



Rules and Regulations

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Smart MLS, Inc.

Rules and Regulations

Article 1 - Name, Authority and Purpose

Section 1.1 Name.

The name of this organization is the **Smart MLS, Inc.** (hereinafter “Service” or “the Service”).

Section 1.2 Authority.

The Articles of Incorporation establishing the **Smart MLS, Inc.** and its Bylaws provide the authority to issue these Rules and Regulations and amend them from time to time.

Section 1.3 Definitions.

Capitalized terms which are not defined the first time they appear are defined in Article 17.

Section 1.4 Purpose of the Service

The Service shall be

- a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and customers and the public
- a means of enhancing cooperation among participants
- a means by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers
- a means by which participants engaging in real estate appraisal contribute to common databases

Article 2 - Participation

Section 2.1 – Participation

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

1a. "Participants" - Participation in the Service is available to without further qualification except payment of required dues and fees and agreement to abide by the Bylaws and Rules and Regulations of the Service. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "Membership" or "Participation" unless those holding a current, valid real estate broker's license and cooperate or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.

Cooperation is the obligation to share information on listed property and make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients.

Use of information developed by or published by the Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further none of the foregoing is intended to convey "Participation" or "Membership" or any right of access to information developed by or published by the Service where access to such information is prohibited by law. A principal of any firm, partnership, or corporation, or the branch office manager who serves as designated broker or licensed or certified appraiser and who is designated by said firm, partnership, or corporation shall be termed the "Participant" in the Service and shall have all rights, benefits, and privileges of the Service, and shall accept all obligations to the Service for the Participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the Service by all persons affiliated with Participant who utilize the Service.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm cooperates 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, shares information on listed property, and makes property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients. "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.)

The key is that the participant or potential participant cooperates with respect to properties of the type that are listed on the MLS in which participation is sought. Cooperation is the obligation to share information on listed property and to make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interest of their clients. 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 cooperation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to cooperate 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.

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

1c. "Users" Users include all staff employed by or affiliated with a Participant, other than Subscribers, including: (A) administrative and clerical staff (licensed clerical staff, not affiliated with a referral company, must pay the monthly subscriber fee); (B) personal assistants (written permission of the Participant is required). All Users who will have use of/or access to the Service must obtain their own active MLS ID. A User's right to access or utilize the Service is contingent on: (i) submission of a properly executed User Agreement; (ii) agreement to abide by the Smart MLS, Inc., Inc. Bylaws and all rules and regulations of the Service; and (iii) completion of an orientation program of no more than three (3) classroom hours devoted to the MLS rules and regulations. User access is further subject to the User maintaining his/her affiliation with a Participant who is in good standing with the Service and is limited to those activities authorized to that Participant. Data and information obtained from the Service shall not be used or made available to any individuals or firms, that are not Participants or Subscribers, nor used by the User for any real estate activity outside of the Participant's business. A User's right to utilize the Service is immediately suspended if the User's relationship with his/her participant is interrupted or the Participant's Services are Suspended or Terminated. Users with an active real estate license must pay the monthly subscriber fee.

1d. "Teams" – Teams. "Team" means a group of at least two licensed real estate brokers or real estate salespersons who are affiliated with the same sponsoring real estate broker and engage in advertising as a group using a team name. The sponsoring broker cannot be a member of a team comprised of licensees affiliated with that broker.

- All teams must be registered with the Department of Consumer Protection ("DCP") pursuant to Public Act 21-167.
- The team name must comply with the requirements of Section 2(i) of Public Act 21-167.

All advertisements published by the team, in any media, must comply with all applicable Regulations of the DCP. All teams sponsored by a Participant of Smart MLS, Inc. must register with the Service and provide proof of its registration with DCP

1e. "Authorized Vendors" The MLS requires any third-party Vendor who requires access

to MLS Data to perform services for an MLS Participant to enter into a Data Licensing Agreement approved by the MLS and signed by the Participant, Vendor and MLS before the MLS will provide the Vendor with access to MLS data. As set forth in the Data Licensing Agreement, the MLS may charge reasonable fees to cover the costs associated with providing such Data access.

Section 2.2. Participant's Minimum Service Requirements.

Each licensee (including, without limitation; brokers, managers, salespersons and appraisers) associated with a Participant in any office located within the Smart MLS, Inc. Primary Service Area shall be a Subscriber unless MLS has granted Participant a written waiver with respect to such licensee as hereinafter provided. In the case of a Participant's office located outside the Primary Service Area, only those licensees (including, without limitation, brokers, managers, salespersons and appraisers) who are actively engaged in the sale, rental or appraisal of residential property within the Primary Service Area or who will have access to or use of the Service are required to be Subscribers. Each Participant is required to subscribe to at least the following minimum level of service:

- One (1) Subscriber Fee for each Participant.
- One (1) Subscriber Fee for each non-waived licensee associated with such Participant.

For purposes of the Participant's Minimum Service Requirements, a licensee shall be deemed to be "associated" with a Participant if such licensee is employed by, or affiliated as an independent contractor with, a real estate brokerage or appraisal firm or office in which is, directly or indirectly, owned or controlled by the Participant. In the event a Participant creates a new firm or corporation or changes his/her office or firm to a new corporation a new Participant Agreement must be executed, and a new start-up fee paid as outlined in Appendix A.

Section 2.3 Waivers.

A Participant may request a waiver from the minimum service requirements relating to an affiliated licensee by delivering a signed application to Smart MLS, Inc. in which the Participant and such licensee both certify that the licensee is not actively involved in the Participant's business because the licensee is either on a Medical Leave of Absence or on Active Military Duty, and will not:

- Have access to the System; and/or
- Have access to, or use of, any electronic lockbox keypad or code permitting entry to properties listed in the System; and/or
- Transact any business listing, selling, showing or appraising residential properties that would require a license in the State of Connecticut; and/or

Such waiver shall be limited to a six (6) month period and become effective upon approval by Smart MLS, Inc.. Such waiver shall automatically be revoked six months after its effective date or upon the affiliated licensee's use of the Service in any manner.

Section 2.4. Participant's Use of Affiliated Referral Organization.

Nothing in these rules and regulations shall preclude Participants from maintaining a direct or indirect ownership interest in a "Limited Function Referral Office" (LFRO). For Smart MLS, Inc. purposes a LFRO is defined as an entity engaged exclusively in soliciting and/or referring clients and customers to the Participant, for consideration, on a substantially exclusive basis. Licensees who are affiliated with a Participant's LFRO, who the Participant certifies are: (a) not otherwise affiliated with the Participant's brokerage or appraisal business, and (b) are solely engaged in referring clients and customers to the Participant, and (c) will have no access to or use of the Smart MLS, Inc. services in any way, are excluded from the calculation of the Participant's minimum service requirements as defined in section 2.2.

Section 2.5 Participants are Responsible for Those Associated with the Participant.

Participants are responsible for their employees, personal assistants, sales associates, partners and corporate officers (collectively the "Participant's Associated Personnel") in all matters involving Smart MLS, Inc. including insuring that: (1) all Associated Personnel hold valid Connecticut real estate licenses as required by law; (2) all Associated Personnel required to do so are registered as Subscribers and Users, as discussed above; (3) all Service Fees due to Smart MLS, Inc. for Participant's Associated Personnel are current; (4) the business conduct of Participant's Associated Personnel complies with Connecticut law and with these rules and regulations; and (5) Smart MLS, Inc. is notified of all additions to and departures of Participant's Associated Personnel by the deadlines set forth in these rules and regulations.

Section 2.6 Changes in Service.

Within ten (10) business days of the occurrence of the event, Participant shall notify MLS in writing, fax or email that: (a) Participant has opened a new office or closed an existing office within the Primary Service Area, (b) a Subscriber or User has become associated with or disassociated from the Participant.

Section 2.7 Subscribers Under a Suspended Participant

All Subscribers and Users affiliated **with** a firm whose Participant is suspended by the MLS for any reason shall also be suspended, until such time as the firm once again employs a Participant in good standing with the MLS.

Article 3 - Fees, Charges and Fines

Section 3.1 Fees.

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

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

- (b) A Subscriber fee shall be charged to each Participant and Subscriber in such amount and frequency as may from time to time be determined by the Board of Directors. Subscriber fees shall be billed in advance. Participants shall be responsible for paying subscription fees in an amount equal to the current subscription fee as defined in Attachment A times the number licensees affiliated with the Participant's firm who have access to and use of the service, whether licensed as a broker, sales licensee, or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such Participant.
- (c) A fee for data entry of Listings by the Service staff in such amount as may from time to time be determined by the Board of Directors.
- (d) Optional Electronic lockbox and key fees

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

Section 3.1.1 Participant's Service Fee.

For offices located within the Primary Service Area. Participant shall pay or cause to be paid by his/her affiliates, a Participant's Service Fee equal to the cumulative total of applicable Subscriber Fees, and optional Lockbox Service Fees for: (A) each licensed broker, licensed salesperson, and licensed or certified appraiser employed by or affiliated as an independent contractor with, the Participant; and (B) all non-waived licensed support staff.

Section 3.1.2 For offices located outside the Primary Service Area.

Participant shall pay or cause to be paid, a Participant's Service Fee equal to the cumulative total of applicable Subscriber Fees, and optional Lockbox Service Fees for: (A) each licensed broker, licensed salesperson, and licensed or certified appraiser employed by or affiliated as an independent contractor with, the Participant who either: (i) markets or appraises residential real estate within the Primary Service Area; or (ii) uses or has any access to the System or System Data. Participant Fees are billed and payable bi-annually in advance.

Section 3.1.3 Start Up Fee.

A Start Up Fee in the amount set forth on Appendix A shall be paid by each Firm when it begins or reinstates participation with Smart MLS, Inc. after a year or more absence.

Section 3.1.4 Subscriber Fee.

Each Subscriber shall be charged a Subscriber Fee as determined by the Board of Directors. An MLS ID will be provided for each Subscriber Fee. Subscriber Fees are billed and payable bi-annually in advance.

Section 3.1.5 Additional Subscriber Fee.

In the event a Subscriber has a personal business need for more than one MLS ID (such as a Subscriber who actively works from more than one office in a firm, is associated with

two firms or is a team leader and maintains a team with the Service) the Secondary Subscriber Fee for each additional ID shall be equal to the current Subscriber Fee. Additional MLS IDs are only to be used by the Subscriber to whom they are issued and are subject to the provisions of these rules and regulations regarding unauthorized use.

Section 3.1.6 Team Fee.

Any group of agents advertising to the public as a real estate team must register their team with the Connecticut Department of Consumer Protection and register and maintain their team with Smart MLS, Inc.. Teams will be assessed a team fee as outlined in Appendix A.

Section 3.1.7 User Fee.

Smart MLS, Inc. does not charge Users as defined in Section 2.1 but will suspend a User's MLS ID if said ID has not logged into the Service in the past ninety (90) days. Users will be notified via email of the pending suspension.

Section 3.2 Failure to Pay.

- (a) Failure of a Participant to pay required Fees within thirty (30) days of the invoice date shall result in all services to the Participant and its Subscribers being suspended until the fees are paid in full. Late payment of Participant Fees will result in a late fee.
- (b) Failure of a Subscriber to pay Subscriber Fees within thirty (30) days of the invoice date shall result in suspension of all services to the applicable Subscriber until the fees are paid in full. Any such unpaid Subscriber fee shall automatically become a responsibility of the Subscriber's Participant. If said fees remain unpaid for an additional thirty (30) day period, the services to said Participant and its Subscribers shall be suspended. The Service shall give at least ten (10) days' notice prior to suspending a Firm's service. Late payment of Subscriber Fees may result in a late fee. Reinstatement after suspension of either a Participant or Subscriber shall require payment of a Reinstatement Fee.

Section 3.3 Reinstatement Fee.

The Service shall impose a Reinstatement Fee in the amount provided in Appendix A as a condition of any Participant's or Subscriber's resumption of services after such Participant or Subscriber has canceled. No Reinstatement Fee shall be charged to a Subscriber:

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

Section 3.3.1 Late Fee.

A late Fee in the amount set forth on Appendix A shall be paid before MLS Services are

restored to a Participant or Subscriber who has been suspended for non-payment pursuant to section 3.2 of these Rules and Regulations

Section 3.4 Service Reinstatement.

No services will be restored to a Participant or Subscriber who has been Terminated or has previously resigned until all financial obligations including: Service Fees, Late Fees, Termination Fees, Reinstatement Fees, Fines and other obligations to the Smart MLS, Inc. have been paid to date or otherwise resolved to the satisfaction of the Smart MLS, Inc..

Section 3.5 No Refunds.

There shall be no proration or refund of fees for Participants or Subscribers in connection with suspension or termination of service. Once a billing period has started, Service Fees will not be refunded for any reason.

Section 3.6 Subscriber Transfers.

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

Section 3.7 Allowing Another Person to Use a System ID is Disallowed.

Only the Subscriber specifically assigned a System ID (private login) is authorized to access the System using that ID. Unless specifically authorized in writing by the Service, allowing any other person to use an ID to access the System, including, without limitation, the Subscriber's Participant, other Participants and Subscribers, other agents, clients or customers is expressly prohibited. The penalty for the first violation of this rule shall be a fine as provided for in Attachment A. The penalty for additional violations of this rule shall be both a fine as provided for in Attachment A and a thirty (30) day suspension of privileges. Misuse of a System ID or use of a System ID without authorization may also subject the Subscriber to criminal prosecution.

Article 4 - Listing Procedures

Section 4.1 Listing Procedures for Different Property.

Section 4.1.1 Mandatory Property Listings.

Listings of the following types of property located within the Service's Service Area as defined in its Certificate of Incorporation taken by Participants on an Exclusive Right to Sell/Rent or Exclusive Agency to Sell/Rent Listing contract shall, in accordance with these Rules and Regulations, be input into the Service System within forty-eight (48) hours after all necessary signatures of Seller(s) and Participant, or his/her authorized agent, have

been obtained (the “Deadline for Filing”) unless the listing has been delayed pursuant to the rules set forth in Attachment F “Delayed Listing Addendum.” With the exception of properties where there is no address assigned by the town or properties not yet built, Mandatory Property Listings must include a valid address:

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

Section 4.1.2 Voluntary Property Listings.

Listings of real or personal property of the following types, taken by Participants on a Listing Agreement, may be Filed with the Service after all necessary signatures of the Seller have been obtained on the Listing Agreement. Regardless of the date the listing is Filed with the MLS, the date on which the listing agreement is signed by all parties is the list date to be used on the listing. With the exception of vacant lots, acreage, business opportunities for sale or exchange and/or properties not yet built, where there is no address assigned by the town, Voluntary Property Listings must include a valid address:

- (a) Business opportunities for sale or exchange
- (b) Commercial income property for sale or exchange (including residential buildings of five or more units)
- (c) Industrial property for sale, lease or exchange

Only Listings of the designated types of property located within the state of Connecticut set forth in Section 4.1 above are required to be submitted to the service. Listings of property located outside the state of Connecticut if the Participant holds a valid real estate license in the state the property is located in or non-mandatory property listings will be accepted if submitted voluntarily by a Participant but, cannot be required by the Service.

Section 4.1.3 Limited Service Compilation Listings.

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

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

Limited Service Compilation Listings will be identified with an appropriate code or symbol in Service Compilations so potential Cooperating Brokers will be aware of the

extent of the services the Listing Broker will provide to the Seller(s), and any potential for Cooperating Brokers being asked to provide some or all of these services to Listing Brokers' clients, prior to initiating efforts to show or sell the property. Limited-Service Compilation Listings shall also contain Seller contact information and showing instructions.

Section 4.1.4 Entry-only Listings.

Listing agreements under which the Listing Broker will not provide any of the following services are "Entry-only Listings":

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

Entry-only Listings will be identified with an appropriate code or symbol in Service Compilations so potential Cooperating Brokers will be aware of the extent of the services the Listing Broker will provide to the Seller(s), and any potential for Cooperating Brokers being asked to provide some or all of these services to Listing Brokers' clients, prior to initiating efforts to show or sell the property. Entry-only Listings shall also contain Seller contact information and showing instructions in the Showing Instructions field.

Section 4.1.5. Open Listings

While not allowed to be submitted to the MLS, at the request of the Service, Participants and/or Subscribers must provide copies of any open listing agreement to the Service and respond to any questions from the Service about the agreement. Copies of the open listing agreement and any additional information must be provided within twenty-four (24) hours of the request by the Service.

Section 4.1.6 Acceptance of Listings.

The Service may refuse to accept for Filing any proposed Listing which, in the sole and exclusive determination of the Service, may not comply with all fair housing and other laws and regulations that may be applicable to the sale of the proposed Listed Property. Any such determination by the Service shall be final, and neither any Participant nor any Subscriber shall have or assert any claim against the Service, or any of its employees or agents, arising out of such determination.

NOTE: The Listing Agreement for a property filed with the Service should include a provision expressly granting the Listing Broker authority to advertise the property; to file the Listing with the Service; to provide timely notice of status changes of the Listing to the Service; and to provide property information to

members of the Service and the public. The Listing Agreement should also include a provision expressly granting the Listing Broker the right to authorize dissemination of this information by the Service to its Participants and Subscribers.

Section 4.1.6.a Co-Listings jointly entered by Participants.

In the event a Participant jointly lists a property with another Participant only one Listing shall be entered into the system.

Section 4.1.7 Representations and Warranties.

By Filing a Listing, a Listing Broker shall be deemed to have:

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

The Service shall be under no obligation to inquire into or to verify any of the representations and warranties made by a Listing Broker pursuant to this Section 4.1.7. Without limiting the foregoing, it is the obligation of each Participant to assure that the Listing Broker holds a current, valid real estate broker's license issued by the appropriate state real estate licensing authority, agency or board, or its functional equivalent, in the state in which the Listed Property is located.

Section 4.1.8 Listing Accuracy, Sensitive and Regulated Data.

- (a) **Listings Must be Complete and Accurate.** Each Listing Filed with the Service

must be complete and accurate in every detail reasonably ascertainable by the Listing Broker/Agent. Listing Data shall not be entered into the System in a manner that it is misleading to other Participants or consumers.

- (b) **Listing Agreement.** A copy of the listing agreement or a listing agreement compliance form must be uploaded to the MLS listing before a listing can be made active or coming soon.
- (c) **Restrictions on Promoting, Marketing or Offering Services and Products within Listings.** Information allowed in Listing Reports, on Photographs or contained in Media is restricted to information that describes the Listed Property, its amenities, and the neighborhood. No information that is intended to, or which could be construed to, promote, market, or offer any product or service, including but not limited to, home inspections, mortgage services, appraisal services, relocation services, construction or development services or the Participant's or Subscriber's real estate brokerage services shall be included in Listing Reports, Photographs or Media.
 - (a) In Filing a Listing, no broker, agent or agency or third-party vendor may be named, nor any web (URL), e-mail or voicemail, address, telephone number or means of contact be included, in any section or field of any Property Data Form, photographs and Media, except in those fields headed "Listing Office", "Listing Agent", "Agent Remarks" and "Showing Instructions"
- (d) **Use of information fields.** Subscribers may only enter in any field on the Property Data Form the information required or reasonably contemplated by such field
- (e) **Property and Community Access Code Display** Subscribers shall not display, nor link to a display, any access code for a property or community in any field other than the secure field within the showing platform

Section 4.1.9 Filing of Photographs.

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

Participants and Subscribers warrant to the Service that they are either the author or have rights to the photographs they submit to the Service. Photographs may not be borrowed or reproduced without the explicit knowledge and consent, provided in writing, of the owner or copyright holder of the original work

NOTE: In order to assure compliance with these rules, each Participant that engages a third-party photographer and submits photos to the Service is required to obtain a written agreement with the photographer assigning all rights, including copyrights, in the photographs, to the Participant firm. The following provision should be included in the agreement with the photographer: "Photographer hereby assigns all right, title, and

interest, including copyrights and all intellectual property rights, in photographs to [insert name of Participant's firm] and agrees to execute any further documents which may reasonably be necessary to effect such assignment."

Section 4.1.10 Virtually Staged Photos

All virtually staged photos must adhere to the rules set forth in Virtually Staged Photos Permitted and Prohibited Uses, which shall be attached to these Rules and Regulations as Attachment D and shall be deemed to be a part hereof.

Virtually Staged photos will be removed from the Service, and an automatic fine will be assessed if Smart MLS, Inc. Rules and Regulations are not followed.

Section 4.2 Listings Subject to Rules and Regulations of the Service.

Any Listing Agreement to be Filed with the Service is subject to these Rules and Regulations as soon as that Listing Agreement has been signed by the Seller. Only Listings of the types of property designated Mandatory (see Section 4.1.1) and located within the Service Area of the Service are required to be submitted to the Service. Listings of property located outside the Service's Service Area will be accepted if submitted voluntarily by a Participant who meets the licensing requirements of the State in which such property is located.

Section 4.2.1 Deletion of Listing Data and Information.

Listing data and information for an entire listing or for an off-market listing may not be removed from the System unless the information was entered in error.

Section 4.3 Detail on Listings Filed with the Service.

By Filing a Property Data Form with the Service, the Listing Broker represents and warrants that:

- (i) to the best of the Listing Broker's knowledge, the information and data in the Form are accurate and complete in every detail and;
- (ii) the Seller has entered into a Listing Agreement with respect to the Listed Property with the Listing Broker and, to the knowledge of the Listing Broker, with no other broker. As set forth in Section 9.2 below, the Service shall have no liability or responsibility for, and no obligation to verify or otherwise inquire into the accuracy or completeness of, any of the information or data contained in any Property Data Form.

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

the Service becomes aware of the duplicate Filing, the Service may remove the duplicate Filing from the System and, if it does so, shall notify both the original Listing Broker and the broker that made the duplicate Filing of its action.

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

Section 4.4 Exempted Listings.

If the Seller(s)/Lessor(s) refuse, on their own initiative, to allow a Listed Property which is a Mandatory Listing pursuant to Section 4.1.1 of the Smart MLS, Inc. Rules, to be filed and marketed through the Service, the Seller(s)/lessor(s) must execute a Withhold Listing from MLS Form with respect to the Listed Property. The Listing Broker must upload the executed Seller/Lessor Instruction to Withhold Listing from SmartMLS Form and at a minimum, input all required fields and save the listing as a Withheld from MLS listing to the Service before the Deadline for Filing. If the executed Seller/Lessor Instruction to Withhold Listing from SmartMLS Form is properly filed, the Participant with which the Listing Broker is affiliated may accept the Listing as an "office exclusive" and the Listing shall not be included in the search results of any Service Compilation.

If the Seller(s)/Lessor(s) has elected to Withhold a Listing from the Service, the Listed Property cannot be moved to an active status (available for all agents and consumers) on the Service for a period of thirty (30) days following the starting date of the Listing Agreement. The Seller(s)/Lessor(s) expressly waive his/her/their right to utilize the Service to market the Listed Property until the expiration of the thirty (30) day exclusion period. If a Withheld Listing is filed with the Service after expiration of the exclusion period, market time for the Listed Property will be calculated from the date of the Listing Agreement (day 0), not the date on which the Withheld Listing is filed with the Service. A sold withheld listing will be published to the MLS for all subscribers to see.

Section 4.5 Change of Listing.

Any change to the Listing agreed to in the Listing Agreement requires the authorization in writing of the Seller prior to Filing the change with the Service. Such change shall be filed with the service within forty-eight (48) hours excluding Sunday's and holidays. If requested by the Service, the Listing Broker shall provide the Service with a copy of the change authorization signed by the Seller within twenty-four (24) hours.

Section 4.6 Cancellation of Listing Prior to Expiration.

A Listing may be cancelled by the Listing Broker before the expiration date of the Listing Agreement related to the Listed Property if and when the cancellation of the Listing Agreement has been authorized in writing by the Seller and the Participant or Office Manager. The cancellation shall be Filed with the service within forty-eight (48) hours

excluding Sunday's and holidays. A Seller may not require the Service to cancel a Listing without the Participant or Office Managers concurrence.

Section 4.7 Withdrawal of Listing Prior to Expiration.

A Listing may be withdrawn from the Service by the Listing Broker before the expiration date of the Listing Agreement related to the Listed Property if and when the withdrawal has been authorized in writing by the Seller. There are two types of withdrawal, Temp and Withdrawn. Temp status may only be utilized for 14 days, on the 15th day the system will automatically adjust the status to Withdrawn. A listing in the Withdrawn status may not be marketed, including the For Sale sign on the property. The withdrawal shall be Filed with the service within twenty-four (24) hours excluding Sundays and holidays. Withdrawal of a Listing from the Service does not terminate the related Listing Agreement. A withdrawn Listing remains subject to the terms and conditions of the related Listing Agreement, and, as such, the Listing will expire at midnight on the expiration date set forth in that Listing Agreement. A Seller may not require the Service to withdraw a Listing without the Listing Broker's concurrence.

Section 4.8 Contingencies Applicable To Listings.

Any contingency or condition applicable to a Listing must be specified in the Property Data Form Filed with the Service.

Section 4.9 Listing Price Specified.

The full gross Listing price of a property must be stated in the Listing Filed with the Service. The gross Listing price will be included in the Service Compilation unless the property is subject to auction. If a property will only be sold by auction, the Listing must state whether the Listing has a reserve price or that the property will be sold at auction without reserve.

Section 4.9.1 Auction Listings and Details

Listings that are offered for sale only through an auction may be entered into the Service; Auction properties must be the subject of a Listing Agreement, in accordance with all other listing agreement requirements contained within this Section 4.1.9.

The list price must be the greater of the minimum bid price or the reserve price unless the Seller has agreed to an absolute auction, plus any required buyer's fee or premium charged to the buyer at auction. Details of any required buyer's fees for the auction including calculations or premium charged to the buyer at auction may not be disclosed in the Agent Remarks field or elsewhere in the listing, but may be communicated outside of the Service.

The Remarks field must disclose:

- a) when the property described in the Listing is subject to an auction; and/or
- b) if the owner requires an auction after an accepted offer.

The Agent Remarks field must include details of the auction (the auction type, auction

date, auction location, showing and preview instructions, bidding format, whether offers may be submitted prior to the auction, and where to submit offers), or a web link to a website including same. Upon acceptance of an offer, the listing shall be updated to include the appropriate Under Contract status. If contingent awaiting auction, it must include the Under Agreement flag.

Section 4.10 Listing Properties with Multiple Units or Lots.

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

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

Section 4.11 Listing Properties in Multiple Towns.

No property shall be listed in more than one town, unless:

- (a) it is physically located in more than one town, or;
- (b) the street on which the property is located can only be entered from an adjoining town.

If a property meets one or both of the above criteria, the Listing Broker may elect to place the property Listing in each appropriate town provided:

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

Section 4.12 Listing Properties in More Than One Category.

A Listing may be added to the Service Compilation in more than one property category as outlined below, only if each entry cross references the MLS Number(s) of the other entry or entries via the additional listing number field. The sale of a property which is in more than one category will be reported in only one category and additional entries will be removed from the Service.

There may be only one Listing for each property except under the following circumstances:

- (a) The listed property is offered both for sale and for lease; or
- (b) The property is for sale at one price and extra property may be purchased with the original property at a different price; or
- (c) A residential rental property is available for lease furnished and unfurnished; or
- (d) A residential rental property is available for lease at more than one seasonal rate; or
- (e) The property is zoned in a zoning class that allows multiple uses; or
- (f) The property is for sale as a single parcel or it may be divided and is available for sale as multiple smaller parcels; or
- (g) The property is Vacant Land with an existing structure that is considered to be a “tear down” but the structure can still be sold. These properties may be listed in Vacant Land and Lots and also the appropriate other property class that reflects the existing structure (Residential, Commercial for Sale, or Multiple Dwellings). The Vacant Land and Lots listing must disclose what type of existing structure is on the property.
- (h) The property is Vacant Land and is offered both for sale as a vacant lot at one price and as a to-be-built structure on the lot at a different price. These properties may be listed in Vacant Land and Lots and also the appropriate other property class that reflects the to-be-built structure (Residential, Commercial for Sale, or Multiple Dwellings).
- (i) A property that is Single Family Detached Condominium must be listed as a Condominium with a style of single family detached and may be entered as a Single Family listing and PUD must be selected in the General Property Information field.
- (j) Listing a property in multiple towns as defined in section 4.11

Subscribers may not create multiple active Listings for a property except under one of the exceptions listed above.

Multi-property packages (e.g., investor portfolios and packages of listings that are not available for purchase individually) must be entered in as a Commercial for Sale Listing

Section 4.13 Non-MLS Closed Transaction.

The Participant shall have the option to enter into the MLS a Non-MLS Closed transaction. A transaction where the property was not listed in the MLS, but where the sale was assisted by the Participant would qualify for entry. A Comp Only can occur when a Withhold from MLS listing sells while in the withheld status or if the Participant was involved in the procurement of the sale that was For Sale by Owner.

A Withheld from MLS listing shall be reported as Closed on the MLS. A FSBO listing must be filed with the system with an Activation Status of CLOSED- Comparable Only, with at least one exterior photo. Non-MLS Closed transactions will not be included in market share statistics and will be noted as such in the listing.

Section 4.14 Expiration Date on Listings.

Each Listing Filed with the Service shall bear a definite termination date as negotiated between the Listing Broker and the Seller.

Section 4.15 Expiration, Extension, Renewal and Reactivation of Listings.

- (a) Any Listing Filed with the Service automatically expires as of midnight on the expiration date specified in the Listing Agreement, unless the expiration date under the Listing Agreement has been extended by the Listing Broker and the Seller, and, prior to that expiration date, the Listing Broker:
 - (i) obtains written authorization of such extension signed by the Seller and
 - (ii) Files with the Service a notice of the extension of the expiration date.
- (b) An expired Listing may be reactivated within three (3) days after the original expiration date of the Listing if the Listing Broker:
 - (i) Files with the Service a notice of reactivation of the Listing and
 - (ii) obtains written authorization extending the original expiration date signed by the Seller.

Section 4.16 Listings of Suspended or Expelled Participants.

When a Participant of the Service is suspended or expelled from the Service for a violation of the Bylaws of the Service, these Rules and Regulations, or other membership obligations (except failure to pay appropriate dues, fees, or charges), all Listings currently Filed with the Service shall, at the Participant's option, be retained in the Service until sold, withdrawn, or expired, and shall not be renewed or extended by the Service beyond the termination date of the Listing Agreement in effect when the expulsion became effective. Prior to any removal of an expelled Participant's Listings from the Service, the expelled Participant should be advised, in writing, of the intended removal so that the expelled Participant may advise his clients. Following the Participant's suspension, Participant will be sent notice that all Active listings of that firm shall immediately be changed to a status of Withdrawn ("WITH").

Section 4.17 Listings of Resigned Participants.

If a Participant resigns, or is found to no longer have a valid real estate license, from the

Service, the Service will cease to provide services, including the continued inclusion of the resigned Participant's Listings in the Service Compilation. When a Participant resigns, the Service shall cease to provide services to such Participant, including continued inclusion of listings in the MLS compilation of current listing information. In the event listings are removed from the MLS (status changed to Withdrawn "WITH") pursuant to this section, it shall be the sole responsibility of the Participant to notify the seller(s) that the property is no longer listed in the MLS.

Section 4.18 Right of Service to Require Data and Contracts.

Participants and/or Subscribers must upload to the Service a copy of the listing agreement or a fully signed listing certification form for each listing input into the Service. In addition, if requested by the Service, Participants and/or Subscribers must provide copies of any documents related to a Listing, including, without limitation a fully executed Purchase and Sale Agreement (or equivalent document such as an executed Binder), and respond to any questions from the Service regarding a listing. Any additional documents or information must be provided within twenty-four (24) hours of the request by the Service. The Service shall maintain the confidentiality of documents and information provided pursuant to this Rule 4.18, except as required to enforce the Rules & Regulations of the Service or as otherwise required by law.

Section 4.19 Retention of Listing Data and Information.

Each Listing Agreement, its related Listing Input Sheet and all related Change of Status Forms Filed with the Service must be kept on file in the Listing Broker/Agent's office for a period of at least seven (7) years following the listing's cancellation, expiration or closing. The Listing Broker/Agent also must maintain, in his/her office, written proof of any and all contractual agreements and changes. All Listing data and information Filed with the Service shall be retained in the System and shall be accessible to Participants and Subscribers.

Section 4.20 Data Errors.

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

SmartMLS shall have the right to Cancel or place into Temp (Temporarily Off Market status) any Listing in the Compilation that does not comply with these Rules

Section 4.21 Penalty for Entering an Incomplete or Inaccurate Listing.

In the event a Listing input into the System:

- (a) Contains substantially inaccurate data or,
- (b) Contains incomplete or inaccurate data in any "Mandatory" field or,
- (c) Does not have a photo, as required in Section 4.1.8;

the following shall occur:

- (1) The Service shall notify the responsible Subscriber (listing agent) and/or Listing Broker of the suspected violation(s).
- (2) The Subscriber and/or Listing Broker shall be given 48 hours (excluding Sunday's and holidays), from the date of notification, to resolve suspected deficiencies and notify the Service of such resolution.
- (3) If the Service is not notified of the resolution of a suspected deficiency as outlined in the notification, the Subscriber shall be fined an amount as provided for in Attachment A for each Listing in violation.
- (4) Regardless of changes in the Listing's status, these fines shall be reassessed each month, for each Listing, until the issue is brought into compliance with these Rules and Regulations and the Service has been so notified.
- (5) Imposed fines shall be due and payable upon receipt. Failure to pay imposed fines when due shall be handled in accordance with Section 3.2 of these Rules and Regulations.
- (6) On the thirty-first (31st) day, after the date of initial invoice, if the Listing data and/or photo have not been brought into compliance, the responsible Subscriber's (listing agent's) System access privileges shall be suspended until the Listing data and/or photo has been brought into compliance. The fine assessed to the Listing Agent shall become the Participant's responsibility and shall be continued to be assessed monthly during any such suspension period.
- (7) If said violation warrants, a referral regarding the violation will be made to either the Connecticut Department of Consumer Protection or, if applicable, to the Participant or Subscriber's Board of Realtors.

Section 4.22 Availability of Listed Property:

Listing brokers shall not misrepresent the availability of access to show or inspect listed property. A Listing must be available to be shown within forty-eight (48) hours of being activated, and on the Go Live date if the listing was Coming Soon. If the property cannot be shown the Listing needs to be classified as Temporarily Off Market or Withdrawn. If conditions are such where there cannot be interior showings the seller must execute a document noting exterior showings only and designate as drive by or allow for walking on the property.

Section 4.23 Delayed Listing

A Delayed Listing must have a valid, fully executed:

- (1) Exclusive Right to Sell listing agreement, or
- (2) Exclusive Agency to Sell, or
- (3) Exclusive Right to Lease, or
- (4) Exclusive Agency to Lease

A Delayed Listing is to be utilized when the Seller(s)/Lessor(s) request that the marketing of their Property be deferred to a date certain (the "Go Active Date") beyond the Deadline for Filing. A Delayed Listing cannot be marketed prior to the Go Active Date. Marketing

includes, but is not limited to: (1) showing of the Property to prospective purchasers; (2) holding a public or broker open house/caravan; (3) displaying the listing on any internet site; (4) sharing the listing on social media or in any restricted group created on any social media platform; (5) placement of a "For Sale" sign on the Property; (6) advertising the listing in any written publication. Prior to the Go Active Date, the Seller(s)/Lessor(s) direct and instruct the Listing Broker not to accept and present to them any offer(s) to purchase/lease the Property. Seller(s)/lessor(s) expressly waive their right to have offers presented to them by the Listing Broker because the Property is not available for sale/lease prior to the stated Go Active Date.

The Seller(s)/lessor(s) and the Listing Broker will determine the Go Active Date, which is defined as the date that the Listing Broker will begin marketing the Listing. A delayed form needs to be executed either when the listing agreement is signed or within 48 hours of execution of the listing agreement. The Go Active date can be changed at the discretion of the Listing Broker and the Seller(s)/lessor(s) prior to the Go Active Date. The Property must be activated in the Service on the Go Active date. When the listing is submitted to the Service, the Go Active date should be entered as the Start Marketing Date and the date the contract started should be entered as the Contract Effective Date. Market time will calculate starting on the Go Active date. The Delayed Listing information must be submitted to the Service when the listing is activated in the MLS.

Section 4.24 Coming Soon:

Prior to being entered into the System or advertised, all Coming Soon Listings must have a valid, fully executed:

1. Exclusive Right to Sell listing agreement, or
2. Exclusive Agency to Sell, or
3. Exclusive Right to Lease, or
4. Exclusive Agency to Lease

The Coming Soon status should be utilized when the Seller/Lessor requests the Listing Broker to pre-market the Property before the Property becomes an Active Listing on the Service (Preview Time). During the Preview Time, the Seller(s)/Lessor(s) direct and instruct the Listing Broker not to accept and present to them any offer(s) to purchase/lease the Property. Seller(s)/lessor(s) expressly waives their right to have offers presented to them by the Listing Broker because the Property is not available for sale/lease during the Preview Time.

The following conditions and restrictions apply to Coming Soon listing:

- (1) an appointment must not be made for during the Preview Time, nor shall the Property be shown to prospective buyers/lessees by anyone, including the Listing Broker and the Listing Broker's agents during the Preview Time;
- (2) a Coming Soon Listing must include at least one exterior photo of the Property but can include as many as 40;
- (3) a valid, fully executed SmartMLS Coming Soon Listing Addendum must be uploaded to the MLS system when entered as Coming Soon;
- (4) coming Soon Listings must include a Go-Active Date which must be no less than 1 day and no more than 14 days in the future;
- (5) the Go-Active Date cannot be shortened;

- (6) coming Soon listings must be available to be shown on the Go Active date;
- (7) coming Soon listings shall automatically convert to active status on the Go-Active Date;
- (8) coming Soon listings cannot be cancelled and re-entered as Coming soon
- (9) coming Soon Listings will be included in listing history in the MLS record of the listing.
- (10) market Time will be calculated starting on the Go Active Date (Day 0).
- (11) coming Soon Listings may be promoted on social media. Any social media activity must comply with Connecticut License Law and Regulations.
- (12) may be included in IDX and VOW data feeds may be re-syndicated
- (13) a cancelled or expired listing cannot be re-entered as a coming soon listing with the same firm.
- (14) an executed Coming Soon Addendum must be submitted to the Listing

The following actions are disallowed by the Coming Soon rules (with the corresponding penalties set out in the progressive fine policy (see Attachment A)): entering a Coming Soon listing without a valid listing contract; allowing a showing on a Coming Soon listing; cancelling a Coming Soon listing and relisting it as active prior to the activation date on the listing; and the Coming Soon status being used more than once on any property by any one firm (A second Coming Soon status with the same firm can only occur after 90 days off the market.).

Section 4.25 Property Owner Consent:

If buyer has a legally binding agreement to purchase a property but has not yet closed on the title, the SmartMLS Property Owner Consent form must be executed by the seller that still holds legal title and the contract owner field must be selected before the property can be filed with the Service.

Section 4.26 Advertising a Mandatory Listing not entered in the Service:

A fine set forth in Attachment A will be immediately assessed to the listing agent's account when a listing is advertised but the listing is not a Coming Soon, Active or Withheld from MLS listing in the Service.

Section 4.27 Removal of Filed Listings.

A Filed Listing will not be removed from the System unless: (a) the person or entity requesting the removal can establish to the satisfaction of the Service that the Listing Agreement is not a valid and binding contract under applicable law; or (b) the Listing is a duplicate of another Listing Filed with the Service based on the same Listing Agreement or (c) removal is required by a final order from a court of competent jurisdiction.

Article 5 - Selling Procedures

Section 5.1 Showings and Negotiations.

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

- (a) the Listing Broker gives the Cooperating Broker specific authority to show the Listed Property and/or to negotiate directly with the Seller, or
- (b) after reasonable effort, the Cooperating Broker cannot contact the Listing Broker or his/her representative provided; however, at his/her option, may preclude such direct showings and/or negotiations by Cooperating Brokers.

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

Section 5.2 Presentation of Offers.

The Listing Broker must present all offers to the Seller and make arrangements to present the offer as soon as possible or give the Cooperating Broker a satisfactory reason for not doing so in writing.

Section 5.3 Submission of Written Offers and Counter-Offer.

The Listing Broker shall submit to the Seller all written offers until closing unless precluded by law, government rule, or regulation or agreed otherwise in writing between the Seller and the Listing Broker. Unless a subsequent offer is contingent upon the termination of an existing contract, the Listing Broker shall recommend that the Seller obtain the advice of legal counsel prior to acceptance of the subsequent offer. Participants representing Buyers or prospective tenants shall recommend that their clients obtain legal advice if there is any question about the status of a pre-existing contract or accepted offer.

Section 5.4 Right of Cooperating Broker in Presentation of Offer.

Except as otherwise provided in this Section, a Cooperating Broker or his or her representative has the right to participate in the presentation to the Seller of any offer the Cooperating Broker secures to purchase or lease the Listed Property. The Cooperating Broker does not have the right to be present at any discussion or evaluation of that offer by the Seller and the Listing Broker. However, if the Seller gives written instructions to the Listing Broker that the Cooperating Broker not be present at the presentation of an offer which the Cooperating Broker secured, the Cooperating Broker has the right to a copy of the Seller's written instructions, but the Cooperating Broker shall have no right to be present at such presentation. None of the foregoing diminishes the Listing Broker's right to control the establishment of appointments for such presentation.

Where the cooperating broker is not present during the presentation of the offer, the Cooperating Broker can request in writing, and the Listing Broker must provide, written affirmation stating that the offer has been submitted to the Seller, or written notification that the Seller has waived the obligation to have the offer presented.

Section 5.5 Right of Listing Broker in Presentation of Counter-Offers.

Except as provided in this Section, a Listing Broker or his/her representative has the right to participate in the presentation of any counter-offer made by the Seller. The Listing Broker does not have the right to be present at any discussion or evaluation of a counteroffer by the prospective purchaser or lessee (except where the Cooperating Broker is a subagent of the Seller). However, if the prospective purchaser or lessee gives written instructions to the Cooperating Broker that the Listing Broker not be present when a counteroffer is presented, the Listing Broker has the right to a copy of the written instructions of the prospective purchaser or lessee so providing, but the Listing Broker shall have no right to be present at such presentation. If negotiations were carried on under Section 5.5 hereof, the Cooperating Broker shall report accepted counter-offers to the Listing Broker within twenty-four (24) hours and the Listing Broker shall report them to the Service within forty-eight (48) hours after receiving notice of acceptance from the Cooperating Broker.

Section 5.6 Reporting Sales and Leases to the Service.

Status changes, including final closing of sales, shall be reported to the Service by the Listing Broker within twenty-four (24) hours, excluding Sundays and holidays, after they have occurred. Any seller concession(s) must be reported when closing out a listing. New construction properties must record the sales price recorded by the town as the sales price.

Section 5.7 Reporting Listings “Under Contract” or “Under Contract – Continue to Show”.

By the Deadline for Filing, the Listing Broker must report to the Service all listings on which a Buyer and Seller have arrived at a meeting of the minds which has been documented by a binder, offer to purchase, sales agreement, contract of sale, or any document signed by both Buyer and Seller. The Listing Broker shall file notice with the Service that such Listing is “Under Contract”. A Listing that is “Under Contract” is deemed to be “off-market”; provided, however, if the Seller has given the Listing Broker written instructions to continue to actively market the property to obtain additional offers, the Listing shall be reported as “Under Contract - Continue to Show” (Status Code: UCS). Listings in the UCS status must be able to be shown. If the property is not available to be shown it must be marked as Under Contract – No Showings.

Listings in which a meeting of the minds has been documented by a memorandum of terms or non-binding agreement will remain in the Service as an Active listing but must be identified in the Service as “Under Agreement”

If purchase of a Listed Property is contingent on the sale of the Buyer’s property the

Listing may remain "Active" and the Hubbard flag added to the Listing.

SmartMLS shall have the right to place a Listing that does not comply with Section 5.7 in a Temporarily Off Market (Status Code: TEMP) status.

Section 5.8 Disclosure of the Existence of Offers.

Listing brokers, in response to inquiries from Buyers or Cooperating Brokers, shall, with the Seller's approval, disclose the existence of offers on the property. Where disclosure is authorized, the Listing Broker shall also disclose, if asked, whether offers were obtained by the Listing Broker; a Subscriber/Participant affiliated with the Listing Broker; or by a Cooperating Broker.

Section 5.9 Reporting Cancellation of "Under Contract" or "Under Contract – Continue to Show" Listings.

If a pending sale or lease of a Listed Property has been cancelled for any reason (as a result of which it no longer qualifies for the status of "Under Contract" or UCS), the Listing Broker shall file notice of such cancellation with the Service immediately upon its occurrence, but in no event later than the Deadline for Filing, and the Listing thereupon shall be reinstated as Active if the Listing Agreement has not yet expired.

If the cancellation is disputed by either party and the property returns to market, both the agent and public remarks must disclose an agreement to terminate has not been finalized.

Section 5.10 Reporting Refusal to Sell.

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

Section 5.11 Change of "Sold" Listings.

A Listing that is reported "sold" may not be modified or changed in any way by a Participant. Notwithstanding the foregoing, the Service may, but it need not, modify or change a "sold" Listing if the Service receives a written request for a modification or change from a Participant and if, in the sole and absolute discretion of the Service, the Service determines that the Participant which made the sale has demonstrated good cause for such modification or change. The determination of the Service shall be final, and neither the Participant nor any Subscriber or other person affiliated with the Participant shall have the right to assert any claim against the Service arising out of such determination.

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

to correct an error that was made in reporting a sale or lease.

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

Section 5.12 Requirement to Report Accepted Offers

The Listing Broker/Agent must report to the Service all listings on which a buyer and seller have arrived at a meeting of the minds which has been documented by a binder, offer to purchase, sales agreement, contract of sale, or any document signed by both buyer and seller. Any such listing shall be reported as appropriate as either “Under Contract – Continue to Show”, “Under Contract”, or identify the listing as “Active” and Hubbard “Yes”. Within the Deadline for Filing after all necessary signatures of buyer and seller or his/her/their authorized agent have been obtained. Listings in the Under Contract – Continue to Show status must be able to be shown, if unavailable to be shown they must be marked as Under Contract.

Article 6 - Prohibitions

Section 6.1 Information for Participants Only.

Any Listing Filed with the Service shall not be made available to any broker or Firm not a Participant of the Service without the prior written consent of the Listing Broker except pursuant to a subpoena or specific action of the SmartMLS Board of Directors.

Section 6.2 “For Sale” Signs.

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

Section 6.3 “Sold” Signs.

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

Section 6.4 Advertising of Listings Filed with the Service.

A Listing shall not be advertised (other than IDX) by any Broker/Agent, other than the Listing Broker/Agent, in any medium whatsoever, without prior consent of the Listing Broker.

Article 7 - Disclosure

Section 7.1 Disclosure of Potential Short Sale.

Participants may, but are not required to, disclose potential short sales to other Participants and Subscribers.

Section 7.2 Participant as Principal.

If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any ownership interest in a property, the Listing of which is to be disseminated through the Service, that person shall disclose that interest when the Listing is Filed with the Service and such information shall be disseminated to all Service Participants.

Section 7.3 Participant as Purchaser.

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

Article 8 - Compliance With and Enforcement of Rules and Regulations

Section 8.1 Applicability of Rules and Regulations to Participants and/or Subscribers.

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

Section 8.2 Consideration of Violations of Rules and Regulations.

Violations of these Rules and Regulations or of any policies of the Service may subject the violating Subscriber and/or the Participant with which the Subscriber is affiliated to sanctions either as specified in Article 4 above or in Appendix B hereto or as otherwise determined by the Service. Such sanctions may include, but shall not be limited to, fines and suspensions of service. If, as a result of a violation, a Participant and/or a Subscriber may be made subject to more than one sanction, the Service, in its discretion, may impose any one or more, or all or none, of such applicable sanctions. When the Service imposes a sanction, it will notify the violating Subscriber and will also notify the Participant with which the violating Subscriber is affiliated. Failure of the Service to deliver a notice shall not affect the validity or enforceability of the sanction.

The decision to impose a sanction for violation of the Rules and Regulations shall be made by the Chief Executive Officer following such investigation as he/she deems

necessary.

A Participant, on the Participant's behalf, or on behalf of Subscribers who derive their right to use the Service through the Participant, shall have a right to appeal any sanction imposed for violation of the Rules and Regulations. An appeal must be submitted in writing and filed with the Service within seven (7) days of the penalty being imposed. Appeals will be considered by an Appeals Committee composed of three (3) members of the Appeals Committee one of which must be a member of the SmartMLS Board of Directors. The Committee shall consider all written submissions by the appellant and, in the sole discretion of the Committee, may request the sworn testimony of witnesses. The decision of the Committee shall be final.

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

Section 8.3 Harassment:

Any Participant or Subscriber may be reprimanded, placed on probation, suspended or permanently removed from participation in the Service for harassment of an MLS employee or Officer or Director after an investigation conducted by legal counsel to SmartMLS, Inc. As used in this section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contacts, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the Chief Executive Officer or, if the Chief Executive Officer is a complainant with respect to the alleged harassment, by the President. Disciplinary action may include any sanction authorized in the MLSs Rules & Regulations. Any sanction imposed pursuant to this Section 8.4 can be appealed in accordance with the procedure set forth in Section 8.3.

Article 9 - Confidentiality of Service Information

Section 9.1 Confidentiality of Service Information.

Any and all data and information contained in any Service Compilation shall be the proprietary data and information of the Service. Such data and information are provided by the Service for the use of Participants and their affiliated Subscribers solely in their capacities as such, and Participants and their affiliated Subscribers may use such data and information solely in connection with those activities in which they are properly engaged under a valid real estate broker's license or real estate appraiser's license or certification, in either case issued by the state of Connecticut. Use of the Service Compilation, including without limitation use of the email, export functionality and other

functionalities of any electronic component or feature thereof, is limited strictly to activities by and communications from, to or among Participants and/or Subscribers, in each case in their capacities as such, for the sole purpose of effecting or seeking to affect the sale, lease or appraisal of specific properties. Without limiting the foregoing, no Participant or Subscriber shall use the email or export functionality of any component or feature except for the sole purpose of seeking to affect the sale, lease or appraisal of the specific property or properties to which its email communication relates. The Service Compilation shall be confidential and for the exclusive use of the Service in the dissemination of information to Participants and Subscribers and for such other uses as may be determined from time to time by the Service. No Participant or Subscriber shall cause or permit any data or information to be transmitted, retransmitted or otherwise provided or made available in any manner to any individual or entity, other than to an individual or entity who or which is a Participant or Subscriber and other than as provided in Article 11 of these Rules and Regulations.

Section 9.2 Service Not Responsible for Accuracy of Information; Indemnity.

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

Section 9.3 Access to Comparable and Statistical Information.

Upon written request, the Service, in its discretion, may grant Comparable Access (as defined in Section 17.1 below) to (i) real estate professionals who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development or building activities, but who do not Participate fully in the Service within the meaning of these Rules and Regulations and (ii) real estate assessors for cities and towns in the State of Connecticut, in their capacities as such. The Service may grant Comparable Access on such terms and conditions, including the payment of fees and charges, and with the imposition of such fines, as may be set forth from time to time in Attachment A of these Rules and Regulations. The terms and conditions on which the Service may grant Comparable Access need not be identical for all classes or groups eligible to request such grant. The data and information made available under this Section 9.3 are for the exclusive use of (a) the qualifying real estate professionals identified in clause (i) above and for the individuals affiliated with such professionals who are also actively engaged in one or more branches of the real estate business identified in clause (i) and (b) qualifying real estate assessors for cities and towns in the State of

Connecticut, in their capacities as such, and none of such data or information may be transmitted, retransmitted or provided or made available in any manner to any other individual or entity.

Article 10 - Ownership of the Service Compilation and Copyrights

Section 10.1 Grant of Authority.

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

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 10.2 Copyright.

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

Section 10.3 Use of MLS Data.

Each Participant shall be entitled to have the use of MLS compilation data. If required by the Service, each Participant shall pay a fee for the Service to provide access to MLS compilation which may be set from time to time by the Service.

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

Section 10.4 Use of Logos and Other Marks.

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

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

Section 11.1 Distribution.

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

Section 11.2 Display.

A Participant and the Subscribers affiliated with it shall be permitted to display non-confidential fields within the MLS Compilation data and other manifestations of the MLS Compilation to a bona fide prospective purchaser or lessee of a Listed Property, but only in the ordinary course of the business of the Participant and its affiliated Subscribers in their efforts to locate ready, willing and able buyers or lessees for the Listed Property.

Section 11.3 Reproduction.

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

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

*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.

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

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

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

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support valuations on particular properties for clients and customers. Any MLS content in data feeds available to participants for real estate brokerage purposes must also be available to participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds or create a separate data feed to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information deemed confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

Article 12 - Internet Data Exchange (IDX)

Section 12 IDX Defined

IDX affords MLS participants the ability to authorize limited electronic display of their listings and optionally, upcoming public open houses by other participants.

Section 12.1 Authorization

Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the 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, frame, or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display.

Section 12.2 Participation

Participation in IDX is available to all MLS participants who are engaged in real estate brokerage and who consent to display of their listings by other participants.

Section 12.2.1 Notification to MLS

Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 12.2.1.1 No Modification of Other Participants' Listings

Participants shall not modify or manipulate information relating to other participants' listings. MLS Participants may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields.

Section 12.2.2 Scraping

MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines.

Section 12.2.3 Right of Seller to Withhold Address From Display

Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their listing of the listing's property address from all public display on the Internet (including, but not limited to, publicly accessible websites).

Section 12.2.4 Right of Participant to Display

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, list price, type of property, type of listing (e.g. Exclusive Right to Sell or Exclusive Agency). Selection of listings displayed on any IDX site must be independently made by each Participant.

Section 12.2.5 Refresh Data

In accordance with Connecticut Real Estate Commission rules and regulations, Participants and Subscribers must refresh all MLS data at least once every 12 hours.

Section 12.2.6 No Distribution

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

Section 12.2.7 Clear Identification of Firm

Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, “control” means the ability to add, delete, modify, and update information as required by the IDX policy and MLS rules.

Section 12.2.8

Any IDX display controlled by a participant or subscriber that

- a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing,

either or both of those features shall be disabled or discontinued for the seller’s listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants. Except for the foregoing and subject to Section 12.2.9, a participant’s IDX display may communicate the participant’s professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller.

Section 12.2.9

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

Section 12.2.10 Monitoring Code

Implement SmartMLS provided monitoring code in the Product for the purpose of providing SmartMLS with a mechanism to compile statistics about Internet activity related to the Product and how the MLS Content is viewed and visited within the Product. SmartMLS may utilize a third party of its choice to manage the monitoring code and website statistics analysis.

Section 12.3 Display

Participants, and those persons affiliated as licensees with such Participants, shall be

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

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

Section 12.3.1 Display Fields Designated by MLS

Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS participants and users (e.g., showing instructions, property security information, etc.) may not be displayed.

Expiration date is a non-confidential field, but is not authorized to be displayed in advertisements, including IDX display, of other Participant's listings.

Section 12.3.1.1 Co-Mingling of Data

Removed

Section 12.3.1.2 Restrictions on Display of "Closed" and Off Market Data

Display of closed listings is permitted only on websites owned and controlled by the Participant or the Service. Closed data older than January 1, 2012 shall not be displayed without the express written authorization by the MLS. Only the primary photo is allowed to display on Closed listings.

Section 12.3.1.3 Non-Display of Listing Agreement Type

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

Section 12.3.2 Listing Firm Displayed

All listings displayed pursuant to IDX shall identify the listing firm and the firms preferred contact method as provided by the firm, either the firms phone number or email address, in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data. Displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all

required disclosures.

Section 12.3.3 Participant Consent

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

Section 12.3.4 Identify Listing Agent

All listings displayed pursuant to IDX shall identify the listing agent and, if allowed by their broker, their preferred contact method, email address or phone number as provided by the firm or the listing agent.

Section 12.3.6 MLS As Source

All listings displayed pursuant to IDX shall show the MLS as the source of the information. Displays of minimal information (e.g., "thumbnails", text messages, "tweets" of two hundred[200] characters or less, automated audio responses via Siri, Alexa, etc.,) are exempt from this requirement but only when linked directly to a display that includes all required disclosures.

Section 12.3.7 Non-Commercial Use

Participants (and their affiliated licensees, if applicable) shall indicate on their Web sites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. Displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures.

Section 12.3.8 Reasonable Number of Listings

The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance, shall be limited to fewer than one hundred (100) listings or five percent (5%) of the listings available for IDX display, whichever is fewer.

Section 12.3.9 Right to Display

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

Section 12.3.10 Expired, Temp of Market and Withdrawn

Display of expired, temp off market and withdrawn listings is prohibited.

Section 12.3.11 Seller's Name, Phone, Email

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

Section 12.3.12 Security

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

Section 12.3.13 Audit Trail

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

Section 12.3.14 Deceptive Advertising

Deceptive or misleading advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. For purposes of these rules, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information is larger than that of any third party.

Section 12.4 Service Fees and Charges

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

Section 12.5 (a) Virtual Office Website

("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability.

(b) As used in Section 12 of these Rules, the term "Participant" includes a Participant's affiliated non-principal brokers and sales licensees – except when the term is used in the phrases "Participant's consent" and "Participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner ("AVP") on behalf of a Participant.

(c) "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an

AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

(d) As used in Section 12 of these Rules, the term “MLS Listing Information” refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

Section 12.51:

(a) The right of a Participant's VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.

(b) Subject to the provisions of the VOW Policy and these Rules, a Participant's VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange (“IDX”).

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

Section 12.52:

(a) Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:

(i) The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter “Registrants”). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.

(ii) The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection

(d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.

(iii) The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password.

(b) The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.

(c) If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.

(d) The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:

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

ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;

iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;

iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;

v. That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.

(e) The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labeled as such, and may not be accepted solely by mouse click.

(f) The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Q and the Registrant.

Section 12.6: A Participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

Section 12.7: Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of MLS Listing Information. A Participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

Section 12.8: Seller Opt-Out:

(a) A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

(b) A Participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that includes the following (or a substantially similar) provision:

(c) The Participant shall retain such forms for at least seven years from the termination date of the listing.

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Seller Opt-Out Form

1. Please check either Option a or Option b

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

OR

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

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

Initials of seller

Section 12.9:

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

(b) Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 12.10, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller."

Section 12.10: A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 12.11: A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every 12 hours.

Section 12.12: Except as provided in these rules, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

Section 12.13: A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 12.14: A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, and type of property.

Section 12.15: A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies.

Section 12.16: A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

Section 12.18: A Participant shall not change the content of any MLS Listing Information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS Listing Information with additional information not otherwise prohibited by these Rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS Listing Information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields

Section 12.19: A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability and shall include such disclaimers as the MLS directs to protect the MLS from liability.

Section 12.20: A Participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

Section 12.21: A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 2000 current listings and not more than 2000 sold listings in response to any inquiry.

Section 12.22: A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

Section 12.23: A Participant may display advertising and the identification of other entities ("co-branding") on any VOW the Participant operates or that is operated on his or her behalf. However, a Participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this Section, co-branding will be presumed not to be deceptive or misleading if the Participant's logo and contact information (or that of at least one Participant, in the case of a VOW established and operated on behalf of more than one Participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all Participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

Section 12.24: A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

Section 12.26: Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 12.27: Where a seller affirmatively directs their listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided at the request of the MLS.

Section 12.28: A participant must make or cause to be made, any and all changes to their internet website necessary to cure any violation of SmartMLS Rules and Regulations within five (5) business days of notice from SmartMLS of a violation. If a Participant fails to correct any violation in the time provided, SmartMLS reserves the right to discontinue the IDX feed without any further notice. Any Participant that fails to correct a violation within the allotted time is subject to an automatic fine of \$500.

Article 13 - Use of Data and Information in Advertising

Section 13.1 Use of Data and Information in Advertising.

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

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

"Based on information provided to and compiled by the **Smart MLS, Inc.** covering the period [Insert Initial Date] through [Insert Final Date]."

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

Section 13.2 Internet Display of Sold Data.

Participants with ownership and direct control of their website may display electronically MLS Sold Data information utilizing the following described applications:

- (a) An application which provides active listing data, sales data, including property address, sale date, and price.

Article 14 - Limitation on Use of Service Compilation

Section 14.1 Limitation on Use.

Notwithstanding anything otherwise set forth in this Article 14 or in Article 13 above, nothing contained in these Rules and Regulations is intended to grant, nor shall it be deemed to grant, to any Participant, Subscriber or other person any right to distribute, display or reproduce any Service Compilation in its entirety or in substantial part. All right,

title and interest in and to any Service Compilation shall belong exclusively to the Service, as provided in Article 11 above, and the rights specifically granted in these Rules and Regulations to distribute, display, reproduce and use the data and information contained in any Service Compilation shall be construed strictly in accordance with their terms.

Article 15 - Rules and Regulations

Section 15.1 General.

These Rules and Regulation, as they may be amended from time to time, shall be binding upon each Participant, Subscriber and other user of any of the goods and services provided by the Service, and each such Participant, Subscriber and other user shall be deemed to have consented and agreed to be bound hereby by its use of such goods and/or services.

Section 15.2 Changes In Rules and Regulations.

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

Article 16 - Smart MLS Lockbox Service.

Section 16.1 MLS Lock Box System - The SERVICE shall provide an optional electronic Lockbox system to Participant and their affiliated Subscribers for the purpose of providing access to Listed Properties on the SERVICE and by extension through an "Electronic Lockbox Keycard Reciprocity Agreement," those Electronic Lock boxes placed on properties listed by members of the Greater Hartford Association of REALTORS®; the Mid-State Association of REALTORS® and the New Haven/Middlesex Association of REALTORS® for legitimate real estate business, subject to the execution of an eKey Sub-License Agreement and the payment of the Lockbox Service Fee. These Agreements shall provide that:

- (1) eKEYs may not under any circumstances be used by anyone other than the key holder;
- (2) Electronic Lockboxes may only be placed on properties that are listed by a Subscriber to both the MLS System and the SERVICE Electronic Lockbox program;
- (3) The Lockbox system shall be provided by a recognized Lockbox Vendor.

Section 16.2 Lock Box System Fees and Charges: - The Lockbox fees and system charges shall be changed from time to time by the Board of Directors.

Section 16.3 Only the eKEY's Owner is Authorized to Use It - Only the Subscriber specifically authorized in their eKEY Sublicense Agreement may utilize their

eKEY. Sharing or loaning the eKEY to anyone including, without limitation, the Subscriber's Participant, other Subscribers, home inspectors, appraiser, client, the homeowner or any non-licensee is expressly prohibited. Any violations of Section 16.3 are subject to the automatic imposition of a fine in accordance with Attachment A or a suspension from all Lockbox services and privileges.

Section 16.4 SERVICE May Suspend or Terminate Lockbox Services.

The SERVICE may deny, suspend, or terminate all Lockbox Services; and/or Refuse to sell eKeys or Lockboxes to any individual convicted of a felony or misdemeanor if, in the sole determination of the Service, the conviction relates to the conduct of real estate brokerage business or if clients, customers, or other real estate professionals would be placed at risk by allowing the convicted individual access to Lockbox Services.

The Service may suspend the right of a Lockbox key holder to use an eKey following his/her arrest for any felony or misdemeanor, and pending judicial resolution of such charge, if the crime that the keyholder is accused of, in the sole determination of the Service, relates to the conduct of real estate brokerage business or if clients, customers, or other real estate professionals would be placed at risk by allowing the accused individual continued access to Lockbox services.

Article 17 – Definitions

Section 17.1 Definitions.

Access Credentials – The information issued by SmartMLS, such as MLS ID number, created by the Subscriber (such as password), or provided by other means are required by the SmartMLS system(s) to gain access to utilize the MLS.

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

Contract Effective Date - The contract effective date of a listing agreement is either: 1) The beginning date of the agreement, OR 2) The last date on which all necessary signatures were obtained, whichever is LATER.

Contract Date – Shall mean the date the last signature was obtained on the sale/lease contract. The contract date does not take into account deposits, inspections, or other aspects of the real estate transaction.

Contract Owner - a buyer who has a legally binding agreement to purchase a property but has not yet closed on the title. They possess equitable title, allowing them to act as the owner (e.g., in a land contract or, with permission, re-listing the property before closing) while the seller holds legal title.

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

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

Delayed Listing Form – Shall mean the form required to be signed by a Seller and delivered to the Service by the Seller's Listing Broker when the Seller requests that marketing of an identified property be deferred to a date certain, specified in the Form that is beyond the Filing of the Listing for that property

Effective Marketing Date –The date in which Seller(s) and Listing Broker agrees to begin marketing the property. Prior to the Effective Marketing Date there will be a prohibition against showings, previews and/or caravans including the listing broker, all agents in the listing broker's office and all other brokers and agents affiliated with the listing company, as well as brokers and agents from offices not affiliated with the listing company.

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

Exclusive Agency - Shall mean, when applied to a Listing Agreement, a Listing Agreement under which the Listing Broker becomes the sole agent of the Seller.

Exclusive Right to Sell - Shall mean, when applied to a Listing Agreement, a Listing Agreement under which the Listing Broker becomes the sole agent of the Seller.

Exclusive Right To Sell with Reserved Prospect - Shall mean, when applied to a Listing Agreement, a Listing Agreement under which the Listing Broker becomes the sole agent of the Seller, except that the Seller may name one or more individuals or entities as exemptions in the Listing Agreement and, if the Listed Property is sold to any exempted individual or entity, the Service include the Listed Property as a "sold" in any manifestation of the Service Compilation).

Filed (or variants on the term, as the context may require) - Shall mean directly input into the System by a Participant or Subscriber by electronic or other means or actually received by the Service from a Participant or Subscriber in printed or written form at the principal place of business of the Service for inclusion in the Service Compilation.

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

Hubbard – a contingency clause indicating that the current property purchase is contingent upon the sale of an existing property.

Internet Data Exchange (IDX) – Shall mean a method which affords MLS Participants the ability to authorize limited electronic display of their listings by other Participants.

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

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

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

Listing Date – Shall mean the date on which the listing agreement was signed by all parties.

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

Marks – Shall mean any of the marks and logos owned by the Service that use, include or incorporate in anyway the term "**Smart MLS**" or the blocks "**Smart MLS, Inc.**" or "**SmartMLS**" or any variant of the same, that appears on these Rules and Regulations, on the Service's letterhead or on the Service's website.

Media – are any non-textual information that is part of or an addendum to a Listing, including but not limited to photographs, floor plans, electronic files or any format, rendering and virtual tours.

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

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

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

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

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

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

Start Marketing Date – is the date when public marketing of the property will begin. On the Start Marketing Date, you must update the listing status to Active, Coming Soon, etc. It should be the same date used in Paragraph 18 of the SmartMLS Exclusive Right to Sell listing agreement (or similar language).

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

Appendix A - Service Fees, Charges and Fines

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

Fees and Charges

Initial Participation Fee – Each Participant and Secondary Participant will pay a fee of \$200.00 to become a member of the Smart MLS **Reinstatement Fee** – Suspended Participant will pay a fee of \$250.00 to reinstate participation after paying any other fees or fines assessed per Section 8-2.

Subscriber Fee – Each Participant and Subscriber to the service will be assessed a monthly access fee of \$35.00, billed bi-annually in advance.

Late Fee – Suspended Subscribers will pay a fee of \$25.00 to reinstate subscription after paying any other fees or fines assessed per Section 8-2.

Appendix B -Compliance with Rules

Penalties for Inaccurate or Incomplete Data:

These Rules and Regulations are set up to give the buying and selling public the best possible service and to facilitate cooperation between Participants. By becoming and remaining a Participant or Subscriber in SmartMLS, each Participant and Subscriber agrees to be subject to the Rules and Regulations and any other MLS governance provision. The MLS may impose discipline for violation of the rules and other MLS governance provisions. SmartMLS reserves the right to remove any offensive and/or HUD (Fair Housing)non-compliant information (language, photos, audio, etc.) contained in the listing and notify the listing office of the removal.

Discipline that may be imposed may only consist of one or more of the following:

- a) letter of warning
- b) letter of reprimand
- c) attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location, and duration
- d) appropriate, reasonable fine not to exceed \$15,000
- e) probation for a stated period of time not less than thirty (30) days nor more than one (1) year
- f) suspension of MLS rights, privileges, and services for not less than seven (7) days nor more than one (1) year
- g) termination of MLS rights, privileges, and services with no right to reapply for a specified periodnot to exceed three (3) years

The following action may be taken for non-compliance 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.

The listing agent and/or office will be notified in writing or by electronic means if there is a violation of the Rules and Regulations. The listing agent and/or office shall be assessed a fine for each violation below. The following schedule has been established by the Board of Directors.

The progressive fine schedule is per agent per offense. Repeat violations within a 365-day period will result in fines according to the schedule outlined below. Fines will be billed to the listing agent and/or office. Excluded from the 365 day period are violations of section 4.1.1 and section 4.25, violations in those categories do not reset.

The purpose of the Multiple Listing Service is to provide the most accurate, comprehensive, and timely information possible to subscribers to the Service. The Service utilizes technology solutions to help identify errors in the data and will make every

effort to assist Subscribers in both identifying and correcting data errors in their listings. While the Service prefers an educational approach to correcting data errors, the fine schedule below exists to prevent abuse and/or neglect of the Service data policies.

Notwithstanding the foregoing, should the Service become aware of repeated patterns of data misrepresentation by any Subscriber:

1. The Service shall notify the Subscriber, their managing broker, and their Participant of the pattern of data misrepresentation.
2. SmartMLS reserves the right to assess a \$2,500 fine for each subsequent occurrence of data misrepresentation until a 12- month period without occurrences is established.

SmartMLS shall have the right to place into Temp (Temporarily Off Market status) any Listing in the Compilation that does not comply with these Rules.

Attachment A – Schedule of Fines

Loading Listings and Reporting Status Changes	Rule Section	Fine
Unauthorized use of ID	Section 3.7	\$100 – 1 st Violation \$200 – 2 nd Violation \$400 – 3 rd Violation and 1 week Suspension from MLS
Failure to include a specific go active date on a delayed entry or coming soon listing	Section 5.9.2	\$100 – 1 st Violation \$200 – 2 nd Violation \$400 – 3 rd Violation and 1 week Suspension from MLS
Failure to File a Mandatory listing within the Deadline for Filing after receipt of seller(s) signature or on the effective marketing date, whichever occurs later.	Section 4.1.1	\$500 – 1 st Violation \$1,000 – 2 nd Violation \$2,000 – 3 rd Violation and 1 week Suspension from MLS
Posting a listing to the MLS without having a written listing agreement	Section 4.3	\$250 – 1 st Violation \$500 – 2 nd Violation – referred to DCP \$400 – 3 rd 1 week Suspension from MLS
Failure to properly disclose a listing as limited service or entry only.	Section 4.1.3 Section 4.1.4	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Failure to disclose an ownership interest in a listed property	Section 7.2	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
An Active Listing not available to be shown or unable to schedule a showing within 48 hours of request.	Section 4.24	\$100 – 1 st Violation \$200 – 2 nd Violation \$400 – 3 rd Violation and 1 week Suspension from MLS
Status change not reported by the Deadline for Filing	Section 5.6	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Failure to enter the proper contract date when changing the status to Deposit or Closed	Definition	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Submitting a listing as Withdrawn/Cancelled when not Withdrawn/Cancelled by Seller	Section 4.6 Section 4.7	\$250 – 1 st Violation \$500 – 2 nd Violation – referred to DCP \$400 – 3 rd 1 week Suspension from MLS

Entering status changes relating to amendments to the listing agreement with a seller without the seller's written consent.	Section 4.5	\$250 – 1 st Violation \$500 – 2 nd Violation – referred to DCP \$400 – 3 rd 1 week Suspension from MLS
Delay in presentation of offers	Section 5.2	\$100 – 1 st Violation \$200 – 2 nd Violation \$400 – 3 rd Violation and 1 week Suspension from MLS
Failure to provide written documentation within 24 hours after requested by SmartMLS	Section 4.20	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Entry of inaccurate information anywhere in a listing or using a data field for a purpose other than its intended use.	Section 4.23	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Failure to correct incomplete or inaccurate information within stated time period on the notification		Original fine amount re-assessed, then reassessed until corrected
Including Agent Contact Information, such as email addresses, website addresses, or other non-property descriptive text on photos, virtual tours and public remarks fields.	Section 4.1.7	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Use of photographs on a listing without proper authorization	Section 4.1.8	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Failure to meet photographic requirements on a listing	Section 4.1.8	\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Reentering inaccurate info once corrected or removed by MLS		Treated as a subsequent violation, fine is escalated
Entering a Coming Soon listing without a valid listing contract	Section 4.24	\$250 – 1 st Violation \$750 – 2 nd Violation 1 week Suspension from MLS
Allowing or requesting a showing on a Coming Soon listing	Section 4.24	\$250 – 1 st Violation \$750 – 2 nd Violation 1 week Suspension from MLS
Cancelling a Coming Soon listing and relisting it as active prior to the activation date on the listing	Section 4.24	\$250 – 1 st Violation \$750 – 2 nd Violation 1 week Suspension from MLS

The Coming Soon status can only be used once on any property with any one firm. A second Coming Soon status with the same firm can occur only after 90 days off the market	Section 4.24	\$250 – 1 st Violation \$750 – 2 nd Violation 1 week Suspension from MLS
Failure to resolve a compliance issue within 30 days of notification		Suspension from the Service until issue is resolved
Sharing a lockbox key with an unlicensed person		\$500, 30 day suspension from the MLS and a referral to CT Department of Consumer Protection, and, if applicable, CT Realtors.
Failure to resolve IDX violation within 5 business days of notification	Section 12.2.10	\$250 – 1 st violation \$500 – 2 nd violation \$750 – 3 rd violation
Misuse of Virtually Stagged Photos		\$50 – 1 st Violation \$100 – 2 nd Violation \$250 – 3 rd Violation and 1 week Suspension from MLS
Advertising a Mandatory Listing not entered in the Service	4.25	\$500 – 1 st Violation \$1,000 – 2 nd Violation \$2,000 – 3 rd Violation and 1 week Suspension from MLS
Table updated 11-14-2025		

Attachment B - Listing Status Codes

Status Description

Active
Cancelled
Closed
Coming Soon
Expired
Temp off Market
Under Contract – Show
Under Contract
Withdrawn

Definitions of Listing Status Codes.

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

Cancelled- The status of a Listed Property where the Listing Agreement has been terminated prior to its expiration date.

Closed - Transaction has completed. Seller no longer holds title to the property. In lease transactions, a lease for the Listed Property has been executed by the Landlord and Tenant and the Property is no longer available for rent.

Coming Soon – A listing that is subject to a listing agreement and is being marketed but is not on the market and not available for showings or offers.

Expired - Listing is off the market following the expiration date of the listing agreement.

Temp Off Market - Temporarily unavailable to be shown but expected to be active within 14 days. Temp Off Market listings will automatically change to withdrawn on the 15th day and expire upon their listing expiration date.

Under Contract – Continue to Show - The parties have entered into a contract of sale that has not closed. The seller will continue to allow the property to be shown. Contact listing agent regarding status of back-up offers.

Under Contract - The parties have entered into a contract of sale that has not closed. The seller does not want additional showings. Contact listing agent regarding status of back-up offers.

Withdrawn- Shall mean the status of a Listed Property that has been taken off the market. (WITH) Listing remains subject to the terms and conditions of its original Listing

Agreement and, as such, expires at midnight on the expiration date of the Listing Agreement. A listing in the Withdrawn status cannot be marketed.

Active Status Flag

Hubbard – A contingency in a purchase and sale agreement that expressly conditions a Buyer's purchase of a property upon the Buyer's ability to sell and close on another piece of real estate (usually their existing home)

Under Agreement - The seller has accepted an offer subject to the execution of a contract of sale. The property is Active and available for showing.

Under Review - The seller is currently reviewing several offers and will not allow further showings until that review is completed. Attachment C - Photograph Submission Policy

Attachment C - Media Submission Policy

Photos

Each Listing submitted for publication in the Service must include a photo unless it is one of the following Property Types; (a) Land, (b) Business for Sale, or (c) either “Proposed New Construction” or “Under Construction”. Only photographs, site plot, property sketch, property line art or survey of the property can be entered.

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

Photos must be input into the system or received at the Service within forty-eight (48) hours of the listing being submitted to the MLS.

The first photo of the listing must be an actual photo of the dwelling. Apartment style condominium and Co-Op’s where a photo of the unit is not possible and proposed and under construction properties are exempt.

Photos submitted may not be removed from the Service, except for (1) replacing photos to reflect a change in the seasons, (2) reflecting improvements to the home: or (3) substituting a higher quality photo of the same image. While secondary photos may not be removed from the Service, to address privacy concerns, as of June 9, 2021, secondary photos of off market listings will no longer be authorized to be displayed on IDX sites. Removal of photos shall result in a \$250 fine and the photos restored to the listing. Cloning/copying of any photo by a different brokerage firm is strictly prohibited.

All photos should pertain strictly to the subject property and may not display any names, contact information (digital or otherwise), URLs and/or links, QR codes (or similar) office /agent logos and/or branding, for sale signs, persons, or audio/video/text commentary.

The same verbiage and language restrictions/prohibitions that apply to the Property Description/Remarks also apply to all photo captions.

Participants and Subscribers warrant to the Service that they are either the author or have rights to the photographs they submit to the Service. Photographs may not be borrowed or reproduced without the explicit knowledge and consent, provided in writing, of the owner or copyright holder of the original work.

Note: In order to assure compliance with these rules, each Participant that engages a third-party photographer and submits photos to the Service is advised to obtain a written agreement with the photographer assigning all rights, including copyrights, in the photographs, to the Participant firm. The following provision should be included in the agreement with the photographer: “Photographer hereby assigns all rights, title, and interest, including copyrights and all intellectual property rights, in photographs to [insert name of Participant’s firm] and agrees to execute any further documents which may

reasonably be necessary to effect such assignment.”

In addition to any penalty that may be imposed under these Rules and Regulations, SmartMLS shall have the right to immediately remove any Media from a Listing that is not in compliance with this rule.

The first photo of a listing must be of the dwelling. Apartment style condominium and Co-Op's where a photo of the unit is not possible and proposed and under construction properties are exempt.

Cloning/copying of any photo by a different brokerage firm is strictly prohibited.

Augmented Photos

Digitally altered photos are permitted but must be marked as such and followed by an actual photo of the same area.

Virtual Tours/Photo Sections: Company or agent logos, commissions, bonuses and any contact information are not allowed in the virtual tour or photo sections. Only photographs, site plot, property sketch, property line art or survey of the property can be entered in the virtual tour and all photo fields.

Unbranded virtual tours are permitted to be attached to listings. Virtual tours may not display agent/company name, logo or any other branding props, characters or devices that would identify the agent/company in the video or on the page surrounding the video, provided, however, that the listing agent can narrate and/or conduct the video tour so long as such appearance does not encourage the viewer to deal directly with the listing agent to the exclusion of cooperating agents and brokers.

Media may include features such as mortgage calculators and the ability to forward the Media by e-mail. However, Media cannot direct the user in any way to contact information or other information about a real estate agent or broker or any other individual or entity with a connection to the business of real estate.

Media may not be used to advertise or promote an agent, broker or a real estate brokerage, or any other individual or entity, except that the Media producing enterprise may have its name, address, and logo on or in the Media, so long as the name, address or logo does not include any hyperlinks that lead back to the Listing Subscriber or their Participant or other entities other than the Media producing enterprise.

In addition to any penalty that may be imposed under these Rules and Regulations, SmartMLS shall have the right to immediately remove any Media from a Listing that is not in compliance with this rule.

Attachment D - Virtually Staged Photos Permitted and Prohibited Uses

Definition: Virtual staging is defined as using a photo editing software to create a photo or conceptual rendering of what the interior room(s) and/or interior of the property could look like, if it was staged or lived in.

Photos must always present a “True Picture” of the property and must include a watermark on the photo indicating the photo was virtually staged.

As per Section 4.1.9, Virtually Staged photos will be removed from the Service, and an automatic fine will result if Virtual Staging SmartMLS Rules and Regulations are not followed.

Permitted Uses of Virtual Staging in the Service:

A) Modifying photo(s)/rendering(s) to include personal property items not conveyed with the real property is permitted. Permitted personal property modifications include but are not limited to: applying digital photos of furniture, mirrors, artwork, plants, etc. into a photo of a room.

B) Removing existing furniture from a photo and replacing it with digital images of furniture, mirrors, artwork, plants, etc.

Prohibited Uses of Virtual Staging in the Service:

A) No photos of the exterior of the property shall be virtually staged, except for unattached furniture or décor.

B) No permanent fixtures of the interior or exterior of the property shall be attached, removed, altered or added to photos.

C) Modifying photo(s)/rendering(s) to include visual elements not within a property owner's control is strictly prohibited. (example: editing in a view of the gulf/ocean, lighting and/or popular landmarks that are not physically possible from the specified location in the real world.)

D) Modifying photo(s)/rendering(s) to exclude negative visual elements is strictly prohibited. (example: holes in the wall, exposed wiring, damaged flooring, etc.)

E) No branding is permitted. The use of people or persons and/or words on any property photograph submitted to the Service is strictly prohibited.

F) Modifying photo(s) / rendering(s) to distort the dimensions of a room or space is strictly prohibited. (example: placing small furniture to make a room appear larger than it actually is.) All photos must represent a true and accurate picture of all property features and surroundings.

All Digitally Enhanced Photos to be Accompanied by Non-Enhanced photos.

SmartMLS Rules and Regulations require that each digitally enhanced photograph of a property must be accompanied by a photograph that presents a “true and accurate picture” of the property. This photograph must show the property as it is when the photograph was taken, without digital enhancement. The digitally enhanced photograph must have a watermark disclosing that the photograph is “digitally enhanced” and the non-digitally enhanced photograph must have a watermark disclosing that it is the “actual” photograph of the property. The primary photograph on each MLS listing must be a photograph that depicts the actual property without digital enhancement.

Properties that are “Under Construction” are exempted from these requirements.

Attachment E - Application for Participant Membership

<https://smartmls.com/join/>

Attachment F - Coming Soon Addendum

<https://signings.smartmls.propkit.io/signings>

Attachment G - Delayed Listing Addendum

<https://signings.smartmls.propkit.io/signings>

Attachment H - Non-MLS Closed Transaction form

https://connectmls.smartmls.com/hc/en-us/article_attachments/19732912587291

Attachment I - Sellers Instructions to Withhold from MLS

<https://signings.smartmls.propkit.io/signings>

Attachment J - Sellers Instructions to File a Withheld Listing

<https://signings.smartmls.propkit.io/signings>

Attachment K - Listing Agreement Compliance Certification

<https://signings.smartmls.propkit.io/signings>