

GULF SOUTH REAL ESTATE INFORMATION NETWORK, INC.

RULES AND REGULATIONS

PREAMBLE

PARTICIPANTS, SUBSCRIBERS AND NON-REALTOR® MULTIPLE LISTING SERVICE MEMBERS

The term “Participant” in a Board Multiple Listing Service is defined, as follows:

Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, 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 offer or accept 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 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. (Amended 11/08)

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and ongoing basis during the operation of the participant's real estate business. The “actively” requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law. (Adopted 11/08)

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a “Virtual Office Website” (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively

endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants. (Adopted 11/08)

The term “Subscriber” in a Board Multiple Listing Service is defined, as follows:

REALTORS® who are non-principal brokers, sales licensees, licensed and certified real estate appraisers, or Non-REALTORS® who are non-principal brokers or sales licensees affiliated with an MLS Participant.

The term Non-REALTOR® refers to Participants and their Subscribers who do not hold REALTOR® membership in the Association of REALTORS®.

Non-REALTOR® Participants and Subscribers cannot use the official registered Multiple Listing Service logo or the REALTOR® logo of the National Association of REALTORS®.

Such use would be a misrepresentation and would violate the registration rights of the National Association of REALTORS®, the lawful owner of said Collective Service Mark.

Where such Non-REALTOR® advertises that he is a member of the Multiple Listing Service of a Board of REALTORS® such Participant or Subscriber additionally must indicate in his advertisement that he is not a member of the Association of REALTORS®.

Multiple Listing Services provided to Non-REALTOR® Participants and their affiliated Subscribers are limited to Core Services.

Core Services are defined as electronic access to the Multiple Listing Service which provides:

- Current listing information
- Information communicating compensation to potential cooperating brokers

Non-REALTOR® Participants listings are not transmitted by the service to:

- a) Internet Data Exchange (IDX)
- b) New Orleans Metropolitan Association of REALTORS® web site
- c) Multi-Lingual property search engine
- d) REALTOR.com.

The right to display listing information pursuant to IDX is limited to Participants who are REALTORS®.

Additionally, the Non-REALTOR® Participants and Subscribers will not be included in the Find A REALTOR® search function on the Association’s web site.

LISTING PROCEDURES

Section 1. LISTING PROCEDURES: Once all **necessary signatures of seller(s)** have been obtained, listings of real or personal property of the following types, which are listed subject to a real estate broker's license, located within the natural market area in which the service is provided taken by Participants on Exclusive Right To Sell or Exclusive Agency contracts shall be broker loaded or delivered to the Gulf South Real Estate Information Network, Inc. (hereafter referred to as GSREIN) **within 72 hours after the effective date of the listing.** (Adopted 03/10)

- (a) Single family homes for sale or exchange.
- (b) Lots and acreage for sale or exchange.
- (c) Two-family, three-family, and four-family residential buildings for sale or exchange.

GSREIN , through its legal counsel may:

1. Reserve the right to refuse to accept a listing form which fails to adequately protect the interests of the public and the Participants.
2. Assure that no listing form filed with the service establishes, directly or indirectly, any contractual relationship between GSREIN 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 cooperation and compensation to the other Participants of the Multiple Listing Service acting as subagents, buyer agents, or both.

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

3. The different types of listing agreements include:

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

GSREIN does not accept open or net listings. GSREIN does not regulate the type of listings its Members may take and handle outside of the MLS.

The Exclusive Right to Sell listing is the conventional form of listing submitted to the Multiple Listing Service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.

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 as such under "Listing Type" 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 disclose in the "Listing Type" field exclusive agency and exclusive right to sell listings with prospect reservations.

TYPES OF PROPERTIES: The 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:

1. Residential
2. Residential Income
3. Multi Family
4. Subdivided Vacant Lot
5. Land or Ranch
6. Business Opportunity (must include sale or lease of land)
7. Motel-Hotel
8. Mobile Homes (must include sale or lease of land)
9. Commercial
10. Industrial
11. Leases
12. Boat House (must include sale or lease of land)
13. Non-Listed Sold (Not listed in MLS, sold by an MLS Participant)

In order for a listing to be listed/advertised as a Single Family Residential Property, the property must be free standing (detached) structure that DOES NOT have a common wall OR a common lot line. A Condominium CANNOT be listed under the Residential Property Type of the MLS. Any Condominium that is listed under the Residential Property Type in the MLS will be removed.

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 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. Only accurate information which is applicable to a particular field in the MLS may be entered into that field, such as in the field street name only the street name may be entered. All listing and sold information as required by the service must be submitted to the service. Incomplete Data Forms will not be accepted.

All listings must have realistic room sizes. If property is gutted it must be stated in Public Remarks. Listings with no room sizes will be subject to action as stated in Section 7 (e).

The participant, and subscriber, acknowledge and agree that NOMAR/GSREIN has no responsibility for inaccurate or incorrect input of information. The participant, and subscriber, agrees to hold harmless and indemnify NOMAR/GSREIN from any claims, loss, or damages arising out of the incomplete, inaccurate, or

incorrect input of information or data into the system. Furthermore, the participant, and subscriber, shall be solely responsible for immediately checking the accuracy of any and all information or data input into the system and to thereafter immediately notify NOMAR/GSREIN of any corrections to be made.

Upon entry in the MLS of a property which is NOT available for showing until a future date, the listing broker must obtain from, and provide to the MLS, a written statement from the seller verifying that fact, and warranting that the property will NOT be shown by or to anyone until such future date. The agent must record this statement in the MLS Agent Remarks section of the listing.

Prior to being published in the MLS the listing agreement of **Limited Service listings** must be provided to GSREIN to determine if it is a valid Exclusive Agency or Exclusive Right to Sell listing and that the listing conforms to Louisiana State Law, L.S.A. R.S. 9:3891(1), with regard to agency. Once this listing has been approved by the GSREIN Board of Directors and/or legal counsel it can be published through the GSREIN MLS.

Section 1.2.1 – LIMITED SERVICE LISTINGS: Listing agreements under which the listing broker will not provide one, or more, of the following services:

- a) arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s);
- b) accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s);
- c) advise the seller(s) as to the merits of offers to purchase;
- d) assist the seller(s) in developing, communicating, or presenting counter-offers; or
- e) participate on the seller(s) behalf in negotiations leading to the sale of the listing property

will be identified as Limited Service Listing in the first line of Agent Remarks in the MLS, so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property.

Section 1.2.2 – PUBLIC REMARKS: For public access and should include only property descriptive information and must not include commission, bonus, security, agent contact or web site information. No broker or licensee sponsored by said broker shall use advertising which is misleading or inaccurate or in any way misrepresents any property, terms, value, policies, or services of the business conducted.

Section 1.2.3 – LINKS/CONTACT INFORMATION/RESTRICTIONS IN IDX: A participant in the MLS may, consistent with the Code of Ethics, applicable laws, and the MLS rules, advertise their listings on their own website, or in the MLS, in any way they choose. Yet, a participant or designated agent who chooses to disseminate their listings through IDX by placing a "Y" in the IDX field in the MLS, agrees to abide by certain limitations regarding the manner of advertising, and the identity of their company or agents. Specific advertisements or identification of a listing broker or his company, (as opposed to the listed property), on another's website is contrary to the philosophy and principle of the IDX system and is strictly prohibited. Thus, notwithstanding any other provision of the rules and regulations, or of the IDX, all IDX participants agree:

- (a) Only un-branded tours may be entered in the Virtual Tour field in the MLS.
- (b) An IDX participant and listing agent may not include a website link in the photo, virtual tour, or other data provided to the IDX;
- (c) An IDX participant and listing agent is prohibited from advertising, soliciting, or otherwise identifying his company or agents in any virtual tour, or in any other informational downloads to the IDX system.

Section 1.2.4 - PHOTOS, SKETCHES, RENDERINGS, DEPICTIONS OR VIRTUAL TOURS ON LISTINGS FILED WITH THE SERVICE:

A) Prior to submitting a listing to the MLS, the listing broker should own, or have the authority to cause all listing content (e.g., photographs, images, graphics, audio and video recordings, virtual tours, drawings descriptions, remarks, narratives, pricing information, and other details or information related to listed property) to be published in the MLS compilation of listing information.

B) Once photos, renderings, depictions or virtual tours on listings have been submitted to the service they cannot be downloaded and resubmitted by others on their listings without written consent from the listing agent who originally submitted the photo, sketch, rendering, depictions or virtual tours to the service.

Listing photos appearing in the system with listing status A, O, C shall not display broker/agent signs. The photo must be of the listed property only and shall not contain additional information or imagery. MLS Staff is authorized to remove any photo in violation of this policy and send notification to the listing agent and office broker.

Effective January 1, 2009 Single Family, Condominium, Multifamily, Commercial and Lease properties (excluding properties that are under construction, to be built and vacant land) the first photo will be required of the exterior front and be a true representation of the existing structure. All photos, sketches, renderings or depictions submitted to the service must reflect an accurate portrayal of the property for that particular listing. The first image slot must display the exterior front of the listing. The first photo must appear in the MLS listing within 72 hours, unless written documentation requesting a photo not be submitted is signed by the Seller and submitted to the MLS.

Floor plans, artist renderings or elevation drawings that are not actual photos of the listed property shall not be allowed as the first photo.

In addition to the one (1) required photo, Participant/Subscriber may load up to twenty-four (24) additional photos/images which may consist of photos, floor plans, artist renderings or elevation drawings of the listed property or its grounds.

C) Photo/Image Description: Photo/Image description text shall not include commission, bonus, security, agent contact or web site information. No broker or licensee sponsored by said broker shall use advertising which is misleading or inaccurate or in any way misrepresents any property, terms, value, policies, or services of the business conducted.

D) Virtual Tours: only unbranded tours may be entered in the Virtual Tour field in the MLS. No branding of any type allowed in the virtual tour. (i.e. tour company, photographer) No advertising or contact information allowed in the virtual tour.

Section 1.2.5 LOUISIANA RESIDENTIAL PROPERTY DISCLOSURE REQUIREMENT:

Effective January 1, 2010 the Residential Property Disclosure will be REQUIRED to be attached to all applicable listings in the MLS within 7 days of listing entry. This rule applies to existing active listings also.

Note, if a seller of a property is exempt from the Residential Property Disclosure, then the Informational Statement Page of the Residential Property Disclosure shall be attached to the MLS listing with 7 days of listing entry.

Section 1.3 EXEMPTED LISTINGS: If the seller refuses to permit the listing to be disseminated by the Service, the REALTOR® 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 broker loaded or delivered to the Service within 72 hours (excluding weekends and holidays) after authorized change is received by the listing broker.

Any change in the status of a listing must be broker loaded or delivered to the Service within 72 hours (excluding weekends and holidays). When there is an open predication on a property you must enter a "O" in the STATUS field. Only Open Predications can be placed in this status. If there is an accepted offer on a property but it is requested by the seller that the property remain on the market and continue to be shown you would change the status to "C". "C" status requires that property must continue to be shown up until the status is changed otherwise. If there is an accepted offer and the property cannot be shown the status must be changed to "U". The "O" status represents Open Predication, But Continue To Show and the "C" status represents Pending, But Continue To Show. When you perform a search, the system automatically populates the status field with "A,O,C". The MLS recommends that brokers also disclose in AGENT REMARKS the length of the open predication, ie. 24hr open predication.

Agents must withdraw any "Exclusive Agency" listing when an offer is accepted through the efforts of the seller without agency representation of an MLS Participant either on the listing or selling side of the sale.

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 by broker load or by the listing broker submitting an MLS change form which authorizes such withdrawal to the MLS. A notice must be filed with the MLS 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.

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.

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 DUPLICATE FILINGS OF LISTINGS: If entered under more than one property type, one of the entries must be withdrawn when the property is sold or leased.

A participant can not enter a property more than once under the same property type.

Section 1.10 CO-LISTINGS: When "co-exclusive" listings, which make it possible for the listing broker to offer cooperation and compensation to the other Participants of the Multiple Listing Service acting as subagents, buyer agents, or both, are included in the MLS compilation, each of the "co-exclusive" listing brokers must be REALTORS® or Participants in GSREIN. Co-Listings may be entered into the MLS once by each listing broker. When sold, only one is to be entered as sold in the MLS and the other is to be withdrawn. This will keep listing and sold statistics from being distorted.

If listing brokers can not agree as to which listing is to be put through as SOLD, the MLS will change the LIST BROKER CODE to COLI01 (CO-LIST). Both company names will be entered and the two company phone #'s will be entered in the company phone fields.

Section 1.11 NON-LISTED SOLD: If there is no exclusive right to sell or exclusive agency listing agreement on a property, but the sale of the property has closed and the selling broker is an MLS Participant, the property may be entered into the MLS for comparable information as long as the buyer or seller's permission has been given for the property to be included in the MLS comparables. In order to list property in the MLS the property must be listed or sold by a REALTOR® member of the MLS. If not listed, but sold by a REALTOR® member the property can be entered into the MLS for the purpose of comps. (Adopted 03/2010)

All fields of information required by the service must be accurately remitted, and the status of the listing entry must be coded as "N" (Non-Listed Sold) to allow for an option of whether or not to include these properties in the various MLS reports and statistics. The Listing Agent is coded as a Non-Member (Public ID = NMEM), since it was not listed by an MLS Participant. The ID number of the MLS member who sold the property is entered under Selling Agent ID.

Section 1.12 NO CONTROL OF COMMISSION RATES OR FEE CHARGES 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 commission or fees between cooperating Participants or between participants and nonparticipants.

Section 1.13 EXPIRATION, EXTENSION, AND RENEWAL OF LISTINGS: Any listings filed with

the Multiple Listing Service automatically expire on the dates specified in the listing 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 would then be published as a new listing. Any extension or renewal of a listing must be signed by the Seller(s) and be broker loaded or delivered to the Service.

Section 1.14 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 1.15 JURISDICTION: Only listings of the designated types of property located within the areas in which the Board provides MLS services, are required to be submitted to the Service. Listings of property located outside the MLS jurisdiction will be accepted if submitted voluntarily by a Participant, but cannot be required by the Service.

Section 1.16 LISTINGS OF SUSPENDED PARTICIPANTS: When a Participant of the Service is suspended from GSREIN 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 shall, at the Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective.

If a Participant has been suspended from the REALTOR® Association in which they held primary or secondary membership, they may make application for MLS membership as a Non-member broker. If a Participant has been suspended from GSREIN for failure to pay appropriate dues, fees or charges, GSREIN 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 1.17 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 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 Service by the expelled Participant shall, at the Participant's option, be retained in the Service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective.

If a Participant has been expelled from the REALTOR® Association or GSREIN for failure to pay appropriate dues, fees or charges, GSREIN 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. If a Participant has been expelled from the REALTOR® Association in which they held primary membership for failure to pay

appropriate dues, fees or charges, they may make application for MLS membership as a Non-member broker.

Section 1.18 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 listings in the MLS compilation of current listing information. Prior to any removal of a 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 in the "Agent Remarks" section of the MLS, or
- (b) after reasonable effort, the cooperating broker cannot contact the listing broker or his representative. However, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers.

Section 2.1 PRESENTATION OF OFFERS: The listing broker must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so.

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.

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(s) or lessor(s) 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(s) or lessor(s) and the listing broker. However, if the seller or lessor 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.

Section 2.4 RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER-OFFERS: 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.

Section 2.5 REPORTING PENDING AND CLOSED SALES AND LEASED PROPERTIES TO THE SERVICE: Status changes, including final closing of sales and leases shall be reported to the Multiple Listing Service by the listing broker within 72 hours (excluding weekends and holidays) after they have occurred. If negotiations were carried on under Section 2 (a) or (b) hereof, the cooperating broker shall report the accepted offers, to the listing broker within 72 hours (excluding weekends and holidays) after occurrence and the listing broker shall report them to the MLS within 72 hours (excluding weekends and holidays) after receiving notice from the cooperating broker. (Amended 11/08)

(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 advertise; 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.)

Section 2.6 REPORTING RESOLUTIONS OF CONTINGENCIES: The listing broker shall report to the Multiple Listing Service within 72 hours that a contingency on file with the Multiple Listing Service has been fulfilled or renewed, or the agreement cancelled.

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 within 72 hours 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.

Section 4.2 "SOLD" SIGNS: Prior to closing, only the "Sold" sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

Section 4.3 SOLICITATION OF LISTING FILED WITH THE SERVICE: Participants shall not solicit a listing on property filed with the Service unless such solicitation is consistent with Article 16 of the REALTORS® Code of Ethics, its Standards of Practice and its Case Interpretations.

DIVISIONS OF COMMISSIONS

Section 5. COOPERATIVE 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 the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at which point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

In filing a property with the Multiple Listing Service of 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.

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

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

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 to MLS Participants specified on listings filed with the MLS shall appear in the "TCMP" (Commission To Cooperating Member Participant) field 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 his producing an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

- a) By showing a percentage of the gross selling price, or
- b) By showing a definite dollar amount.

When displaying a variable in the commission to cooperating broker such as x on the 1st \$100,000 and y on the remainder, it is to be displayed as a % or \$ amount on the 1st \$100,000, separated by a slash (/), and then a % or \$ amount on the remainder. When there is a variable other than so much on the 1st \$100,000 and so much on the remainder, it must be noted in the 1st line of the Agent Remarks. (Example: TCMP % x/y or TCMP % REM)

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.

The MLS shall make no rule on the division of commissions between Participants and non-participants. This shall remain solely the responsibility of the listing broker.

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

Disclosing Potential Short Sales

Participants may, but are not required to, disclose potential short sales to other participants and subscribers. When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing contract, required by the lender as a condition of approving the sale, will be

apportioned between listing and cooperating participants in the Agent Remarks section of the MLS. (Adopted 02/09)

Short Sales are defined as a transaction where title transfers, where the sales price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies.

Section 5.1 PARTICIPANT AS PRINCIPAL: If a Participant or any licensee (or licensed or certified appraisers) affiliated with a Participant has any interest in property, the listing of which is to be disseminated through the Multiple Listing Service, that person shall disclose that interest in the "Agent Remarks" section when the listing is filed with the Multiple Listing Service and such information shall be disseminated to all Multiple Listing Service Participants (i.e. Owner/Agent).

Section 5.2 PARTICIPANT AS PURCHASER: If a Participant or any licensee (including licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed in writing to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

Section 5.3 DUAL OR VARIABLE RATE COMMISSION ARRANGEMENTS: The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) must be disclosed by the listing broker as "Dual or Variable Rate Commission" in the "Agent Remarks" section of the MLS. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose information to their client before the client makes an offer to purchase or lease.

SERVICE CHARGES

Section 6. SERVICE FEES AND CHARGES: The following service 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 per MLS fee structure with such fee to accompany the application.
- (b) **Quarterly Service Charge:** The MLS Participant is assessed a quarterly service fee as per the MLS fee structure for each office within the MLS jurisdiction as well as each office outside of the jurisdiction that holds secondary GSREIN membership. This secondary MLS membership will not require the Designated REALTOR® to be assessed dues for all licensees within that office.
- (c) **Recurring Participation Fee:** The annual participation fee of each Participant is the amount noted

under MLS Member Fee as stated on the MLS fee structure times each real estate broker, sales licensee, and licensed or certified real estate appraiser affiliated with or employed by an MLS Participant who has access to and use of the MLS Service. Payment of such fees shall be made on or before June 30th with a delinquent fee assessed after this dates. Fees shall be prorated on a quarterly basis.

- (d) Secondary MLS Participation: A real estate broker, sales licensee, and licensed or certified real estate appraiser affiliated with or employed by an MLS Participant and who is a member in good standing of another MLS may join GSREIN as long as their Designated REALTOR® is a GSREIN MLS Participant and their office holds secondary MLS membership in GSREIN. A letter of good standing will be required from the other MLS along with a letter from the Designated REALTOR® authorizing the licensee to join GSREIN as a secondary MLS. The fee for secondary membership is the MLS member fee as stated on the fee structure.
- (e) Secretary On-Line Access: No Charge. Only one Secretary MLS Private Identification number will be issued per every 15 real estate agents who are members in good standing of GSREIN within a branch office.

Section 6.1 WAIVER OF FEES: The Designated Broker may designate the main office and all branch offices (branch office defined as an office licensed by the Louisiana Real Estate Commission) as "Commercial" or "General Practitioner". Offices designated as "Commercial" and, agents in those offices designated as "Commercial" will be granted MLS waivers, and only if the MLS Waiver Forms are submitted to GSREIN. (Adopted 10/95)

A licensee whose primary type of business is commercial may be granted a MLS waiver as long as the licensee is a current Commercial Investment Division (CID) member of NOMAR and actively subscribes to the Louisiana Commercial Database (LACDB). In order to be granted a waiver, the waiver form must be submitted to GSREIN along with a notice of good standing from the LACDB.

COMPLIANCE WITH RULES

Section 7. COMPLIANCE WITH RULES: The following action may be taken for noncompliance with the rules:

- (a) For failure to broker load or submit to the Board a listing, sale pending, sale closed and lease closed within the specified time period (**72 hours excluding weekends and holidays**) (Section 1 paragraph 1, Section 1.4 and Section 2.4 of the Rules) a warning letter will be sent to the listing agent as well as the Participant for a first time offense. A fine of \$100.00 will be assessed to the listing agent for a second offense by the same listing agent. A fine of \$250.00 will be assessed to the listing agent for a third offense by the same listing agent. A fine of \$500.00 will be assessed to the listing agent for more than three offenses by the same listing agent. Appeals will be reviewed by the GSREIN Board of Directors. For failure to pay a fine, Section 7(1) would apply unless appeal is pending.
- (b) If a computer is programmed illegally to access the MLS, the service may be discontinued as stated in the MLS Vendor Agreement, GSREIN MLS Rules and Regulations and the MLS Participation Agreement. If the party wishes to re-connect, the fee will be \$500.00 for any member in default by

reason of unauthorized use or copying of MLS data.

(c) An MLS Private ID number is issued to each Participant, Subscriber or clerical staff eligible for access to the Gulf South Real Estate Information Network MLS information. These numbers **may not** be revealed by the Participant, Subscriber, or clerical staff person to anyone (with the exception of a personal assistant if authorized by the Participant or Subscriber as long as this use is in compliance with the MLS Rules and Regulations). If a Participant, Subscriber or clerical staff person allows their Private ID to be used by any other individual than those authorized by MLS Rules and Regulations, they will be fined \$500.00 and suspended from access and use of MLS for a period of six (6) months. A second offense will call for termination of MLS membership for a minimum of one (1) year.

(d) MLS Area Numbers must be entered according to the guidelines as established by the latest version of the MLS Area Map. If an incorrect area for a listing is entered into the MLS, the MLS shall notify the listing broker and correct the area number according to the guidelines of the area map.

If an incorrect area for a listing is entered into the MLS, a warning letter will be sent to the listing agent as well as the Participant for a first time offense. A fine of \$100.00 will be assessed to the listing agent for a second offense by the same listing agent. A fine of \$250.00 will be assessed to the listing agent for a third offense by the same listing agent. A fine of \$500.00 will be assessed to the listing agent for more than three offenses by the same listing agent. Appeals will be reviewed by the GSREIN Board of Directors. For failure to pay a fine, Section 7(1) would apply unless appeal is pending.

In the event, if after being corrected in the MLS, the listing agent or persons handling the loading of MLS information for the listing agent changes the listing back to an incorrect area number, then a \$500 fine will be assessed to the listing agent. The implementation of such a fine requires that said listing agent be given a prior written notice by NOMAR that a \$500 fine will be assessed if the area number is changed. For failure to pay a fine, Section 7(1) would apply.

(e) For failure to provide room sizes within the specified time period (72 hours excluding weekends and holidays) (Section 1.2) a warning letter will be sent to the listing agent as well as the Participant advising that the listing will be withdrawn and a \$100.00 fine will be assessed if room sizes are not added within 72 hours of the date on the warning letter. For failure to pay a fine, Section 7(j) would apply unless appeal is pending.

(f) For failure to comply with Section 1.2.1 Limited Service a warning letter will be sent to the listing agent with copy to the Participant for a first time offense. A fine of \$100.00 will be assessed to the listing agent for a second offense by the same listing agent. A fine of \$250.00 will be assessed to the listing agent for a third offense by the same listing agent. A fine of \$500.00 will be assessed to the listing agent for more than three offenses by the same listing agent. For failure to pay a fine, Section 7(1) would apply unless appeal is pending.

(g) For failure to comply with Section 1.2.2 Public Remarks and/or Section 1.2.3 Links/Contact Information/ Restrictions in IDX guidelines a warning letter will be sent to the listing agent with copy to the Participant for a first time offense. A fine of \$100.00 will be assessed to the listing agent

for a second offense by the same listing agent. A fine of \$250.00 will be assessed to the listing agent for a third offense by the same listing agent. A fine of \$500.00 will be assessed to the listing agent for more than three offenses by the same listing agent. For failure to pay a fine, Section 7(l) would apply unless appeal is pending.

- (h) For failure to comply with Section 1.2 – Detail on Listings with the Service, paragraph four, regarding property which is not available for showing until a future date, a warning letter will be sent to the listing agent with a copy to the Participant. A fine of \$100.00 will be assessed to the listing agent for non compliance within 48 hours. A fine of \$250.00 will be assessed to the listing agent for a second offense by the listing agent. A fine of \$500.00 will be assessed to the listing agent for a third offense by the same listing agent. For failure to pay a fine, Section 7(l) would apply unless appeal is pending.
- (i) For failure to comply with Section 1.2.4 Photos, Sketches, Renderings or Depictions On Listings Filed With the Service and Section 12.2 Reproduction, a warning letter will be sent to the listing agent with copy to the Participant for a first time offense. A fine of \$100.00 will be assessed to the listing agent for a second offense by the same listing agent. A fine of \$250.00 will be assessed to the listing agent for a third offense by the same listing agent. A fine of \$500.00 will be assessed to the listing agent for more than three offenses by the same listing agent. For failure to pay a fine, Section 7(l) would apply unless appeal is pending.
- (j) For failure to provide an accurate “Street Type”, a warning letter will be sent to the listing agent with a copy to the Participant. A fine of \$100.00 will be assessed to the listing agent for non compliance within 48 hours. A fine of \$250.00 will be assessed to the listing agent for a second offense by the listing agent. A fine of \$500.00 will be assessed to the listing agent for a third offense by the same listing agent. For failure to pay a fine, Section 7(l) would apply unless appeal is pending. (Adopted 04/08)
- (k) For failure to comply with Section 1.2.5 Louisiana Residential Property Disclosure Requirement: a warning letter will be sent to the listing agent with copy to the Participant for a first time offense. A fine of \$100.00 will be assessed to the listing agent for a second offense by the same listing agent. A fine of \$250.00 will be assessed to the listing agent for a third offense by the same listing agent. A fine of \$500.00 will be assessed to the listing agent for more than three offenses by the same listing agent. For failure to pay a fine, Section 7(l) would apply unless appeal is pending. (Adopted 06/10)
- (l) For failure to pay any service charge, fee or fine 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 charge, fee or fine are paid in full.

In order to rejoin the MLS the initial application procedure would apply.

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

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.

Participants will be advised in writing concurrently as violations occur and action is taken.

Section 7.2 Any non-principal broker, sales licensee, appraiser, secretary, user or other person, who may be allowed access to the MLS data, shall upon making application, fully satisfy any past due fees, assessments, fines or other outstanding charges. Further, such applicant must have fully complied with any sanctions or other discipline which may have been previously imposed by this Board or by a Professional Standards Hearing Panel. (Adopted 08/09)

MEETINGS

Section 8. MEETINGS: The meetings of the Participants of the Service or the Board of Directors of GSREIN, for the transaction of business of the Service, shall be held in accordance with the provisions of Article 7, Bylaws of GSRIN.

Section 8.1 COMMITTEE MEETINGS AND APPOINTMENTS: The President, with the approval of the Board of Directors shall create such Committees as the President deems desirable and shall appoint their members subject to the approval of the Board of Directors as per Article 8, Bylaws of GSREIN.

ENFORCEMENT OF RULES OR DISPUTES

Section 9. CONSIDERATION OF ALLEGED VIOLATIONS: The Board of Directors 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 Sections 15 and 16 of the GSREIN MLS Rules and Regulations or request for arbitration, it may be administratively considered and determined by the Board of Directors of GSREIN, and if a violation is determined, the Board of Directors may direct the imposition of sanction provided that the recipient of such sanction may request a hearing by the Professional Standards Committee of the New Orleans Metropolitan Association of REALTORS® in accordance with the Bylaws of the Association of REALTORS®. Alleged violations of Sections 15 and 16 of the GSREIN MLS Rules and Regulations shall be referred to the Association's Grievance Committee for processing in accordance with the professional standards procedures of the Association.

If, rather than conducting an administrative review, the MLS has a procedure established to conduct hearings, any appeal of the decision of the hearing tribunal may be appealed to the Board of Directors of the MLS within twenty (20) days of the tribunal's decision. Alleged violations involving unethical conduct shall be referred to the Professional Standards Committee of the Board of REALTORS® for processing in accordance with the professional standards procedures of the Board. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the New Orleans Metropolitan

Association of REALTORS®.

Section 9.2 COMPLAINTS OF UNETHICAL CONDUCT: All other complaints of unethical conduct shall be referred by GSREIN to the Executive Vice President of the Association or Board of REALTORS® in which the REALTOR® holds primary membership 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 or those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.

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: In keeping with the policy established by the National Association of REALTOR®, and the right of its local boards to determine those who may access the MLS, only those Participants and Subscribers (as defined within the Preamble of these rules) shall have access to the statistical reports, sold information, and other reports derived from the MLS except:

- 1) Non-REALTOR principals as defined in the Preamble of these rules; and
- 2) Governmental agencies, learning institutions, or others who, by the nature of their work, provide useful information to assist those REALTORS® actively engaged in their profession or who provide data useful to community as a whole, whose applications will be determined on a case by case basis. (Amended 04/08)

OWNERSHIP OF MLS COMPILATION * AND COPYRIGHTS

Section 11. By the act of submitting 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 in 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 on 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 New Orleans Metropolitan Association of REALTORS®, and in the copyrights therein, shall at all times remain vested in the New Orleans Metropolitan Association of REALTORS®.

Section 11.2 Each Participant/Subscriber recognizes and agrees that all data, each and every part and component of the MLS, and the compilation of such data, including MLS area maps, comprising the MLS system is subject to a copyright owned by NOMAR/GSREIN. Each Participant/Subscriber further recognizes and agrees that its license to use the information and data to be provided hereunder is strictly limited to the narrow purpose of advertising property for sale. Participant/Subscriber expressly agrees not to use, sell, give access to, or give such information or data to others for any commercial or non-commercial purpose whatsoever; and Participant/Subscriber agrees to delete, and surrender, and/or return such information and data to Processor at termination of this Agreement, or at the withdrawal of the license herein granted, and/or not to thereafter use, access, or allow access to such data or information in any fashion or for any purpose whatsoever.

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 GSREIN 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.

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 a reasonable* number of single copies of property listing data contained in the MLS Compilation which relate to any properties in which prospective purchasers are or may, in the judgement 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, be interested.

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.

The copyrighted information contained in the MLS is owned by the New Orleans Metropolitan Association of REALTORS® and no user may authorize or allow anyone to download the user's active listings, sold listing data or any other information for recommercialization (resale) or any other purpose not authorized in writing by NOMAR. Further, a Internet Data Exchange Participant, who is duly authorized in accordance with a current Internet Data Exchange agreement, may display, use, or allow reproduction of limited data of the listings of others, strictly limited to compliance with such Internet Data Exchange agreement.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, "sold" information, "comparables," or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that 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 with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the Participant is seeking to promote interest. The term "reasonable", as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to, the total number of listings in the MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

USE OF MLS INFORMATION

Section 13. LIMITATIONS ON USE OF MLS INFORMATION: Use of information from MLS compilation of current listing information, from the association's statistical report, or from any sold or comparable report of the association 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 association 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 Gulf South Real Estate Information Network, Inc. for the period (date) through (date)."

CHANGES IN RULES AND REGULATIONS

Section 14. CHANGES IN RULES AND REGULATIONS: Amendments to the Rules and Regulations of the Service shall be by consideration and approval of the Board of Directors of GSREIN, in accordance with the provisions of Article 11, Sections 2, 3 and 4, of the Bylaws of GSREIN; and each Participant and Subscriber agree to be bound by all Rules and Regulations now existing, or as amended from time to time.

Section 15. ARBITRATION OF DISPUTES: By becoming and remaining a Participant, each Participant agrees to arbitrate contractual 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 relationships as MLS Participants subject to the following qualifications:

- (a) 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®.
- (b) 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 Louisiana REALTORS® Association.

Interboard Arbitration Procedures: Arbitration shall be conducted in accordance with any existing interboard agreement or, alternatively, in accordance with the Interboard 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®.

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 1/04)

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 1/04)

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

exclusive 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. (Amended 11/01)

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 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 1/04)

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 rule. (Amended 1/04)

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 directed 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. (Amended 1/04)

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 1/04)

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 1/04)

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 1/04)

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 1/04)

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. (Amended 1/04)

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 representatives 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 1/04)

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 1/04)

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, 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. (Adopted 1/03, Amended 1/04)

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 businesses, or their business practices.

SECTION 17. ORIENTATION Any applicant for MLS Participation and any licensee affiliated with an MLS Participant must fulfill the requirements for membership as established in the GSREIN Bylaws.