interested.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties other than that in which the prospective purchaser has expressed interest, or in which the participant or the affiliated licensees are seeking to promote interest, does not appear on such reproduction. Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the Participant.

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and those licensees affiliated with the participant who are authorized to have access to such information. Such information may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm.

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

It is intended that the Participant be permitted to provide prospective purchasers or sellers with listing data relating to properties which the prospective seller has a bona fide interest in purchasing or selling in which the Participant is seeking to promote interest. The term "reasonable", as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number shall include, but are not limited to, the total number of listings in the MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

USE OF MLS INFORMATION

Section 13: LIMITATIONS ON USE OF MLS INFORMATION:

Use of information from MLS compilation of current listing information from the Board's "statistical report", or from any "sold" or "comparable" report of the Board or MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited.

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the Board or its MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

Based on information from the Board/Association of Realtors (alternatively, from the BMAR MLS) for the period (date) through (date). (Amended 11/93)

CHANGES IN RULES AND REGULATIONS

Section 14: CHANGES IN RULES AND REGULATIONS:

Amendments to the Rules and Regulations of the service shall be by a 51% vote of the members of the Multiple Listing Service Committee, subject to approval by the Board of Governors of the Bronx-Manhattan Association of Realtors Inc.

ARBITRATION OF DISPUTES

Section 15: ARBITRATION OF DISPUTES:

By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the Code of Ethics with MLS Participants in different firms arising out of their relationship as MLS Participants subject to the following qualifications. (Amended 11/97)

If all disputants are members of the same Board of Realtors or have their principal place of business within the same Board's territorial jurisdiction, they shall arbitrate pursuant to the procedures of that Board/Association of Realtors.

If the disputants are members of different Boards of Realtors or if their principal place of business is located within the territorial jurisdiction of different Boards of Realtors, they remain obligated to arbitrate in accordance with the procedures of the New York State Association of Realtors.

Inter-board Arbitration Procedures: In instances where the State Association does not provide arbitration services, arbitration shall be conducted in accordance with any existing inter-board agreement or, alternatively, in accordance with the Inter-board Arbitration Procedures in the Code of Ethics and Arbitration Manual of the National Association of Realtors. Nothing herein shall preclude participants from agreeing to arbitrate the dispute before a particular Board/Association of Realtors.

STANDARDS OF CONDUCT FOR MLS PARTICIPANTS

Section 16: Standards of Conduct for MLS Participants

Section 16.1: MLS Participants shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other MLS Participants have with clients. (Amended 1/98)

Section 16.2: Signs giving notice of property for sale, rent lease, or exchange shall not be placed on property without consent of the seller/landlord.

Section 16.3:

MLS Participants acting as subagents or as buyer/tenant representatives or brokers, shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker. (Amended 1/98)

Section 16.4: MLS Participants shall not solicit a listing currently listed exclusively with another broker. However, if the listing broker, when asked by the MLS Participant, refuses to disclose the expiration date and nature of such listing (i.e., an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client) the MLS Participant may contact the owner to

secure such information and may discuss the terms upon which the MLS Participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing listing.

Section 16.5: MLS Participants shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by an MLS Participant, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the MLS Participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the MLS Participant might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement. (Amended 1/98)

Section 16.6: MLS Participants shall not use information obtained from listing brokers through offers to cooperate made through Multiple Listing Services or through other offers of cooperation to refer listing brokers' clients to other brokers or to create buyer/tenant relationships with listing brokers' clients, unless such use is authorized by listing brokers.

Section 16.7: The fact that an agreement has been entered into with an MLS Participant shall not preclude or inhibit any other MLS Participant from entering into a similar agreement after the expiration of the prior agreement. (Amended 1/98)

Section 16.8: The fact that a prospect has retained an MLS Participant as an agent exclusive representative or exclusive broker in one or more past transactions does not preclude other MLS Participants from seeking such prospect's future business. (Amended 1/98)

Section 16.9: MLS Participants are free to enter into contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent. (Amended 1/98)

Section 16.10: When MLS Participants are contacted by the client of another MLS Participant regarding the creation of an exclusive relationship to provide the same type of service, and MLS participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement. (Amended 1/98)

Section 16.11: In cooperative transactions, MLS Participants shall compensate cooperating MLS Participants (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other MLS Participants without the prior express knowledge and consent of the cooperating broker.

Section 16.12: MLS Participants are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another MLS Participant. A general telephone canvass, general mailing, or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, or organization, or other classification or group is deemed "general" for purposes of this standard.. (Amended 1/98)

The following types of solicitations are prohibited:

Telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their property with another MLS Participant; and mail or other forms of written solicitations of prospects whose properties are exclusively listed with another MLS Participant when such solicitations are not part of a general mailing but are directly

specifically to property owners identified through compilations of current listings, “for sale” or “for rent” signs, or other sources of information intended to foster cooperation with MLS Participants.

Section 16.13: MLS Participants, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service. (Amended 1/98)

Section 16.14: MLS Participants, acting as buyer or tenant, representatives or brokers, shall disclose that relationship to the seller/landlord’s representative or broker at first contact and shall provide written confirmation of that disclosure to the seller/landlord’s representative or broker not later than execution of a purchase agreement or lease. (Amended 1/98)

Section 16.15: On unlisted property, MLS Participants acting as buyer/tenant representatives or brokers shall disclose that relationship to the seller/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement. (Amended 1/98)

MLS Participants shall make any request for anticipated compensation from the seller/landlord at first contact.

Section 16.16: MLS Participants, acting as representatives or brokers of sellers/landlords or as subagents of listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable, and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement. (Amended 1/98)

Section 16.17: MLS Participants are not precluded from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers’ exclusive agreements. However, information received through a Multiple Listing Service or any other offer of cooperation may not be used to target clients of other MLS Participants to whom such offers to provide services may be made.

Section 16.18: MLS Participants, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker’s offer of compensation to subagents or buyer/tenant representative or brokers, or make the submission of an executed offer to purchase/lease contingent on the listing broker’s agreement to modify the offer of compensation. (Amended 1/98)

Section 16.19: All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client’s representative or broker, and not with the client, except with the consent of the client’s representative or broker or except where such dealings are initiated by the client. (Amended 1/98)

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to MLS Participants shall ask prospects whether they are a party to any exclusive representation agreement. MLS participants shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects’ exclusive representatives or at the direction of prospects.

Section 16.20: Participants, users, and subscribers, prior to or after terminating their relationship with their current firm, shall not induce clients of their current firm to cancel exclusive contractual agreements between

the client and that firm. This does not preclude participants from establishing agreements with their associated licensees governing assignability of exclusive agreements. (Adopted 1/98)

Section 16.21: These rules are not intended to prohibit ethical, albeit aggressive or innovative business practices, and do not prohibit disagreements with other MLS Participants involving commission, fees, compensation, or other forms of payment or expenses.

Section 16.22: MLS Participants shall not knowingly or recklessly make false or misleading statements about competitors, their business, or their business practices.

ORIENTATION

Section 17 : Orientation:

Any one applicant for MLS Participation and any licensee affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided. (Amended 11/96)

Internet Data Exchange ("IDX")

Section 18: – IDX Defined: IDX affords MLS Participants the option of authorizing display of their active listings on other Participants' Internet web sites.

Section 18.1: – Participants' consent for display of their active listings by other Participants pursuant to these rules and regulations is presumed unless a Participant affirmatively notifies the MLS that the Participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a Participant refuses on a blanket basis to permit the display of that Participant's listings, that Participant may not download or frame the aggregated MLS data of other Participants.

Section 18.2: Participation in IDX is available to all MLS Participants who are REALTORS® who are engaged in real estate brokerage and who consent to display of their listings by other Participants. This requirement can be met by maintaining an office or Internet presence from which Participants are available to represent real estate sellers or buyers (or both).

Section 18.2.1: Participants must notify the MLS of their intention to establish an IDX site and make their IDX site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 18.2.2: Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent “scraping” or other unauthorized accessing, reproduction or use of the MLS database.

Section 18.2.3: Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly – accessible Web sites or VOWs) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers.

Section 18.2.4: 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, exclusive agency, or open listing), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each Participant.

Section 18.2.5: Participants must refresh all MLS downloads and refresh all MLS data at least once every seven (7) days.

Section 18.2.6: Except as provided elsewhere in this policy or elsewhere in an MLS's rules and 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.

Section 18.2.7: When displaying listing content, a Participant's or User's IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.

Section 18.3: Display: Display of listing information pursuant to IDX is subject to the following rules:

Section 18.3.1: Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited.

Section 18.3.2: Participants shall determine which listings or the types of listings they will display on their websites. Examples include property type ("condos", "single family detached", "multi-family", etc.), price, or location ("downtown").

Section 18.3.3: Participants shall not modify or manipulate information relating to other Participants' listings. (This is not a limitation on site design but refers to changes to actual listing data.)

Section 18.3.4: All listings displayed pursuant to IDX shall identify the listing firm.

Section 18.3.5: All listings displayed pursuant to IDX shall identify the listing agent.

Section 18.3.6: Non-principal brokers and sales licensees affiliated with IDX Participants may display information available through IDX on their own websites subject to their Participant's consent and control and the requirements of state law and/or regulation.

Section 18.3.7: Listing information downloaded and/or otherwise displayed pursuant to IDX shall be limited to properties listed on an exclusive right to sell basis.

Section 18.3.8: All listings displayed pursuant to IDX shall show the MLS as the source of the information.

Section 18.3.9: Participants (and affiliated licensees, if applicable) must refresh all downloads and refresh all data at least once every 7 days.

Section 18.3.10: Participants (and their affiliated licensees, if applicable) 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.

Section 18.3.11: The data consumers can retrieve or download in response to an inquiry shall be limited to 10 listings per search.

Section 18.3.12: The right to display other Participants' listings pursuant to IDX shall be limited to a Participant's office(s) holding participatory rights in this MLS.

Section 18.3.13: Listings obtained through IDX must be displayed separately from listings obtained from other sources, including information provided by other MLSs.

Section 18.3.14: 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.

Section 18.4: Service Fees and Charges: Service fees and charges for participation in IDX shall be as established annually by the Board of Directors. (Adopted 11/01)

Section 19: VOW Defined: VOW means a Participant's Internet website (and, where authorized, websites of non-principal brokers and sales licensees affiliated with MLS Participants) through which consumers receive real estate brokerage services, including the opportunity to search for MLS data subject to the Participant's oversight, supervision and responsibility.

Section 19.1: Authorization: Participants' use of listings of other Participants on VOWs is subject to the consent of such other Participants. Participants' consent for display of their listings by other Participants on VOWs pursuant to these rules is presumed unless a Participant independently and affirmatively withholds that consent ("opts out").

Participants may independently "opt out" of the VOWs of other Participants on (a) a blanket basis ("blanket opt out") of all other Participants' VOWs, or (b) on a selective basis ("selective opt out") of VOWs of a specific Participant or Participants.

Notifying the MLS, which shall compile and maintain a list of the names of any "blanket opt out" Participants and make such list available to all Participants operating VOWs. In this instance it is the responsibility of Participants to refrain from displaying the listings of "blanket opt out" Participants on their VOWs.

"Selective opting out" can be accomplished by the "selective opt out" Participant providing written notice to another Participant operating a VOW of the "selective opt out" Participant's independent decision to withhold consent for display of that Participant's listings on the VOW.

Section 19.2: Participants operating VOWs shall comply with the following:

Section 19.2.1: Participants must have a broker-consumer relationship (as defined by state law) with each consumer seeking to receive information from a Participant's VOW ("Registrant").

Section 19.2.2: Participants must obtain the name and valid email address of each Registrant.

Section 19.2.3: Participants must send an email to any Registrant confirming that the Registrant has agreed to the VOW's Terms of Use.

Section 19.2.4: Participants can provide access to their VOW only after a Registrant's email address is verified as valid and the Registrant's agreement to the VOW's Terms of Use is confirmed.

Section 19.2.5: Participant's Terms of Use shall include the following terms.

- a. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;

- b. That all data obtained from the VOW is only for the Registrant's personal, non-commercial use;
- c. 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;
- d. That the Registrant will not copy, redistribute or retransmit any of the data or information provided; and
- e. That the Registrant acknowledges the MLS's ownership of and the validity of the copyright in the MLS database.

Participant's Terms of Use may also include other provisions determined by the Participant.

Section 19.2.6: Participants' Terms of Use may not impose a financial obligation on a Registrant. Financial obligations, if any, must be established separately from the Participants' Terms of Use, must be prominently labeled, and may not be accepted solely by a "mouse click."

Section 19.2.7: Participants' Terms of Use may not create any representation agreement between a Registrant and the Participant. Representation agreements, if any, must be established separately from the Participants' Terms of Use, must be prominently labeled, and may not be accepted solely by a "mouse click."

Section 19.2.8: Participants must obtain from or supply to each Registrant a user name and a password, the combination of which must be different from those of all other Registrants on the VOW, before being permitted to search and retrieve information from the MLS database via the VOW.

Section 19.2.9: Participants' VOWs must protect MLS data from misappropriation by employing reasonable efforts to monitor for and prevent "scraping" and other unauthorized accessing, reproduction or use of the MLS database.

Section 19.2.10: Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or their property address from display on the Internet (including, but not limited to, publicly-accessible websites or VOWs) shall not be accessible to Registrants. This does not preclude listing brokers from displaying on their VOW or their other website(s) the listing or property address of consenting sellers.

Section 19.2.11: If non-principal brokers or sales licenses are authorized by the MLS to operate VOWs with their Participant's consent, such VOWs remain subject to the Participant's control, and both the Participant and the non-principal broker or sales licensee shall be accountable under these rules.

Section 19.2.12: MLS information available on any VOW must be refreshed at least once every seven (7) days.

Section 19.2.13: No portion of the MLS database shall be distributed, provided to or made accessible to any person except as provided for in these rules and/or in the National Association of REALTORS VOW policy.

Section 19.2.14: VOWs must display the Participant's privacy policy informing Registrants how information they provide may be used.

Section 19.2.15: Listings from the MLS may only be excluded from display on Participants' VOWs based on objective criteria, e.g. type of property, listed price, geographical location, or cooperative compensation offered by listing brokers.

Section 19.2.16: Participants may not provide the identity of Registrants to any other entity for compensation

except where (1) the Participant's residential real estate brokerage activities principally consist of listing or selling the types of properties required to be filed with the MLS; (2) Registrants are seeking property in a price range or in a location for which the Participant ordinarily does not provide real estate brokerage services; and (3) the number of Registrant identities provided, or the corresponding revenue generated, is an insubstantial portion of the Participant's real estate brokerage activities. For purposes of this rule, "selling" does not include making referrals of prospective purchasers to other real estate brokers and "listing" does not include making referrals of prospective sellers to other real estate brokers.

Section 19.2.17: Participants must notify the MLS of their intention to establish a VOW, and must make their VOW directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 19.2.18: A Participant's VOW may not make available for search by or display to Registrants the following data intended exclusively for other MLS Participants and their affiliated licensees:

1. Expired, withdrawn, pending or sold listings.
2. The compensation offered to other MLS Participants.
3. The type of listing agreement, i.e., exclusive right to sell or exclusive agency.
4. The seller(s) and occupant(s) name(s), phone number(s) and email address(es) where available.
5. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.

Section 19.2.19: No advertising may be visible on a page displaying any portion of the listings of other Participants except that the name, address, phone number and company logo of the Participant operating the VOW and/or the name, address and phone number of the non-principal broker or sales licensee operating the VOW, and any information required by state law or regulation may not be prohibited.

Section 19.2.20: MLS data fields authorized for display may not be changed. MLS data may be augmented with additional data not otherwise prohibited from display provided the source of any additional data is clearly identified. This rule does not restrict the format of MLS data display or display of fewer than all of the listings or fewer authorized data fields.

Section 19.2.21: Display of MLS data must include a notice indicating that the data is deemed reliable but is not guaranteed accurate by the MLS.

Section 19.2.22: Participants' VOWs may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

Section 19.2.23: All listings displayed on VOWs shall identify the name of the listing firm in typeface not smaller than the median used in the display of listing data.

Section 19.2.24: Registrants may view, retrieve or download not more than 10 current listings or (if permitted) sold listings in response to any inquiry.

Section 19.2.25: Non-principal brokers and sales licensees affiliated with MLS Participants may operate VOWs subject to their Participant's consent and control. Both the Participant and the non-principal broker or sales licensee operating the VOW shall be accountable under these rules with respect to the operation of any such VOW.