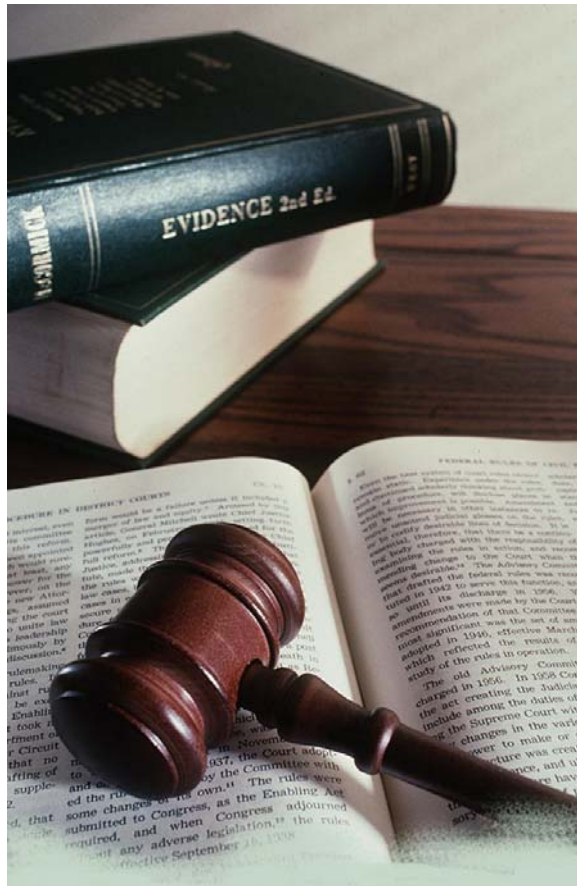


August 1, 2010

MiRealSource™

Michigan Multiple Listing Service
Your Real Source for Real Estate



Rules & Regulations

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RULES AND REGULATIONS OF MiRealSource

ARTICLE I - PARTICIPATION

Section 1

Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors of MiRealSource and made available to any Shareholder. The application form shall be in the same name as appears on the applicant's license with the State of Michigan and shall contain a signed statement agreeing to abide by the Bylaws and any other applicable Rules and Regulations of MiRealSource as from time to time adopted or amended.

An individual Broker-Owner of a firm who holds a current, valid real estate broker's license or an associate broker's license in the State of Michigan, who is designated by the State of Michigan as the Principal Associate Broker for the firm, who is a "Realtor®", i.e. a member in good standing of the National Association of Realtors ("NAR") and the Michigan Association of Realtors ("MAR"), and who accepts and/or offers compensation to and from other members, pays the required fees, and agrees to abide by the Rules and Regulations of MiRealSource may become a Shareholder and shall be given one (1) share upon payment of the subscription price.

Shareholder status is also available to a partnership, corporation or LLC whose Principal Associate Broker holds a current associate broker's license in the State of Michigan, who is a Realtor®, and who accepts and/or offers compensation to and from other members, pays the required fees, and agrees to abide by these Bylaws and any other Rules and Regulations of MiRealSource.

All Individual Broker-Owners, Principal Associate Broker and their licensees, and all Affiliates and their licensees, must at all times be in full compliance with all applicable laws and regulations of the State of Michigan which pertain to the real estate profession.

Affiliates, in addition to being licensed or certified in Michigan by an appropriate state regulatory agency, must also be Realtor®, i.e. a member in good standing of NAR and MAR.

Section 2

- a) MiRealSource services are for the exclusive use of its Shareholders, licensees of the Shareholder, affiliates, and licensees of the affiliates ("participants") and may not be repackaged or resold to the general public in any manner. All licensed agents of Shareholders or licensed associates working with an Affiliate or working in an office, which is a Participant in MiRealSource, must be registered with, and all such brokers/affiliates must pay all required fees to MiRealSource.
- b) Each Shareholder requesting MiRealSource services must be responsible for any and all communications and activities on behalf of the Shareholder (including that the Shareholder must have a valid email address on file with the MLS at all times).

- c) All new Shareholders and Affiliates are required to attend the “New Broker Orientation” class within 30 days (extension of an additional 30 days may be granted at the discretion of the MiRealSource CEO). FTP feed services will not be granted until the New Broker Orientation class requirement has been fulfilled.
- d) Any change of ownership or the entry into any relationship that might affect the conduct or methods of operation of the Shareholder or Affiliate shall be reported to the Board of Directors within thirty (30) days thereof in such detail as the Directors may request.
- e) If the information on the license of any Shareholder or Affiliate (including but not limited to the address) changes, or if a Shareholder’s or Affiliate’s status as a Realtor® changes, that Shareholder or Affiliate shall immediately notify MiRealSource of such change by providing MiRealSource with a copy of either the application for any such change or the new license, or notice of change in Realtor® status.
- f) Shareholders or Affiliates of MiRealSource may discontinue services by giving written notice on or before the 25th of the previous month. If notice is received after the 25th of the month prior, the following month’s charges are due and payable. The Shareholder or Affiliate may reapply to MiRealSource by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid.
- g) The Affiliates Application Fee shall be effective for one (1) year from the date of joining the MLS or until termination of MLS membership while actively paying their required MLS user fees. However, if an affiliate leaves the MLS for one or more months and decides to rejoin the MLS, the affiliate shall be required to either pay another Affiliate Application Fee or the accumulated back user fees – whichever is less.

Section 3

Shareholders, licensees of the shareholder, affiliates, and licensees of the affiliates “in good standing”, shall have the opportunity to be appointed to Committees.

Shareholders, Licensees of Shareholders and Affiliates “in good standing” shall be entitled to the benefits of MiRealSource services.

“In good standing” is defined as: Shareholders or Affiliates who are not under suspension for nonpayment of MiRealSource, NAR or MAR dues or fees, or otherwise through action by the Board of Directors due to violation of the Bylaws and/or Rules and Regulations and/or the Principles of Professional Conduct and/or NAR Code of Ethics.

Section 4

Use of information developed by or published by MiRealSource is strictly limited to the activities authorized under a Shareholder’s or Affiliate’s licensure or certification, and unauthorized uses are prohibited.

ARTICLE II - DUES, FEES AND FINANCES

Section 1

MiRealSource member fees and charges are in effect to defray the operational costs of MiRealSource, and are subject to change from time to time by the Directors of MiRealSource, Inc.

- (a) Access Fees will be billed monthly. These fees will be assessed to all MiRealSource Shareholders based upon the number of licensees with MiRealSource Shareholder office(s). The Access Fees will be assessed according to the number of licensees within a MiRealSource Shareholders office on the 1st day of the month for that month. (See attached fee schedule). Each licensee will be assessed Access Fees beginning the date that individual's license was issued to MiRealSource Shareholders Office.

On March 1 of each year, commencing March 1, 2010, MiRealSource will conduct a compliance audit of the registered licensees of each MiRealSource Shareholder to ensure that all licensees are properly registered for purposes of all fees assessed to each Shareholder. Any non-registration of licensees by a Shareholder will result in a fine according to the "Summary of MLS fees" as revised by MiRealSource from time to time.

- (b) Administrative assistants of a Shareholder shall not be required to be registered with MiRealSource as a licensee provided that such administrative assistant (i) is an employee of a Shareholder (i.e. receives an IRS Form W-2 each year,) (ii) does not hold an "active" real estate license (subject to the exception set forth below,) (iii) does not hold an "active" Appraiser license, and (iv) is not actively engaged in the sale of real estate. Each Shareholder using an administrative assistant must provide a copy of current Michigan photographic identification, current payroll stub, IRS Form W-4 (or other IRS form evidencing the employment status), and, if an administrative assistant holds an "active" real estate license, a copy of his/her license and a copy of their employment agreement with the Shareholder.

Upon compliance with these requirements, (i) all Shareholders with 1 to 20 licensees may have 2 administrative assistant at no additional charge, (ii) one (1) additional administrative assistant may be added for every ten (10) additional licensees in excess of the first 20 licensees at no charge, and (iii) any Shareholder with administrative assistants that exceed the limits outlined above shall incur a monthly charge of \$10 for each such excess administrative assistant.

- (c) All MiRealSource fees, dues and charges shall be assessed only to MiRealSource Shareholder(s). Payment of such fees must be made by the Shareholder, and not from sales licensees affiliated with the Shareholder, or any other party affiliated with a Shareholder.
- (d) If a Shareholder is a business entity, the Broker-Owner of that business entity shall at all times remain personally liable for all dues, fees, and charges and will not be permitted to access the service until payment in full is made, or payment arrangements are made, even if the business entity is changed, the Broker-Owner becomes employed with another MiRealSource Shareholder and or Affiliate member, or ceases doing business.

Section 2

Fees together with any other charges incurred by the Shareholder or Affiliate and owed to MiRealSource shall be due at the first of each month and shall be payable within thirty (30) days thereafter.

Section 3

Any Shareholder or Affiliate whose fees or other charges are delinquent thirty (30) days from due date shall have all rights, privileges, and services suspended provided that written notice has been given at least five (5) days prior to suspension. If fees or any other charges are delinquent for sixty (60) days after due date, such Shareholder or Affiliate participation shall automatically be terminated and the share of any such Shareholder shall be redeemed within 30 days after such termination, provided, however, that the consideration for the redemption of that share shall be subject to set-off by MiRealSource for any unpaid fees, fines or other charges. Any Shareholder or Affiliate whose participation has been terminated may apply for reinstatement by filing an application in the manner prescribed for new applicants after making payment in full for all past due accounts plus any amount determined by the Board of Directors as being due to MiRealSource.

Section 4

The suspension or termination of a Shareholder or Affiliate shall suspend or terminate all MiRealSource services to any licensees or employees of its firm, partnership, corporation, trust or any form of entity.

Section 5

If any Shareholder or Affiliate for any reason has its participation in MiRealSource terminated, said Shareholder or Affiliate shall forfeit all claims to any prepaid dues and other costs.

ARTICLE III - ENFORCEMENT OF BYLAWS, RULES, AND PRINCIPLES OF PROFESSIONAL CONDUCT

Section 1

The MiRealSource Disciplinary Procedure shall not be used to fix, control, recommend, suggest or maintain commission rates or fees or any division of commissions or fees between the parties to the Disciplinary Procedure and shall at all times be in strict accordance with the prohibitions against such actions hereinafter set forth in Article V, Section 1.7 below.

Section 2

The Screening Committee (as defined below) is designated by the Board of Directors to review all written complaints from Shareholders or Affiliates having to do with a violation of the Bylaws or Rules and Regulations or Principles of Professional Conduct.

In reviewing complaints of alleged violations of (i) the Bylaws or Rules and Regulations, and/or (ii) Principles of Professional Conduct and/or (iii) NAR Code of Ethics if the party initiating the complaint elects to use the Disciplinary Procedure of MiRealSource the party alleged to have committed such violation shall be required to participate in the MiRealSource Disciplinary Procedure described below:

A. Complaints

1. All complaints of violations of MiRealSource Rules and Regulations, Bylaws, Principles of Professional Conduct, or NAR Code of Ethics are to be in writing addressed to MiRealSource Bylaws Committee "(Committee)" and forwarded to the Executive Director for dissemination first to the Screening Committee. The Screening Committee shall be a sub-committee of the Bylaw Committee and shall be charged with the duty of determining whether sufficient grounds exist for the complaint to be heard by the

Disciplinary Hearing panel (as defined below). The Screening Committee shall make its determination **within forty-five (45) days** of MLS receiving the complaint.

2. The complaint shall contain (i) the name of the Complainant who is the person filing the complaint (who must be a Shareholder, (ii) the name of the Shareholder against whom the complaint is filed (“Respondent”), (iii) the Rule, Bylaw, Principle of Professional Conduct or Ethical Standard that has been violated, (iv) a narration of the facts surrounding the violation, and (v) all supporting documentation, such as purchase agreements, closing documents, etc.
3. The complaint shall be filed **no more than one hundred eighty (180) days** after the facts constituting the matter complained of could have been known in exercise of reasonable diligence. Only complaints filed within the stipulated time period shall be reviewable by the Disciplinary Hearing Panel.
4. The Executive Director shall provide a copy of the Complaint to the Respondent within ten (10) days of MLS receiving Complaint. The Respondent shall provide a written **“Informal Response”** to the complaint **within ten (10) days of MLS mailing** of the complaint. That response shall contain (i) the name of the respondent, (ii) the name of the complaining party, (iii) a statement of either the respondent’s version of the facts surrounding the violation and/or the respondent’s defense to the claimed violation, and (iv) all supporting documentation such as purchase agreements, closing documents, etc., relating to the violation.
5. The Executive Director shall provide a copy of the Complaint and a copy of the Respondent’s “Informal” Response to the members of the Screening Committee **within thirty (30) days** of the MLS receipt of the complaint or receipt of the “Informal Response”, whichever is later. The Screening Committee shall be a Standing Committee of the Board of Directors and shall consist of nine (9) Shareholders, three (3) of whom shall be members of the Bylaw Committee (one of whom shall be the Chairman of the Bylaw Committee,) with the remaining six (6) members to be appointed by the President from the Shareholders at large. The members of the Screening Committee shall serve terms of two (2) years and the President shall attempt to draw equally from the upper, middle and lower one-third of the Shareholders in making such appointments.

The members of the Screening Committee shall be required to attend a Disciplinary/Arbitration seminar to be sponsored by MiRealSource prior to taking their office, at no cost to such members.

6. The Screening Committee shall be charged with the duty of investigating the facts and circumstances underlying the complaint and determining whether sufficient grounds exist for the complaint to be heard by the Disciplinary Hearing Panel (as defined below.) During its investigation, the Screening Committee may add to the complaint additional violations if such additional violations are discovered by the Screening Committee. The Screening Committee shall make its determination **within forty-five (45) days** of receiving the complaint.
7. In the event the Screening Committee finds that there are sufficient grounds for the complaint, the complaint shall be forwarded to both the Disciplinary Hearing Panel (“Panel”) and the Shareholder against whom the complaint is filed. If the Screening Committee finds there are insufficient grounds for the complaint, its decision may be

appealed to the Board of Directors in accordance with the Appeal Procedure set forth below.

8. The Disciplinary Hearing Panel shall consist of three (3) members of the "Disciplinary/Arbitration Pool" as defined below. Each of the parties to the dispute may reject no more than 3 broker/owners from the Disciplinary/Arbitration Pool.
9. The respondent shall have **ten (10) days from mailing of request** to provide a written "Formal Response" to the complaint. That response shall contain (i) the name of the respondent, (ii) the name of the complaining party, (iii) a statement of either the respondent's version of the facts surrounding the violation and/or the respondent's defense to the claimed violation, and (iv) all supporting documentation such as purchase agreements, closing documents, etc., relating to the violation.
10. The complaint will be heard by the Panel at a special hearing to be scheduled as soon as possible **following the end of the ten (10) response period** provided, however, that the hearing must be held **no more than one hundred twenty (120) days after** the complaint is filed with the MLS.
11. If the respondent (i) **fails to file a response within the ten (10) day response period** as described above, or (ii) if the response either does not dispute the facts surrounding the claimed violation and/or present a defense to the violation, the Disciplinary Hearing Panel will render its decision without a hearing in the time period stipulated below.

B. Hearings

1. At the hearing on the complaint both the complainant and respondent or their designated representative (who must be appointed in writing at least **twenty (20) days prior** to the scheduled hearing and must be the Broker-Owner, a manager or an associate broker, or an officer, member, partner or shareholder of a complainant or respondent entity) must appear. The complainant and respondent shall be accompanied by supporting witnesses, one of whom must be the agent(s) involved in the complaint and shall provide written notice of such at least **twenty (20) days** prior to the hearing date. The complainant and respondent may be represented by legal counsel as long as written notice of such legal representation is provided at least **twenty (20) days** in advance of the hearing date. The complainant and the respondent will be permitted to restate their complaint and defense (time limit, if any, to be determined by the Chair), and, together with their supporting witnesses, shall be subject to reasonable cross-examination by the other party. Failure of a party to either appear or provide the required supporting witness(es), shall be deemed to be, in the case of a complainant, a failure to prove their complaint, and in the case of a respondent, an admission of the violation.

In the event that either the Complainant and/or the Respondent do not appear at the Hearing on the said scheduled hearing date (other than emergencies to be determined at the CEO's discretion), the party will forfeit their right to state their complaint/response.

2. The decision of the Disciplinary Hearing Panel will be communicated in writing to the complainant and respondent **within fifteen (15) days** of the hearing.
3. The decision of the Disciplinary Hearing Panel is subject to an appeal to the Board of Directors in accordance with the Appeal Procedure set forth below.

C. Disciplinary Action

1. If a violation is found not to have occurred, the Disciplinary Hearing Panel shall dismiss the complaint and take no further action.
2. If the Disciplinary Hearing Panel finds that a violation has occurred, the following disciplinary action shall be taken:
 - i. If the violation is one for which a fine or other disciplinary action has already been established under the Rules and Regulations, that fine or other disciplinary action will be imposed.
 - ii. If the violation is one for which there is no predetermined fine or other disciplinary action, the Disciplinary Hearing Panel shall impose such disciplinary action as the Disciplinary Hearing Panel feels is appropriate which must be **fulfilled by the respondent within thirty (30) days of the final decision** by the Disciplinary Hearing Panel or the Board of Directors if the respondent appeals.
 - iii. In addition to whatever fine may be imposed the respondent will be required to pay the costs incurred by MiRealSource, which costs shall be established when the other disciplinary action is imposed.
3. If the disciplinary action is assessed against a Shareholder which is an entity, the individual broker/owner who owns a controlling interest in that entity shall be personally liable for any fines assessed.
4. Subject to appeal, the respondent who has found to have committed a violation shall not be "in good standing" until he/she has fully complied with the disciplinary action.

D. Appeal Procedure

1. A decision by the Screening Committee or Disciplinary Hearing Panel may be appealed on either procedural or substantive grounds, or both, to the Board of Directors.
2. The appeal shall be in writing signed by the person filing the appeal ("Appellant") and sent to the Executive Director **within thirty (30) days** of the receipt by the appellant of the Committee decision.
3. The appeal shall contain the same information as was set forth in the appellant's original complaint (if the appellant is the complainant) or response (if the appellant is the respondent). In addition, the **appellant must pay a \$100 appeal fee** if the appeal is of a **decision of the Screening Committee**, or **\$250 if the appeal is of a decision by the Disciplinary Hearing Panel**. The appeal must state the reasons that the appellant feels the Disciplinary Hearing Panel erred either in its decision, or that the decision was arbitrary, capricious or otherwise unsupported by the facts. If the appeal does not state the reasons the appellant feels the Disciplinary Hearing Panel erred, the appeal will not be subject to review by the Board of Directors.
4. The Executive Director shall send a copy of the appeal to each member of the Board of Directors and the other party to the complaint ("Appellee"). The Appellee **shall be allowed, but is not required, to file a response to the appeal within ten (10) days of the receipt of a copy of the appeal**. That response must follow the same format as the appeal except for stating the grounds on which the appeal is based.

5. In the event that a Screening Committee's or Hearing Panel's decision is appealed, the Chairperson of the original Screening Committee or Hearing Panel must be present at the scheduled Appeal Hearing for any questions that the Board of Directors may have.
6. The appeal shall be **presented to the Board of Directors at its next regularly scheduled meeting following the end of the ten (10) day response period**. The appellant will have 5 minutes to present his/her appeal at that meeting and the appellee shall have 5 minutes for rebuttal. However, neither the appellant nor the appellee need be present. The Board of Directors shall notify both parties of **their decision within fifteen (15) days of the hearing**.
7. The Board of Directors may uphold the decision of the Screening Committee or Disciplinary Hearing Panel, reverse the decision, or impose such alternative disciplinary action, as the Board of Directors may deem appropriate. If the Board of Directors rules in favor of the appeal, the Appellant's appeal fee will be refunded, however, in the event the Board of Directors do not find in favor of the appeal – the appellant shall forfeit the appeal fee.
8. In the event that the Board of Directors find in favor of the appeal and **order a "new" hearing due to procedural errors**, the Complainant is **restricted to a fifteen (15) day time limit to file for a "new" hearing**.
9. All decisions of the Board of Directors are final and once the Board has rendered its decision, there shall be no further rights to appeal and the complaint shall be deemed closed pursuant to the decision of the Board of Directors.

Further, all Shareholders agree that it is vital to the integrity of the Disciplinary Procedure established by MiRealSource, that a party to a dispute which is the subject of the MiRealSource Disciplinary Procedure, be prevented from "forum shopping", i.e. by either (i) re-instituting a dispute based on the same facts with any other body, including but not necessarily limited to, a Board/Association of Realtors, or MAR, that might otherwise have jurisdiction over such dispute, after MiRealSource has issued a final decision on that dispute, or (ii) re-instituting with MiRealSource a dispute already heard by such other body.

Therefore, all Shareholders agree that, by virtue of their membership in MiRealSource, (i) its Disciplinary Procedure shall be conclusive of any complaint brought before MiRealSource and a party participating in any disciplinary proceedings under the Disciplinary Procedure of MiRealSource shall refrain from filing a complaint with any other such body, or (ii) once a dispute has been heard by another such body, a Shareholder will not thereafter file a complaint with MiRealSource based on the same dispute. If a Shareholder shall violate this Rule, they shall be subject to a fine equal to the amount of dispute with minimum of \$5,000, provided, however, that such violation may be cured by withdrawing the second complaint.

E. Disciplinary/Arbitration Pool

1. The Disciplinary/Arbitration Pool shall consist of 12 broker/owners to be appointed by the President from the Shareholders at large. The members of the Disciplinary/Arbitration Pool shall serve two (2), one (1) year terms and the President shall attempt to draw from the upper, middle and lower one-third of the Shareholders in making such appointments. As and when the terms of the members of the Disciplinary/Arbitration Pool expire, their replacements shall be appointed by the President then serving.

2. The members of the Disciplinary/Arbitration Pool shall be required to attend a Disciplinary/Arbitration seminar to be sponsored by MiRealSource prior to taking their office, at no cost to such members.

F. Use of Decisions as Guiding Precedent.

In keeping with MiRealSource's goal of maintaining consistency and uniformity in the implementation and enforcement of its Bylaws, Rules and Regulations, Principles of Professional Conduct, and the NAR Code of Ethics, as well as adhering to a uniform standard of ethical practice, a court reporter shall be utilized to keep a record of all findings of the Disciplinary Hearing Panel in connection with the Disciplinary Procedures governed by the Disciplinary Hearing Panel and, where appropriate in the sole discretion of the Disciplinary Hearing Panel, such prior findings shall be applied in all subsequent cases giving due regard to similarity, or lack thereof, in the factual circumstances present in each case. Appropriate measures shall be taken in keeping such records to delete the names of the parties in the original proceeding to ensure anonymity and the protection of the privacy of those parties.

Section 3

If the alleged offense includes a non-MiRealSource related violation(s), the complaint relating to violation(s) other than violation(s) of MiRealSource Bylaws, Rules and Regulations, Principles of Professional Conduct or NAR Code of Ethics, shall be referred by MiRealSource to the Board of REALTORS® /Association of which the participant in question is a member.

Section 4

MiRealSource shall publish an online list on a restricted, shareholder-only access basis, of all violators of MiRealSource Bylaws, Rules & Regulations, Principles of Professional Conduct or NAR Code of Ethics for a period of three (3) years from either the date of the finding of a violation or the date that a violator has complied with the discipline imposed by MiRealSource, whichever is later.

ARTICLE IV - ARBITRATION OF DISPUTES

Section 1

Shareholders agree to arbitrate disputes involving contractual issues and questions with other MiRealSource Shareholders in different firms arising out of their relationship as MiRealSource participants, provided, however, that any awards rendered as a result of the arbitration of such disputes (i) shall not fix, control, recommend, suggest or maintain commission rates or fees or any division of commissions or fees between the parties to such dispute, and (ii) shall at all times be in strict accordance with the prohibition against such actions hereinafter set forth in Article V, Section 1.7 below.

Section 2

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

except where the party initiating the dispute elects to submit the dispute to MiRealSource for arbitration as provided below.

Section 3

If the disputants are members of different Boards or Associations of REALTORS® or if their principal place of business is located within the territorial jurisdiction of different Boards or Associations of REALTORS®, they remain obligated to arbitrate in accordance with the procedures of the Michigan Association of REALTORS® except where the party initiating the dispute elects to submit the dispute to MiRealSource for arbitration as provided below.

Section 4

If the party initiating the complaint elects to use the Arbitration Procedure of MiRealSource, the remaining party(ies) shall be required to participate in, and the dispute shall be arbitrated pursuant to, the MiRealSource Arbitration Procedure set forth below. Any cases which involved licensure violations must be brought before the body having jurisdiction over such violation.

A. Complaints

1. The party seeking arbitration shall initiate the arbitration process by filing a complaint in writing using the "Request for Arbitration" form to be provided by MiRealSource, and shall be either mailed, using first class mail, postage prepaid, or hand delivered, to the Executive Director of MiRealSource for dissemination to the Screening Committee.
2. The complaint shall contain (i) the name of the Complainant who is the person filing the complaint (who must be a Shareholder, (ii) the name of the Shareholder against whom the complaint is filed (Respondent"), (iii) a narration of the facts surrounding the dispute, (iv) the nature of the claim that is the subject of the dispute, and (v) all supporting documentation, such as purchase agreements, closing documents, etc., relating to the claim, and ***must be accompanied by a \$100 filing fee.***
3. The complaint shall be filed ***no more than one hundred eighty (180) days after*** (i) closing or date of sold reporting of the transaction, which is the subject of the dispute, or (ii) after the facts constituting the arbitrable matter could have been known in the exercise of reasonable diligence, whichever is later.
4. The Executive Director shall provide a copy of the Complaint to the Respondent ***within ten (10) days*** of MLS receiving complaint. The Respondent shall provide a written "Informal Response" to the complaint ***within ten (10) days of MLS mailing*** of the complaint. That response shall contain (i) the name of the respondent, (ii) the name of the complaining party, (iii) a statement of either the respondent's version of the facts surrounding the violation and/or the respondent's defense to the claimed violation, and (iv) all supporting documentation such as purchase agreements, closing documents, etc., relating to the violation.
5. The Executive Director shall provide a copy of the Complaint and a copy of the Respondent's "Informal" Response to the members of the Screening Committee ***within thirty (30) days*** of the MLS receipt of the complaint or receipt of the "Informal Response", whichever is later.

6. The Screening Committee shall be charged with the duty of investigating the facts and circumstances underlying the complaint and determining whether sufficient grounds exist for the complaint to be heard by the Arbitration Hearing Panel in Article III – Section E. The Screening Committee shall make its **determination within forty-five (45) days** of receiving the complaint.
7. In the event the Screening Committee finds that there are sufficient grounds for the complaint, the complaint shall be forwarded to the Shareholder against whom the complaint is filed upon the payment by the Complainant of an additional \$200 filing fee. The Arbitration Hearing Panel shall consist of three (3) members of the "Disciplinary/Arbitration Pool" as defined in Article III – Section E. Each of the parties to the dispute may reject no more than 3 members of the Disciplinary/Arbitration Pool.

If the Screening Committee finds there are insufficient grounds for the complaint, the complainant has the following options:

- a) The Screening Committee's decision may be appealed to the Board of Directors in accordance with the Appeal Procedure set forth below.
 - b) The Complainant accepts the Screening Committee's decision and the original \$100 filing fee will be refunded to the Complainant within thirty (30) days after the 30 day appeal period has expired.
8. The respondent has **ten (10) days from the mailing of the request** to provide a "Formal" written response to the complaint. That "Formal" written response shall be **accompanied by a response fee of \$300** and shall contain (i) the name of the respondent, (ii) the name of the complaining party, (iii) a statement of either the respondent's version of the facts surrounding the dispute and/or the respondent's defense to the claim, and (iv) all supporting documentation such as purchase agreements, closing documents, etc., relating to the claim. The \$300 "Formal" response fee shall be refunded to the respondent if the Arbitration Hearing Panel finds in favor of the respondent. Likewise, the \$300 filing fee shall be refunded to the complainant if the Arbitration Hearing Panel finds in favor of the complainant.
 9. The complaint and the "Formal" written response shall be forwarded to both the Arbitration Hearing Panel ("Panel") and all parties involved and the complaint will be heard by the Arbitration Hearing Panel at a special hearing to be scheduled as soon as possible following the end of the ten (10) day response period provided, however, that the hearing must be **held no more than one hundred twenty (120) days after** the complaint is filed.
 10. If the respondent (i) **fails to file a response within the ten (10) day response period**, or (ii) if the response either does not dispute the facts surrounding the claimed violation and/or present a defense to the violation, the Arbitration Hearing Panel will render its decision without a hearing in the time period stipulated below.

B. Hearings

1. At the hearing on the complaint both the complaint both the complaint and respondent or their designated representative (who must be appointed in writing least 15 days prior to the scheduled hearing and must be the Broker-Owner, a manager or an associate

broker or an officer, Member, partner or shareholder of a complainant or respondent entity) must appear. The complainant and respondent shall be accompanied by supporting witnesses, one of whom must be the agent(s) involved in the complaint and shall provide written notice of such **at least twenty (20) days prior** to the hearing date. The complainant and respondent may be represented by legal counsel as long as written notice of such legal representation is provided **at least twenty (20) days** in advance of the hearing date. The complainant and the respondent will be permitted to restate their complaint and defense (time limit, if any, to be determined by the Chair), and, together with their supporting witnesses, shall be subject to reasonable cross-examination by the other party. Failure of a party to either appear or provide the required supporting witness(es), shall be deemed to be, in the case of a complainant, a failure to prove their complaint, and in the case of a respondent, an admission of the liability.

In the event that either the Complainant and/or the Respondent do not appear at the Hearing on the said scheduled hearing date (other than emergencies to be determined at the CEO's discretion), the party will forfeit their right to state their complaint/response.

2. The finding of the Arbitration Hearing Panel will be communicated in writing to the complainant and respondent **within fifteen (15) days** of the hearing. The prevailing party shall receive a refund of their filing or response fee, as the case may be. The non-prevailing party shall forfeit their filing fee and shall be required to pay the costs incurred by MiRealSource in conducting the arbitration hearing to the extent such costs exceed the non-prevailing party's filing fee.
3. The finding of the Arbitration Hearing Panel is subject to an appeal to the Board of Directors in accordance with the Appeal Procedure set forth below.

C. Appeal Procedure

1. A decision by the Screening Committee may be appealed on either procedural or substantive grounds, or both, to the Board of Directors.
2. A finding by the Arbitration Hearing Panel may be appealed to the Board of Directors but the appeal may **only** be based on alleged **procedural errors** of the Arbitration Hearing Panel.
3. The appeal shall be in writing signed by the person filing the appeal ("Appellant") and sent to the Executive Director **within thirty (30) days** of the receipt by the appellant of the Arbitration Hearing Panel decision.
4. The appeal shall contain the same information as was set forth in the appellant's **original complaint** (if the appellant is the complainant) or **response** (if the appellant is the respondent). In addition, the appellant the appellant **must pay a \$100 appeal fee** if the appeal is of a **decision of the Screening Committee**, or **\$250 if the appeal is of a decision by the Disciplinary Hearing Panel** and **must state the procedural errors** that the appellant feels the Arbitration Hearing Panel committed in rendering its decision. If the appeal **does not state the procedural and/or substantive errors** (if appealing the SC

decision) or the procedural errors the appellant feels the Arbitration Hearing Panel committed, the appeal will not be subject to review by the Board of Directors.

5. The Executive Director shall send a copy of the appeal to each member of the Board of Directors and the other party to the complaint ("Appellee"). The Appellee **shall be allowed, but is not required, to file a response to the appeal within ten (10) days** of the receipt of a copy of the appeal. That response must follow the same format as the appeal except for stating the grounds on which the appeal is based.
6. In the event that a Hearing Panel's decision is appealed, the **Chairperson of the original Hearing Panel must be present at the scheduled Appeal Hearing** for any questions that the Board of Directors may have.
7. The appeal shall be presented to the Board of Directors at its **next regularly scheduled meeting following the end of the ten (10) day response period**. The appellant will have 5 minutes to present his/her appeal at that meeting and the appellee shall have 5 minutes for rebuttal. However, neither the appellant nor the appellee need be present. The Board of Directors shall notify both parties of their **decision within fifteen (15) days of the hearing**.
8. The Board of Directors may uphold the decision of the Arbitration Hearing Panel, reverse the decision, or impose such alternative finding, as the Board of Directors may deem appropriate. If the Board of Directors rules in favor of the appeal, the Appellant's appeal fee will be refunded, however, in the event the Board of Directors do not find in favor of the appeal – the appellant shall forfeit the appeal fee.
9. In the event that the Board of Directors find in favor of the appeal and order a "new" hearing due to procedural errors, the **Complainant is restricted to a fifteen (15) day time limit to file for a "new" hearing**.
10. All **decisions of the Board of Directors are final** and once the Board has rendered its decision, there shall be no further rights to appeal and the complaint shall be deemed closed pursuant to the decision of the Board of Directors.

An arbitration award shall be enforceable against the non-prevailing party by entry of an order with the circuit court having jurisdiction over the parties to the arbitration. **Failure of a Shareholder to comply with the arbitration award shall subject that Shareholder to termination of service by MiRealSource.**

Further, all Shareholders agree that it is vital to the integrity of the Arbitration Procedure established by MiRealSource, that a party to an arbitration which is the subject of the MiRealSource Arbitration Procedure, be prevented from "forum shopping", i.e. by either (i) re-instituting arbitration, based on the same facts, with any other body, including but not necessarily limited to, a Board/Association of Realtors, or MAR, that might otherwise have jurisdiction over such arbitration after MiRealSource has issued a final decision on that same arbitration, or (ii) re-instituting with MiRealSource an arbitration already heard by such other body.

Therefore, all Shareholders agree that, by virtue of their membership in MiRealSource, (i) its Arbitration Procedure shall be conclusive of any arbitration brought before MiRealSource and a party participating in any arbitration proceedings under the Arbitration Procedure of MiRealSource shall refrain from filing for arbitration with any such other body, or (ii) once an arbitration has been heard by another such body, a

Shareholder will not thereafter file for arbitration with MiRealSource based on the same subject matter of the arbitration heard by such other body. If a Shareholder shall violate this Rule they shall be subject to a fine equal to the amount of dispute with minimum of \$5,000, provided, however, that such violation may be cured by withdrawing the second complaint.

D. Implementation of Arbitration Hearing Panel Finding

1. If no grounds for the dispute are found, the Arbitration Hearing Panel shall dismiss the complaint and take no further action and the complainant's \$300 filing fee will be forfeited.
2. If the Arbitration Hearing Panel finds in favor of the Complainant, such finding shall state the terms of the remedy necessary to make the Complainant whole and may, in addition to such remedy, refer the subject matter to the Screening Committee for purposes of determining if a violation (of either party) of MiRealSource Bylaws or Rules and Regulations or ethics has also occurred.
3. Subject to appeal, the respondent against whom the Arbitration Hearing Panel or Board's (as the case may be) decision is rendered shall not be "in good standing" until he/she has fully complied with the terms of such decision.

E. Use of Decisions as Guiding Precedent

In keeping with MiRealSource's goal of maintaining consistency and uniformity in the implementation and enforcement of its Bylaws, Rules and Regulations, the Principles of Professional Conduct and the NAR Code of Ethics, as well as adhering to a uniform standard of ethical practice, a court reporter shall be utilized. Records shall be kept of all findings of the Arbitration Hearing Panel in connection with the Arbitration Procedures handled by the Arbitration Hearing Panel and, where appropriate in the sole discretion of the Arbitration Hearing Panel, such prior findings shall be applied in all subsequent cases giving due regard to similarity, or lack thereof, in the factual circumstances present in each case. Appropriate measures shall be taken in keeping such records to delete the names of the parties in the original proceeding to ensure anonymity and the protection of the privacy of those parties.

Section 5

The Directors may release the parties from their obligation to arbitrate, if the Directors determine that the dispute should not be arbitrated because of the amount involved or the complexity of the controversy.

ARTICLE V - RULES OF OPERATION

Section 1 – LISTING RULES AND PROCEDURES:

1.1 LAWFUL LISTINGS:

All listings which are lawful under Michigan law that are taken by a Shareholder whose office(s) participate in MiRealSource shall be taken on a listing form approved by MiRealSource which must include a disclosure of any and all Listing Services (i.e. "Listing Services Disclosure") to be performed by the Listing Broker.

1.2 MULTIPLE UNITS, LOTS, and PARCELS:

Multiple unit, lot or parcel properties may be listed together if it is intended that they are to be sold together. However, if they are sold separately, the listing broker must notify MiRealSource after closing to amend the listing.

1.3 LISTINGS SUBJECT TO RULES & REGULATIONS OF MIREALSOURCE:

Any listing taken on a contract to be processed by MiRealSource, if approved by the Board of Directors, is subject to MiRealSource Rules & Regulations immediately upon the signatures of the sellers being obtained. This rule also applies to listings, which are sold prior to submission to MiRealSource.

1.4 LISTINGS TO BE ENTERED INTO MIREALSOURCE COMPILATION:

- (a) It is the responsibility of the listing broker to make certain all new listings are accurate and complete (including all required fields) on the MiRealSource listing data form which is either entered directly by the listing broker or submitted to MiRealSource for processing. An inaccurate or incomplete listing shall be subject to a fine, as determined by the Board of Directors.
- (b) It is the responsibility of the listing broker to completely fill out the mandatory Listing Services Disclosure Addendum which is either part of the MiRealSource listing data form – or a separate form, for each listing of that broker and is to be signed by the listing broker and the seller(s).
- (c) For listings which are entered by MiRealSource staff the listing data form must be submitted by fax, electronic media, first class mail or hand delivered to MiRealSource within forty-eight (48) hours after all necessary signatures of sellers have been obtained, except for Saturdays, Sundays and holidays.
- (d) All listings not submitted within forty-eight (48) hours of listing date shall be subject to a late listing fine. A pending listing must be reported "sold" by the Listing Broker (final "sold" price as shown on the closing statement and all seller concessions) within 48 hours after the closing of the sale (excluding holidays and weekends).

The number of aggregate violations of Article V, Section 1.4(d) by a single office during the twelve (12) month period ending on the date of the complaint of the violation in question, is equal to five percent (5%) of that office's active listings for the same twelve (12) month period, in addition to the fines imposed for such violations, the MiRealSource Shareholder as to that office will be required to appear before the Disciplinary Hearing Panel to review with the Panel the reason for such violations. The Panel will then report to the Board of Directors the results of that hearing and make a recommendation to the Board as to any further action to be taken as to that Shareholder, which may include, but is not necessarily limited to additional fines, suspension or termination of service, or such other action as the Panel shall deem appropriate. The Board shall then make a final decision as to any such further action to be taken, which may be the same or different action than what the Panel recommends.

- (e) The listing broker of a real estate owned ("REO") listing, business-to-business listing, bank foreclosure, VA or FHA listings, short sale listings, auction listings, relocation listings, builder-owned listings, or corporate-owned listings shall also be required to provide proper disclosure where appropriate on the listing data form, including any additional forms and/or addendums which are required.

- (f) Public Remarks shall be restricted to the description of the property. Names, addresses, phone numbers, web addresses (i.e. personal, company, or 3rd party), or any type of solicitations are not allowed in the “public remarks” field, Directions/Cross Streets field, or Legal Descriptions field.

1.5 PARTICIPANT AS PRINCIPAL:

If a Shareholder or any licensed agent working for a Shareholder, or any Affiliate or any licensed appraiser working for an Affiliate has any interest in a property, the listing of which is to be disseminated through MiRealSource, that person shall disclose that interest when the listing is filed with MiRealSource and such information shall be disseminated to all MiRealSource participants.

1.6 SOLICITATION OF LISTING FILED WITH MIREALSOURCE:

Shareholders shall not solicit a listing of another Shareholder on any currently listed property filed with MiRealSource.

However, if the listing broker is providing the seller with specific services only, another Shareholder may offer to that seller services which are not being offered by the listing broker provided, however, that any such offer of services may cause such Shareholder to be in violation of the rules of other real estate bodies such as, by way of example only, real estate board associations.

1.7 COOPERATION AND COMPENSATION:

The listing broker shall specify, on each listing filed with MiRealSource, the compensation offered to other Multiple Listing MiRealSource participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MiRealSource would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. The listing broker's offer of compensation shall supersede doctrine of procuring cause.

- (a) In filing a property with MiRealSource the Shareholder is making blanket unilateral offer of cooperation and compensation to the other MiRealSource participants, and shall therefore specify on each listing filed with MiRealSource, the compensation being offered to the other MiRealSource Shareholder. Specifying the compensation on each listing is necessary because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.

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

This shall not preclude the listing broker from offering any MiRealSource Shareholder compensation other than the compensation indicated on his listings as published by MiRealSource, provided the listing broker informs the other broker, in writing, in advance of requesting the appointment, and provided that the modification in the specified compensation is not the result of any agreement among all or any other participants in MiRealSource. Any superseding offer of compensation must be expressed either as a percentage of the gross sales price or as a flat dollar amount.

The listing broker is not required to disclose the amount of total negotiated commission in his listing contract, and the total negotiated commission on a listing that has been submitted to MiRealSource by a Shareholder shall not be published by MiRealSource.

The compensation specified on listings filed with MiRealSource shall appear in one of two forms. It is essential and appropriate that the information to be published shall clearly inform the participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance. The compensation specified on listings published by MiRealSource shall be shown in one of the following forms:

1. By showing a percentage of the gross selling price
2. By showing a definite dollar amount – not less than \$1.00

- (b) The listing broker may, from time to time, adjust the compensation being offered to other MiRealSource participants for their services with respect to any listing by advance published notice to MiRealSource so that all participants will be advised.
- (c) MiRealSource shall make no rule on the division of commissions between Shareholders and non-participants. This should remain solely the responsibility of the listing broker.
- (d) MiRealSource, at its discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval or to lender approval; and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court or by a lender. In such instances, the fact that the gross commission is subject to court or to lender approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers as soon as such knowledge is known to listing broker.

1.8 EXEMPTED LISTINGS:

- (a) If the seller refuses to permit the property to be listed through MiRealSource, the participant may still take a listing and such listing shall be filed with MiRealSource office; however, it shall not be disseminated by MiRealSource. Filing of such an office listing with MiRealSource shall be accompanied by a certification signed by the seller that he does not desire the listing information to be broadcast to other participants.
- (b) Any listing submitted to MiRealSource that includes a “do not show” instruction from the seller must be accompanied by a letter signed by the seller(s) to the Broker stating the

seller's intention to not show the property. This letter must be submitted to the MLS and the intention of the seller must be disclosed in the "Agent Remarks" section of the profile form.

- (c) The listing shall be marked "YES" as having a listing exception in the system to flag other participants of the "no showings" condition.

1.9 CHANGE OF STATUS OF LISTING:

Any change in listed price or other change in original listing agreement shall be made only when authorized in writing by the Seller and listing broker, and shall be filed with MiRealSource within forty-eight (48) hours (excluding weekends and holidays) after said authorized change is received by the listing broker.

1.10 WITHDRAWAL OR CANCELLATION OF LISTING PRIOR TO EXPIRATION:

A listed property may be withdrawn or cancelled from MiRealSource by the listing broker before expiration date of the listing agreement provided notice is filed with MiRealSource office, including a copy of the agreement between the Seller and Participant which authorizes a withdrawal or cancellation.

1.11 PURGING OF LISTINGS IS PROHIBITED:

Once a listing has been entered into the MLS database, it may not be purged for any reason.

1.12 LISTING PRICE AND/OR BROKER COMPENSATION SPECIFIED:

The listing price and/or broker compensation cannot be changed after a listing goes into pending status.

1.13 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANT:

MiRealSource shall not fix, control, recommend, suggest, or maintain commission rates or fees for MiRealSource to be rendered by MiRealSource Participants; and further, MiRealSource shall not fix, control recommend, suggest, or maintain any division of commissions or fees between cooperating Participants or Non-Participants.

1.14 EXPIRATION, EXTENSION, AND RENEWAL OF LISTINGS:

- (a) Any listing filed with MiRealSource automatically expires at 11:59 p.m., on the expiration date.
- (b) A written report shall be executed by sellers and the listing broker, indicating any price change or new expiration date.
- (c) A twenty-four (24) hour grace period is allowed (not to include weekends or holidays) when submitting an extension to MiRealSource office after the listing has expired, to submit the signed extension and have the listing put back to active.

1.15 EXPIRATION DATE ON LISTINGS:

Listings submitted to MiRealSource shall bear a definite and final expiration date.

1.16 JURISDICTION:

Only listings of the designated type of property located within MiRealSource jurisdiction, as submitted by registered Shareholder offices, are required to be submitted to MiRealSource. Listings of property located outside the designated jurisdiction will be accepted if submitted by Shareholder.

NOTE: *The Directors have determined the jurisdiction of **MiRealSource** is the State of Michigan.*

1.17 LISTINGS OF SUSPENDED SHAREHOLDERS:

When a Shareholder of MiRealSource is suspended from MiRealSource for failing to abide by a membership duty (i.e., violation of the Bylaws, Rules and Regulations, or other membership obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with MiRealSource by the suspended Shareholder shall, at the Shareholder's option, be retained in MiRealSource until sold, withdrawn or expired, and shall not be renewed or extended by MiRealSource beyond the termination date of the listing agreement in effect when the suspension became effective. If a Shareholder has been suspended from MiRealSource for failure to pay appropriate dues, fees or charges, MiRealSource is not obligated to provide MiRealSource services, including continued inclusion of the suspended Shareholder's listings in MiRealSource compilation of current listing information. Prior to any removal of a suspended Shareholder's listings from MiRealSource, the suspended Shareholder should be advised in writing of the intended removal so that the suspended Shareholder may advise his/her clients.

1.18 LISTINGS OF TERMINATED SHAREHOLDERS:

When a Shareholder of MiRealSource is expelled from MiRealSource for failing to abide by a membership duty (i.e., violation of the Bylaws, Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with MiRealSource shall, at the expelled Shareholder's option, be retained in MiRealSource until sold, withdrawn or expired, and shall not be renewed or extended by MiRealSource beyond the termination date of the listing agreement in effect when the expulsion became effective. If a Shareholder has been expelled from MiRealSource for failure to pay appropriate dues, fees or charges, MiRealSource is not obligated to provide MiRealSource services, including continued inclusion of the expelled Shareholder's listing in MiRealSource compilation of current listing information. Prior to any removal of an expelled Shareholder's listings from MiRealSource, the expelled Shareholder should be advised in writing of the intended removal so that the expelled Shareholder may advise his/her clients.

1.19 LISTINGS OF RESIGNED SHAREHOLDERS:

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

Section 2 – SELLING PROCEDURES:

2.1 RESPONSIBILITIES OF THE LISTING BROKER:

If the mandatory Listing Services Disclosure provided by the listing broker discloses that the listing broker is providing any or all of the services set forth below, then the listing broker must comply with the following rules that are applicable to that service or services:

a. Showings.

- i) (Appointments for all showings of listed properties filed with MiRealSource shall be made through the listing broker.

- ii) It is the responsibility of the listing office to respond to a request for a showing of a listed property within twenty-four (24) hours of the request.
- iii) The listing broker shall cooperate in the prompt showing of listed properties and shall in no way hinder or hamper the cooperating broker in showing the property. If the listing/management broker shows or otherwise grants access to a prospect for a “pre-listing” property, the list/management broker must allow all MiRealSource MLS members the same access to said “pre-listing” property.
- iv) Listing broker shall not disclose or otherwise make available keys, lockbox combinations, or any and all other means of access to a listed property to any party other than the cooperating broker, a licensed agent of that cooperating broker, an appraiser, or any other authorized 3rd party.
- v) The listing Broker shall have no obligation to show a property once an offer has been accepted by the Seller, unless otherwise agreed upon in writing with the Seller.

b. Offers.

- i) Brokers and his/her licensees shall endeavor to draft all offers and counter-offers in writing as verbal offers are not enforceable by law.
- ii) The listing broker shall deliver all written offers to the seller within twenty-four (24) hours (excluding holidays, but not to exclude weekends) of receipt of such written offer. Otherwise, the listing broker shall provide reasonable alternatives to resolve any necessary delays, and shall notify the cooperating broker of such alternatives.
- iii) The listing broker or one of his/her licensees shall submit to the seller all written offers until closing unless precluded by law, government rule, regulation or agreed otherwise in writing between the seller and the listing broker. All written offers may be delivered to the listing broker by hand delivery in a sealed envelope, first class mail with pre-paid postage, recognized courier service, facsimile transmission, or e-mail.

The listing broker shall issue to the cooperating broker a signed receipt showing the date and time of delivery of the written offer and shall deliver such receipt by delivery of a sealed envelope, first class mail with pre-paid postage, recognized courier service, facsimile transmission, or e-mail.

MiRealSource has made an Acknowledgement of Receipt of Offer Form available to all Participants. Although use of the form is not mandatory, if the cooperating broker submits to the listing broker an offer which is accompanied by this form, the listing broker must complete this form and return it to the cooperating broker within 48 hours (excluding holidays and weekends) of submission of the offer to the listing broker.

- iv) The cooperating broker shall have the right to be present at the presentation to the seller or lessor of any offer he secures to purchase or lease. In the event the Seller is unavailable for the presentation of an offer, i.e. absentee Seller, real estate owned (“REO”) listing, business-to-business listing, relocation listing, builder listing, bank foreclosure, or VA or FHA listing, the cooperating broker shall have the right to be present at, or participate in, (whichever is appropriate,) the presentation of the offer to such Seller in whatever form such presentation takes place, i.e. facsimile or email transmission, delivery by mail or courier service, etc.

This right does not create the option to be present during any subsequent discussion(s) (including a conversation which evaluates the offer immediately following the presentation) between the listing participant and the seller or lessor with respect to the presented offer.

The presentation of the offer shall be under the direction and control of the listing broker.

- v) Unless instructed by the seller to not accept any further offers, the listing broker must arrange to submit offer within 24 hours (excluding holidays, but not to exclude weekends). Otherwise, the listing broker shall provide reasonable alternatives to resolve any unnecessary delays, and shall notify the selling broker of such alternatives. If the listing broker has been instructed by the seller to not accept any further offers, the listing broker must obtain from the seller that instruction in writing and must provide a copy of those written instructions to the MLS. The seller's instructions must be disclosed in the "Agent Remarks" section of the profile form.
- vi) If a response to present an offer is not received from the listing office within twenty-four (24) hours, the cooperating broker or one of his/her licensees shall have the option to deliver a signed copy of the offer in a sealed envelope to listing broker's office and shall obtain a receipt showing time and date of delivery.
- vii) If the listing broker has not responded to an offer within forty-eight (48) hours of the date of such receipt showing the time and date of delivery, the cooperating broker may contact either the President or Chief Executive Officer of MiRealSource and request his/her assistance in contacting the listing broker and, if they are thereafter unable to contact the listing broker within twelve (12) hours, either the President or Chief Executive Officer of MiRealSource may establish such reasonable alternatives to obtain a response from the listing broker as either the President or Chief Executive Officer shall deem appropriate.
- viii) Multiple offers on any property must be presented to the seller at the same appointed time but not simultaneously, and may only discuss terms specifically written therein.
- ix) All negotiations with the seller shall be conducted through the listing broker's office.
- x) If a Shareholder or any licensee affiliated with a Shareholder wishes to acquire an interest in property listed with another member, such contemplated interest shall be disclosed to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

c. Definition.

A listing broker is a MiRealSource Shareholder and all licensed agents working under that Shareholder who secures a signed listing agreement with a property owner(s).

2.2 RESPONSIBILITIES OF THE COOPERATING BROKER and/or APPRAISER:

If the cooperating broker has either (i) contracted with the seller to offer any of the services set forth below, or (ii) has contracted with a buyer to represent that buyer, then the cooperating broker must comply with the following rules that are applicable to that service or services, or representation:

(a) Disclosure of agency status.

The cooperating broker must disclose his/her agency status to the listing broker at first contact with the listing broker (in person, by telephone, or in writing).

(b) Showing; Inspections; Appraisals.

- (i) The cooperating broker or any licensed agent affiliated with the cooperating broker must be present at all showings.
- (ii) Absent any prior agreement to the contrary with the seller, the cooperating broker or any licensed agent affiliated with the cooperating broker must be present at all home inspections.
- (iii) An appraiser must be present at all appraisals.
- (iv) Keys, lockbox combinations, or any and all other means of access to a listed property must at all times remain under the control of the Cooperating broker, or a licensed agent of that Cooperating broker, and may not be disclosed or otherwise made available to any unauthorized third party.

(c) Definitions.

- (i) A cooperating broker is a MiRealSource Shareholder and all licensed agents working under that Shareholder who secures a potential buyer for a property listed by a listing broker.
- (ii) An Appraiser is an individual who has an appraiser's license from the State of Michigan and has Affiliate status with MiRealSource, or any licensed appraiser working for that affiliate.

2.3 CONFIDENTIALITY OF PRICE AND TERMS:

No one shall divulge to anyone other than the broker, sales manager or co-listor the terms, price or conditions recited in any Offer to Purchase presented cooperatively, on a specific property before the offer is presented to the seller.

2.4 REPORTING PENDING AND SOLD HISTORY:

All active, pending and sold listings must be reported to MiRealSource by the Listing Broker.

A listing must be reported by the Listing Broker as (i) "A" – (Active), or (ii) "K" (Keep Showing – Contingency Applies) which is a sub-category of "Active", or (iii) "P" (Pending). For listings that are reported as "K" (Keep Showing – Contingency Applies), the Contingency must be described in the "Agent Remarks" section of the Listing Data Sheet. Listings that are either "K" (Keep Showing – Contingency Applies) or "P" (Pending), must be reported by the Listing Broker within 48 hours (excluding holidays and weekends) after the Seller(s) has/have accepted a purchase offer.

All Listing Brokers who have listings that are shown as "Pending" for ninety (90) days, must provide MiRealSource with an updated "Pending" Report by the last day of each month for all such "pending" listings.

A pending listing must be reported "sold" by the Listing Broker (final "sold" price as shown on the closing statement). In addition, all seller concessions must also be reported. Both the sold price and the seller concessions shall be reported within 48 hrs (excluding holidays and weekends) after the closing of the sale.

The number of aggregate violations of Article V, Section 2.4, by a single office during the twelve (12) month period ending on the date of the complaint of the violation in question, is equal to five percent (5%) of that office's active listings for the same twelve (12) month period, in addition to the fines imposed for such violations, the MiRealSource Shareholder as to that office will be required to appear before the Disciplinary Hearing Panel to review with the Panel the reason for such violations. The Panel will then report to the Board of Directors the results of that hearing and make a recommendation to the Board as to any further action to be taken as to that Shareholder, which may include, but is not necessarily limited to additional fines, suspension or termination of service, or such other action as the Panel shall deem appropriate. The Board shall then make a final decision as to any such further action to be taken, which may be the same or different action than what the Panel recommends.

2.5 REPORTING CANCELLATION OF PENDING SALE:

The listing broker shall report within forty-eight (48) hours to MiRealSource Office any sale which has been canceled or falls through, and the listing, if unexpired, is to be reinstated in MiRealSource immediately.

2.6 ADVERTISING OF LISTING FILED WITH MIREALSOURCE:

Except for listings that are displayed by the non-Listing Broker in accordance with the Broker Data Sharing rules, a listing shall not be advertised by any MiRealSource Member other than the Listing Broker or one of his/her licensees without the prior written consent of the Listing Broker, unless the Listing Broker is not offering the advertisement of such listing as one of his/her listing services as disclosed in the Listing Agreement. In such event, the listing shall be advertised by the MiRealSource Member who has contracted with the Seller to provide such service.

2.7 "FOR SALE" SIGNS:

In the case of an "exclusive right to sell" listing, only the "For Sale" signs of the Listing Broker may be placed on the listed property. In the case of any other type of listing, the "For Sale" signs placed on such property shall be in accordance with the For Sale sign disclosure contained in the listing services disclosure pertaining to such listing.

2.8 "SOLD" SIGNS:

Only the "Sold" sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating broker to post such a sign.

Section 3 – Bank/Government Entity Listings:

- 3.1 Bank/Government Entity Listings: Any pre-listing (as defined below) or listing of which the Seller is a commercial lender or governmental entity pursuant to a foreclosure proceeding.

"Pre-Listing" is hereby defined as any property on which a MiRealSource member has posted a management sign or notice as described in Section 3.3 (d) below.

3.2 Brokers/Agents must be aware of the following factors that may be present in a Bank/Government Listing:

- (a) Assume multiple offers.
- (b) There may be possibly significant delays in acceptance or rejection of offer or no response at all.
- (c) Additional paperwork and/or fees may be required.
- (d) No Seller's Disclosure pursuant to the Michigan Seller's Disclosure Act may be forthcoming and property is sold on an "as is, where is" basis. A Lead Based Paint Disclosure Form is required by Federal Law for all properties built prior to 1978.
- (e) There may be uncertainties relating to responsibility for utilities, certificates of occupancy, building or other permits.
- (f) Cooperating broker should alert their buyer to make any offer with the assumption of multiple offers.
- (g) Some listings may not offer compensation to licensees acting on their own behalf as a buyer.

3.3 The following Rules will apply to all Bank/Government Entity Listings:

- (a) The listing broker must provide a written receipt including submission procedures of any offer followed by proof of submission upon request by the cooperating broker.
- (b) Upon entering the listing with MiRealSource, the listing broker must select the "Bank/Government" ownership field and disclose as part of the listing the requirements of the bank or government entity for additional forms, documents, etc., as well as any additional fees required by either the bank or governmental entity and/or the listing broker.
- (c) When asked by another participant, the listing broker must immediately disclose when an offer has been accepted and upon such acceptance the listing must be reported as "Pending" or as "K" (Keep Showing – Contingency Applies) within 48 hours (excluding weekends and holidays) and must note the contingency in "Agent Remarks" as required by Section 2.4 of Article V of the MiRealSource Rules and Regulations. For purposes of these rules governing Bank/Government Listings only, an offer is deemed "accepted" when the Seller has communicated its acceptance either in writing or such other form (including but not limited to a verbal acceptance).

All Listing Brokers who have listings that are shown as "Pending" for ninety (90) days, must provide MiRealSource with an updated "Pending Report" by the last day of each month for all such "Pending" listings.

- (d) When a listing broker places a "For Sale" sign or other sign advertising that the property is available for sale or lease, the listing broker must also enter that property into MiRealSource's database within 48 hours. Any other sign must be a management notice in black and white, be free of any logos or other identifying marks advertising the listing broker's company, no larger than 11" x 17", posted in

a front window of the property, and must be either (i) a bank or government entity-required sign, or (ii) a notice in the following format and containing the Member's contact information. Once the "Pre-Listing" field becomes available in the MiRealSource front end, all Pre-Listings must be entered into the MiRealSource database within 48 hours of the later of the Pre-Listing field becoming available in the new front end, or the Listing Broker posting a management notice or sign.

NOTICE

Today's Date: _____

Case Number: _____ Property Address: _____

This property is under the management of the company listed below. If it becomes available, arrangements to inspect the property may be made through any real estate agent of your choice.

Any condition requiring attention should be reported to:

Real Estate Asset Manager

000-000-0000

Address

Emergencies: 000-000-0000

Any management notice or sign as to pre-listings obtained by a MiRealSource member from and after November 1, 2009 shall be subject to this rule. Management notices or signs for existing pre-listings of a MiRealSource member must comply with this rule by no later than November 1, 2009.

Once the "pre-listing" field becomes available in the MiRealSource system, all "pre-listings" must be entered into the MiRealSource database within 48 hours of the later of the pre-listing field becoming available in the system, or the Listing Broker posting a management notice or sign.

- (e) The listing broker must disclose any restrictions as to the showing of the property.
- (f) Unreasonable restrictions on showings, such as "No showings until offer is made," etc., will constitute a violation of Section 2.1 a (iii) of Article V which requires that "The listing broker shall cooperate in the prompt showing of listed properties and shall in no way hinder or hamper the cooperating broker in showing the property.
- (g) If listing agent is aware at time of listing that a licensed agent acting as the buyer will not be paid a commission, it must be disclosed in "Agent Remarks" at time of listing entry.
- (h) The requirements of Article V, Section 2.1 B (i), (ii), (iii), (v), (ix) and (x) must be followed by the listing broker, to-wit:
 - (i) Brokers and his/her licensees shall endeavor to draft all offers and counter-offers in writing as verbal offers are not enforceable by law.

- (ii) The listing broker shall deliver all written offers to the seller within twenty-four (24) hours (excluding holidays, but not to exclude weekends) of receipt of such written offer. Otherwise, the listing broker shall provide reasonable alternatives to resolve any necessary delays, and shall notify the cooperating broker of such alternatives.
- (iii) The listing broker or one of his/her licensees shall submit to the seller all written offers until closing unless precluded by law, government rule, regulation or agreed otherwise in writing between the seller and the listing broker. All written offers may be delivered to the listing broker by hand delivery in a sealed envelope, first class mail with pre-paid postage, recognized courier service, facsimile transmission, or email.

The listing broker shall issue to the cooperating broker a signed receipt showing the date and time of delivery of the written offer and shall deliver such receipt by delivery of a sealed envelope, first class mail with pre-paid postage, recognized courier service, facsimile transmission, or email.

MiRealSource has made an Acknowledgment of Submission Form available to all members. Although use of the form is not mandatory, however, *if* the cooperating broker submits the Acknowledgment of Submission Form to the listing office with an offer, the listing broker/agent/representative *must* acknowledge receipt of the offer to the selling broker/agent/representative on the aforesaid Acknowledgment of Submission Form accompanied by written proof of submission within forty-eight (48) hours (excluding weekends and holidays) of submission of the offer to the Listing Broker.

- (v) The listing broker must arrange to submit offer within 24 hours (excluding holidays, but not to exclude weekends). Otherwise, the listing broker shall provide reasonable alternatives to resolve any necessary delays, and shall notify the selling broker of such alternatives.
 - (ix) All negotiations with the seller shall be conducted through the listing broker's office.
 - (x) If a Shareholder or any licensee affiliated with a Shareholder wishes to acquire an interest in property listed with another member, such contemplated interest shall be disclosed to the listing broker not later than the time an offer to purchase is submitted to the listing broker.
- (i) The listing broker is ***relieved*** from complying with the requirements of Article V, Section 2.1 B (iv), (vi), (vii) and (viii), to-wit:
- (iv) The cooperating broker shall have the right to be present at the presentation to the seller or lessor of any offer he secures to purchase or lease. In the event the Seller is unavailable for the presentation of an offer, i.e. absentee Seller, real estate owned ("REO") listing, business-to-business listing, relocation listing, builder listing, bank foreclosure, or VA or FHA listing, the cooperating broker shall have the right to be present at, or participate in, (whichever is appropriate) the presentation of the offer to

such Seller in whatever form such presentation takes places, i.e. facsimile or email transmission, delivery by mail or courier service, etc.

This right does not create the option to be present during any subsequent discussion(s) (including a conversation which evaluates the offer immediately following the presentation) between the listing broker and the seller or lessor with respect to the presented offer.

The presentation of the offer shall be under the direction and control of the listing broker.

- (vi) If a response to present an offer is not received from the listing office within twenty-four (24) hours, the cooperating broker or one of his/her licensees shall have the option to deliver a signed copy of the offer in a sealed envelope to listing broker's office and shall obtain a receipt showing time and date of delivery.
- (vii) If the listing broker has not responded to an offer within forty-eight (48) hours of the date of such receipt showing the time and date of delivery, the cooperating broker may contact either the President or Chief Executive Officer of MiRealSource and request his/her assistance in contacting the listing broker and, if they are thereafter unable to contact the listing broker within twelve (12) hours, either the President or Chief Executive Officer of MiRealSource may establish such reasonable alternatives to obtain a response from the listing broker as either the President or Chief Executive Officer shall deem appropriate.
- (viii) Multiple offers on any property must be presented to the seller at the same appointed time but not simultaneously, and may only discuss terms specifically written therein.

3.4 Except as specifically stated in this Section 3 of Article V, all other Sections of Article V, and the remaining Articles of MiRealSource Rules and Regulations shall continue to apply to all Bank/Government Listings.

3.5 Violation of any of the rules in Article V – Section 3.3 and 3.4 of the MiRealSource Rules & Regulations will result in the following fines:

- 1st Offense - \$25.00 fine
- 2nd Offense - (within 1 year period) \$50.00 fine
- 3rd Offense - (within 1 year period) \$100.00 fine
- 4th Offense – Removal from the MLS (*with Board of Director Approval*)

Note: Violations of any of the rules in Article V – Section 3.3 and 3.4 by each office (i.e. all agents in a particular office) of a Shareholder (where a Shareholder has multiple offices) shall be aggregated during a “rolling” twelve (12) month period (as described below) and the above fine schedule shall apply to the cumulative violations of each such office and not cumulative violations of all offices of such a Shareholder.

The one year period to be used for counting the number of cumulative violations committed by an office of a Shareholder shall be a "rolling" 12 months such that the number of violations committed in the 12 months immediately preceding the date of the

most recent violation shall be taken into account in counting the number of violations for purposes of the progressive fine schedule set forth above.

For example, if the first violation occurs on January 1, 2009, and a second violation occurs on November 1, 2009, and a third violation occurs on December 1, 2009, and a 4th violation occurs on May 1, 2010, and a 5th violation occurs on October 1, 2010, the Shareholder in question has committed four cumulative violations (i.e. Nov. 1, 2009, Dec. 1, 2009, May 1, 2010 and Oct. 1, 2010) despite the fact that only 3 violations occurred in the 12 months commencing with the January 1, 2009 violation.

Section 4 – Short Sale Listings:

- 4.1 Short Sale Listings: Any transaction where the seller(s) is in a negative equity position at the time of listing and the seller(s) intend to seek a modified payoff from their lender(s).
- 4.2 Brokers/Agents must be aware of the following factors that may be present in a Short Sale Listing:
 - (a) Assume backup offers.
 - (b) Expect significant delays in acceptance and/or acknowledgement from the 3rd party/lender and often no response at all.
 - (c) Additional paperwork and fees may be required.
 - (d) Expect long periods of inactivity with nothing to report to coop brokers or buyers.
 - (e) The lender normally requires the seller to accept an offer (subject to lender approval) prior to submitting to the lender for approval.
 - (f) Seller may require all offers to be subject only to appraisal & final title and no other contingencies.
- 4.3 The following Rules will apply to all Short Sale Listings:
 - (a) The listing broker and/or the selling broker must use the “Short Sale Addendum-Listing Agreement” and “Short Sale Addendum-Real Estate Purchase Agreement” forms provided by MiRealSource or similar forms approved by MiRealSource.
 - (b) Disclose at time of listing entry that the property is “Subject to Short Sale” in Agent Remarks.
 - (c) The listing broker must provide a written receipt of any offer upon request by coop broker.
 - (d) The listing broker must disclose any additional requirements from seller or 3rd party/lender.
 - (e) All pending and sold listings must be reported to MiRealSource by the Listing Broker.

For purposes of these rules governing “Short Sales”, at the option of the Listing Broker, a listing for which an offer has been accepted by the Seller but

where the lender has not yet agreed to a modified pay-off as to said offer, such listing may either be marked as "Pending" or shown as "K" (Keep Showing – Contingency Applies) and must note the contingency in "Agent Remarks".

Once the seller and lender have agreed to a modified pay-off, the listing must be shown as "Pending" within 48 hours (excluding holidays and weekends) after the seller and lender has communicated its agreement to the modified pay-off as to that listing.

All Listing Brokers who have listings that are shown as "pending" for ninety (90) days, must provide MiRealSource with an updated "Pending" Report by the last day of each month for all such "pending" listings.

A pending listing must be reported "sold" by the Listing Broker (final "sold" price as shown on the closing statement.) In addition, all seller concessions must also be reported. Both the sold price and the seller concessions shall be reported within 48 hrs after the closing of the sale, (excluding holidays and weekends).

4.4 Except as specifically stated in this Section 4 of Article V, all other Sections of Article V, and the remaining Articles of MiRealSource Rules and Regulations shall continue to apply to all Short Sale Listings.

4.5 Violation of any rule as written in Article V – Section 4.3 and 4.4 of the MiRealSource Rules & Regulations will result in the following fines:

1st Offense - \$25.00 fine

2nd Offense - (within 1 year period) \$50.00 fine

3rd Offense - (within 1 year period) \$100.00 fine

4th Offense – Removal from the MLS (*with Board of Director Approval*)

Note: Violations of any of the rules in Article V – Section 4.3 and 4.5 by each office (i.e. all agents in a particular office) of a Shareholder (where a Shareholder has multiple offices) shall be aggregated during a "rolling" twelve (12) month period (as described below) and the above fine schedule shall apply to the cumulative violations of each such office and not cumulative violations of all offices of such a Shareholder.

The one year period to be used for counting the number of cumulative violations committed by a Shareholder shall be a "rolling" 12 months such that the number of violations committed in the 12 months immediately preceding the date of the most recent violation shall be taken into account in counting the number of violations for purposes of the progressive fine schedule set forth above.

For example, if the first violation occurs on January 1, 2009, and a second violation occurs on November 1, 2009, and a third violation occurs on December 1, 2009, and a 4th violation occurs on May 1, 2010, and a 5th violation occurs on October 1, 2010, the Shareholder in question has committed four cumulative violations (i.e. Nov. 1, 2009, Dec. 1, 2009, May 1, 2010 and Oct. 1, 2010) despite the fact that only 3 violations occurred in the 12 months commencing with the January 1, 2009 violation.

Section 5 – APPLICABILITY OF THE RULES:

5.1 PARTICIPANTS SUBJECT TO THE RULES:

Participants who have access to information published by MiRealSource are subject to these rules and regulations and may be disciplined for violations thereof. Further, failure of any participant to abide by these rules and regulations will subject the Broker Owner to sanctions imposed thereof. This provision does not eliminate the Shareholder's ultimate responsibility and accountability for all licensed agents working for the Shareholder.

5.2 AFFILIATES SUBJECT TO THE RULES:

Affiliates who have access to information published by MiRealSource are subject to these rules and regulations and may be disciplined for violations thereof. Further, failure of any affiliate to abide by these rules and regulations will subject the Affiliate to sanctions imposed thereof. This provision does not eliminate the Affiliate's ultimate responsibility and accountability for all licensed appraisers working for the Affiliate.

5.3 FINES FOR VIOLATIONS OF MIREALSOURCE RULES AND REGULATIONS:

Fines for violations of MiRealSource Rules and Regulations are set forth on the "Schedule of MiRealSource Fines" (see attached). In the absence of a fine for a rule violation, the Board of Directors shall impose such fine or other discipline, as it deems appropriate – unless such violation is the subject of a disciplinary action under Article III hereof in which case the finding by the Disciplinary Hearing Panel shall control.

ARTICLE VI – BROKER DATA SHARING (BDS)

Section 1

Broker Data Sharing is available to MiRealSource Shareholders only and affords MiRealSource Shareholders with the option of displaying the active listings of a Shareholder or that Shareholder's agents on the websites of other Shareholders and/or their agents, and of having the active listings of other MiRealSource Shareholders or their agents displayed on their websites. A Shareholder who wishes to have such active listings displayed on the websites of other Shareholders and/or their agents shall grant permission to such other Shareholders as selected by each Shareholder in their sole discretion.

MiRealSource services are for the exclusive use of its shareholders, licensees of the shareholder, affiliates, and licensees of the affiliates ("participants") and may not be repackaged or resold to the general public in any manner. All licensed agents of Brokers or licensed associates working with an Affiliate or working in an office, which is a Participant in MiRealSource, must be registered with, and all such brokers/affiliates must pay all required fees to, MiRealSource.

All new Shareholders and Affiliates must attend the "New Broker Orientation Class" within 30 days of commencement of participation, provided, however, that the MiRealSource Chief Executive Officer may grant any such new Shareholder or Affiliate an extension of 30 days to attend such a class. FTP feed services will not be provided any new Shareholder or Affiliate until the New Broker Orientation Class requirement has been fulfilled.

Section 2

Each Shareholder who wishes to use the Broker Data Sharing Service shall execute a Broker Data Sharing Agreement on a form to be provided by MiRealSource as that form may be changed from time to time.

Section 3

The Broker Data Sharing Service is provided in two forms, as follows:

- a) Basic Broker Data Sharing "Link"
- b) Enhanced Broker Data Sharing "FTP Feed" – *with option to include "All Listing Status Categories" service.*

Section 4 BASIC BROKER DATA SHARING LINK RULES:

- 4.1 The form of the display and the location of the display on the participant's website must be approved by MiRealSource and may not be altered without prior approval of MiRealSource.
- 4.2 Any alterations without prior approval of MiRealSource may result in suspension and/or discontinuance of service.
- 4.3 The MLS database shall not be shared with, sold, or repackaged to any unauthorized third party and must not be displayed in violation of the MiRealSource Bylaws, Rules & Regulations, Policies and Procedures and this Agreement. *All* third parties must be approved by MiRealSource.
- 4.4 All listings shall display the identity of the listing firm.
- 4.5 All listings displayed pursuant to BDS shall show MiRealSource as the source of the information.
- 4.6 Participant must exercise all precautions and implement procedures necessary to prevent scraping.

Section 5 ENHANCED BROKER DATA SHARING "FTP FEED" RULES:

- 5.1 The Form of the Display and the Location of the Display on the Shareholder's Website Must Be Approved by MiRealSource and May Not Be Altered without Prior Approval of MiRealSource.
- 5.2 Any Alterations Without Prior Approval Of MiRealSource May Result In Suspension And/Or Discontinuance Of Service.
- 5.3 Confidential information fields intended for cooperating brokers rather than customers shall not be displayed.
- 5.4 All listings shall display the identity of the listing firm.
- 5.5 All listings displayed pursuant to BDS shall show MiRealSource as the source of the information.

- 5.6** MLS data fields authorized for display shall not be modified without the written approval of MiRealSource.
- 5.7** Participants shall determine which listings or the types of listings they will display on their websites. Examples include property type (“condo”, “single family”, and multi-family”), price, and/or location.
- 5.8** Any display of other listings shall indicate the source of the information being displayed by Shareholder Company name and address (Shareholder’s receiving FTP feed to refresh all downloads).
- 5.9** Refresh all data at least once every day. A revised date must be displayed on the website where the listings are displayed.
- 5.10** The MLS database shall not be shared with, sold, or repackaged to any unauthorized third party and must not be displayed in violation of the MiRealSource Bylaws, Rules & Regulations, Policies and Procedures and this Agreement. *All* third parties must be approved by MiRealSource.
- 5.11** Participants shall indicate on their websites that the information being provided is for consumers’ personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers that may be interested in purchasing.
- 5.12** The MLS may establish reasonable limits on the amount of data/number of listings that consumers may retrieve or download in response to an inquiry, which number can vary depending on the status of the listing involved.
- 5.13** The Shareholder shall display only active and unconfirmed listings and shall not display listings that have expired or been withdrawn or for which sales are pending (or closed).
- 5.14** The right to display listing information available pursuant to Broker Data Sharing is limited to MLS Shareholders licensed as real estate brokers engaged in real estate brokerage.
- 5.15** Upon Broker-Owner permission by way of the online permission-based system of MiRealSource, non-principal brokers and sales licensees affiliated with other MiRealSource Shareholders may use information available through Broker Data Sharing to populate their own websites. Each individual website requires its own application.
- Even if use of information through Broker Data Sharing is provided to non-principal brokers and sales licensees affiliated with MLS Shareholders, such use is subject to Shareholders’ consent and control and the requirements of state law and/or regulation.
- 5.16** MiRealSource may charge the costs of adding or enhancing their “downloading” capacity to Shareholders who will download listing information. Assessment of such costs should reasonable relate to the actual costs incurred by MiRealSource.
- 5.17** Access to MLS databases of listing data, or any part of such databases, may not be provided to any person or entity not expressly authorized such access under the rules of MiRealSource.
- 5.18** Shareholder must exercise all precautions and implement procedures necessary to prevent scraping.
- 5.19** In the event a Shareholder elects the optional “All Listing Status Categories” service, such information shall be used by such Shareholder for internal purposes only in connection with that Shareholder’s preparation of its own Comparative Market Analysis.

Section 6

The Broker Data Sharing Agreement and the rules set forth in Article VI may be changed by MiRealSource at any time.

Section 7

MiRealSource fees and charges for participation in Broker Data Sharing (BDS) shall be established and/or modified by the Board of Directors from time to time.

ARTICLE VII CONFIDENTIALITY OF MIREALSOURCE INFORMATION

Section 1

CONFIDENTIALITY OF MIREALSOURCE INFORMATION:

Any information provided by MiRealSource to the participant shall be considered official information of MiRealSource. Such information shall be considered confidential and exclusively for the use of Shareholders and real estate licensees affiliated with such Shareholders and those Affiliates who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Affiliates. Such information shall be confidential and shall not be made available to non-participants except as permitted by these MiRealSource rules and applicable law.

Section 2

MIREALSOURCE NOT RESPONSIBLE FOR ACCURACY OF INFORMATION:

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

Section 3

ACCESS TO COMPARABLE AND STATISTICAL INFORMATION:

MiRealSource may provide persons who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who are not participants of MiRealSource, all information other than current listing information that is generated wholly or in part by MiRealSource including "comparable" information, "sold" information, and statistical reports. However, it may not be transmitted, retransmitted, shared with, sold, or re-packaged to, or otherwise provided in any manner to any unauthorized individual, office or firm except as otherwise provided in these Rules and Regulations.

ARTICLE VIII – MIREALSOURCE AUTHORITY

Section 1

By the act of submission of any property listing data to MiRealSource the Shareholder represents that he/she has been authorized to grant and also thereby does grant authority for MiRealSource to include the property listing data in its copyrighted MiRealSource compilation and also in any statistical report on "Comparables."

Section 2

All right, title, and interest in each copy of every multiple listing compilation created and copyrighted by MiRealSource, and in the copyrights therein, shall at all times remain jointly vested in the Shareholders whose listing data is in such Compilation and MiRealSource, as more fully set forth in the Licensing Agreement between such Shareholders and MiRealSource.

ARTICLE IX – BROKER INFORMATION – MIREALSOURCE COMPILATION

Each MiRealSource Shareholder is the owner of a business ("Business") which engages in the business of selling real estate and, in the course of such Business and in furtherance thereof each Shareholder has obtained from property owners ("Owners") certain real estate listings for the sale of the real estate owned by such Owners, which listings, together with all related data, compilations of such data, photographs, materials and information, comprise proprietary information of that Shareholder ("Broker Information").

The parties acknowledge that each Shareholder has all right, title and interest in and to his/her/its Broker Information.

MiRealSource ("Licensee") is engaged in the business of compiling Broker Information from its Shareholders into a multiple listing service ("Compilation") in which other MiRealSource Shareholders ("Broker-Members") also participate by providing their Broker Information through the use of a Licensing Agreement pursuant to which each MiRealSource Shareholder grants a license to MiRealSource to assemble the Compilation.

The Shareholders and MiRealSource acknowledge that the MiRealSource Shareholders, both collectively and as individually, jointly own with MiRealSource said Compilation, and the parties acknowledge and agree that the purpose of the joint ownership of the Compilation by MiRealSource and its Shareholders is (i) to provide MiRealSource with a sufficient ownership interest in the Compilation so as to enable it to defend unauthorized use of the Compilation by third parties, and (ii) to reserve and secure unto each Shareholder and the Broker-Members absolute and unrestricted ownership and control of the Broker Information of the Broker-Members which forms the Compilation, as well as any and all revenue generated by the sale, use, licensing or other marketing of the Broker Information and/or Compilation.

It is the intention of the Shareholders and MiRealSource to confirm that a Shareholder may only withdraw his/her/its Broker Information and is not authorized, either hereunder or by any other agreement between a Shareholder and MiRealSource, to withdraw the Broker Information of any other Shareholder. MiRealSource desires to be licensed by each

Shareholder to assemble the Compilation and to market, distribute and otherwise promote the sales of the properties represented by the Broker Information to other Shareholders.

Each Shareholder is willing to license MiRealSource to assemble the Compilation and to market, distribute and promote the sales of the properties represented by the Broker Information to other Shareholders under the terms and conditions of the aforesaid Licensing Agreement as it may be amended from time to time.

ARTICLE X – DISTRIBUTION, ETC.

Section 1 DISPLAY PRINT, INTERNET, AND ATTRIBUTION:

1.1 DISPLAY PRINT COPY:

Shareholders/Affiliates and those persons affiliated as licensees with such Shareholders/Affiliates shall be permitted to display MiRealSource Compilation in printed copy as approved by the listing broker for that purpose, to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said MiRealSource Compilation.

Any displays of such listings, sold information, or photographs taken from the MiRealSource Compilation shall state the name of the Shareholder whose listings are being displayed in such a fashion as to clearly attribute such listing(s) to that Shareholder, and shall provide the source of such information so as to avoid any possibility that such listing(s) is/are represented as the listing(s) of the displaying Shareholder.

1.2 DISPLAY ON INTERNET/COMPUTER:

Shareholders, Affiliates and those persons affiliated as licensees with such Shareholders/Affiliates shall be permitted to display MiRealSource Compilation on Internet/Computer, as outlined in the rules and designed for that purpose, to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said MiRealSource Compilation.

Any displays of such listings, sold information, or photographs taken from the MiRealSource Compilation shall state the name of the Shareholder whose listings are being displayed in such a fashion as to clearly attribute such listing(s) to that Shareholder, and shall provide the source of such information so as to avoid any possibility that such listing(s) is/are represented as the listing(s) of the displaying Shareholder.

1.3 ATTRIBUTION TO LISTING BROKER:

Any displays of listings, sold information, or photographs taken from the MiRealSource Compilation shall state the name of the Shareholder whose listings are being displayed in such a fashion as to clearly attribute such listing(s) to that Shareholder, and shall provide the source of such information so as to avoid any possibility that such listing(s) is/are represented as the listing(s) of the displaying Shareholder.

Section 2: REPRODUCTION:

Shareholders or their affiliated licensees shall not reproduce any MiRealSource Compilation or any portion thereof except in the following limited circumstances:

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

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

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

Any MiRealSource 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 Shareholder and those licensees affiliated with the Shareholder 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 an estimate of value on a particular property for a particular client. However, only such information that MiRealSource has deemed to be non-confidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these Rules and Regulations.

It is intended that the participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the participant is seeking to promote interest. The term "reasonable", as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to, the total number of listings in MiRealSource 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.

Section 3 LIMITATIONS ON USE OF MIREALSOURCE INFORMATION:

Use of information from MiRealSource compilation of current listing information, from MiRealSource "Statistical Report", or from any "sold" or "comparable" report of MiRealSource for public mass-media advertising by a MiRealSource participant or in other public representations are permitted subject to compliance with Section 1 above.

However, any advertisement or other forms of public representations based in whole or in part on information supplied by MiRealSource must clearly demonstrate the period of time over which such claims are based and must include the following notice:

Based on information from MiRealSource for the period (date) through (date).

ARTICLE XI – ORIENTATION

Section 1 BROKER WELCOME ORIENTATION:

All new Shareholders and Affiliates must attend the “Broker Welcome Orientation Class” within 30 days of commencement of participation, provided, however, that the MiRealSource Chief Executive Officer may grant any such new Shareholder or Affiliate an extension of 30 days to attend such a class. FTP feed services will not be provided any new Shareholder or Affiliate until the New Broker Orientation Class requirement has been fulfilled.

Section 2 AGENT WELCOME ORIENTATION:

Any sales agent licensed under a Shareholder shall complete an “Agent Welcome Orientation” program devoted to MiRealSource Rules & Regulations and Policies related to MiRealSource information entry and the operation of MiRealSource within ninety (90) days after access has been provided.

ARTICLE XII – STANDARDS OF CONDUCT

Any Shareholder, Affiliate or licensee affiliated with Shareholders or Affiliates are responsible to conduct their business in accordance with the MiRealSource Principles of Professional Conduct and NAR Code of Ethics at all times.

Originally Adopted: August 2002
Updated: August 1, 2010

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Summary of MLS Fees

OFFICE FEE	\$	24.00	(monthly fee)
USER FEE (Basic)	\$	29.00	(monthly fee)
(Charged to all Participants)			
AFFILIATE OFFICE FEE	\$	25.00	(monthly fee)
AFFILIATE USER FEE	\$	33.00	(monthly fee)
CERTIFICATE OF STOCK	\$	100.00	(one-time fee)
(Broker/Owners Only)			

Note: All Shareholders must be a Principal Associate Broker and Broker/Owner of the firm

APPLICATION FEE	\$	350.00	(one-time fee)
(AFFILIATE MEMBERS ONLY – One Time Fee)			
BROKER WELCOME ORIENTATION FEE	\$	35.00	(per broker)
AGENT WELCOME ORIENTATION FEE	\$	35.00	(per agent)

MISCELLANEOUS FEES:

PHOTOS: A member is required to either upload a photo of the listing upon entry of the listing or select the option to upload the photo “later”. If the member elects to upload the photo later by checking the appropriate box, the photo must be uploaded within seven (7) days of listing entry.

REPORTING \$1 SALES: Upon discovery of any sale reported at \$1.00 in the database, the MLS staff will analyze listing price vs. sold price to detect inaccurate data – if the sold price has been reported incorrectly – A \$250 fee will be assessed to cover investigation costs.

MLS FINES

No.	VIOLATIONS	Modified 8-1-10	Fines
1.	<p><u>Listing Omissions</u> – <i>This fine is issued to protect the integrity of the data.</i> Since the MLS staff monitors data that goes into the system, all members will provide enough information to all us to do it effectively. If the MLS is entering your listing(s) and the property data sheet is <i>missing</i> information or has <i>incorrect</i> information (such as incorrect map coordinates), you will be notified by the MLS requesting additional information and/or a fine will be issued.</p> <p>Sq. Footage is a very important field and needs to be accurate; therefore, a higher fine was assessed for square footage errors due to its importance. Please remember – do NOT count the square footage in a basement.</p>		<p>1st Offense: \$4.00</p> <p>2 or more: \$1.00 ea.</p> <p>Sq. Footage: \$100.00</p>
2.	<p><u>Submission of Listing for MLS to Enter Without Proper Written Authorization</u> – All listings taken in the State of Michigan must be submitted to the MLS or a fine will be issued. Proper written authorization (signatures & dates) from the Seller(s) must be obtained prior to submission and copy of data sheet must be submitted for all listings to be entered by MLS Staff. (Director action)</p>		\$200.00
3.	<p><u>Late Listing Entry or Late Reporting of Pending or Sold:</u> – All listings taken in the State of Michigan must be submitted to MiRealSource within 48 hours of final signatures (not counting weekends and holidays). This includes submissions of property data sheet on listings to be entered by MiRealSource staff (in accordance with Article V, Section 1.4(d) of MiRealSource Rules & Regulations).</p> <p>As required by Article V. Section 2.4, a listing must be reported (a) pending within 48 hrs, (excluding weekends and holidays) after an offer has been accepted, and (b) sold (within 48 hours) after closing (excluding weekends and holidays).</p> <p>In addition, if the number of aggregate violations of Article V, Section 1.4(d) and/or Article V, Section 2.4, by a single office during the twelve (12) month period ending on the date of the complaint of the violation in question, is equal to five percent (5%) of that office's active listings for the same twelve (12) month period, in addition to the fines imposed for such violations, the MiRealSource Shareholder as to that office will be required to appear before the Disciplinary Hearing Panel to review with the Panel the reason for such violations. The Panel will then report to the Board of Directors the results of that hearing and make a recommendation to the Board as to any further action to be taken as to that Shareholder, which may include, but is not necessarily limited to additional fines, suspension or termination of service, or such other action as the Panel shall deem appropriate. The Board shall then make a final decision as to any such further action to be taken, which may be the same or different action than what the Panel recommends.</p>		\$30.00
4.	<p><u>Failure to Submit Unpublished Listing</u> – The MLS Rules require that <u>all</u> listings taken in the State of Michigan <u>must</u> be submitted to the MLS within 48 hours (excluding weekends and holidays) unless the listing broker provides a letter signed by seller(s) instructing the listing broker to not publish the listing in the MLS to keep on file. Failure of the listing broker to provide such signed letter to the MLS will result in a \$100 fine.(Director action)</p>		\$100.00
5.	<p><u>Failure to Disclose/Perform Listing Service(s)</u> - Failure (a) of a Listing Broker to disclose any and all Listing Service(s) that is/are not being provided by him/her with respect to any listing of the Listing Broker as shown on the Listing Services Disclosure which accompanies the Listing Broker's listing agreement, or (b) of a Broker, whether the Listing Broker or any other Broker who has separately contracted with the seller or buyer to perform a Listing Service(s), to fully perform the Listing Service(s) to be performed by that Broker.</p> <ul style="list-style-type: none"> • The Listing Broker must fully and accurately disclose on the Listing Services Disclosure which accompanies the Listing Agreement any and all Listing Services not being provided by the Listing Broker for each of his/her listings. • A Broker must fully perform any and all Listing Services shown on the Listing Services Disclosure to be performed by that Broker, which either accompanies the listing agreement (in the case of the Listing Broker) or which appears on the MiRealSource listing data form (in the case of a Broker who separately contracts with the seller or buyer to perform particular listing service(s)). 		<p>1st Offense: \$100</p> <p>2nd Offense: \$200</p> <p>3rd Offense: \$500</p> <p>4th Offense: Office Member Removed</p>

No.	VIOLATIONS <i>Modified 8-1-10</i>	Fines
6.	<u>Late Submittal of the Pending Report</u> – A pending report must be returned to the MLS office by the last business day of the month. The pending report is <u>only sent</u> if an office has listing in a pending status for <u>90 days or more</u> . (Report is sent w/ the monthly office statement on the 1 st of every month) (Director action)	\$50.00
7.	<u>Incorrect Reporting of Selling Office</u> – When a selling office is reported incorrectly on a closed listing, this fine will be issued upon discovery. (Director action)	\$50.00
8.	<p><u>Incorrect Reporting of Selling Price</u> – The final “sold” price as shown on the closing statement must be reported in the database within 48 hrs after the closing of the sale. In addition, all sellers concessions must also be reported. When the selling price is reported incorrectly on a closed listing, this fine will be issued. (Director action)</p> <p><u>Reporting \$1 Sale</u>– Any incorrect reporting of a \$1 Sale in the database will result in a \$250 fee. The price as shown on the closing statement must be reported in the database. The MLS will obtain the actual sales price from the assessor’s office and report the correct sold price in the database. (Director action)</p>	<p>\$50.00</p> <p>\$250.00 FEE</p>
9.	<p><u>“Do Not Show” OR “No Further Offers” Listings</u> – Failure to provide the MLS with a letter from the seller instructing the listing broker to not show a property, or failure to disclose in Agent Remarks” the seller’s instructions, will result in a \$100 fine. (Director action) See Article V – 1.8 (b)</p> <p>Failure to provide the MLS with a letter from the seller instructing the listing broker to <u>not</u> accept any further offers, or failure to disclose in Agent Remarks” the seller’s instructions, will result in a \$100 fine. (Director action) See Article V – 2.1 b (v))</p>	\$100.00
10.	<p><u>New Construction</u> – If a new construction listing is submitted and the feature codes N1 or N2 is not specified on the computer <u>and</u> the data sheet, a fine is issued. This is to avoid photographers from being dispatched needlessly. (Director action)</p> <p style="text-align: center;">N1 = New Construction - Completed N2 = New Construction – Incomplete</p>	\$30.00
11.	<u>Non-Reporting of a Contingency on a Listing</u> – Failure to report a listing with a contingency as either a “K” (Keep Showing – Contingency Applies) or a “P” (Pending), or failure to disclose the contingency as to such listing in “Agent Remarks” will result in the following fines:	<p>1st Offense: \$100</p> <p>2nd Offense: \$250</p> <p>3rd Offense: \$500</p>
12.	<u>Wrong Area Code</u> – Listings are sometimes knowingly entered in the system under the wrong area for marketing reasons, etc. When discovered, the listing will be moved to the correct area and a fine will be issued. A special fine was created for “wrong area” because of the importance of placing listings in the correct area on the system. (Director action)	\$30.00
13.	<u>Class Attendance</u> – If you schedule to attend a class and <u>do not show up without canceling</u> , this fine will be issued. Cancellation <u>MUST</u> be made <u>NO LATER</u> than <u>TWO (2) BUSINESS DAYS</u> prior to the class date. (Directors action)	\$20.00

No.	VIOLATIONS	<i>Modified 8-1-10</i>	Fines
14.	<p><u>Orientation Fines</u> – These fines only apply to new MLS members. All new agents coming into your office are required to attend an MLS Orientation Class for review of the MLS Rules & Policies.</p> <p>If attendance is not made after 90 days, these fines will be issued: (Directors action)</p> <p style="padding-left: 40px;">Non-attendance (after 90 days)</p> <p style="padding-left: 40px;">Non-attendance (after 120 days)</p> <p style="padding-left: 40px;">Non-attendance (every month thereafter)</p> <p>Note: All new agents are encouraged to call and schedule their attendance to this <i>required</i> class ASAP after they begin. <i>Please do not confuse this class with other Association/Board required class(es).</i></p>		<p style="text-align: right;">\$10.00</p> <p style="text-align: right;">\$50.00</p> <p style="text-align: right;">\$50.00</p>
15.	<p><u>Non-Reporting of Licensed Agent/Administrative in your Office</u> – This fine is issued to the broker if it is discovered that there is an “active” licensee (regardless of agent or administrative staff) in your office who is not on file as an “active” licensee with the MLS after 30 days of becoming licensed with a Shareholder. Any violation of Licensee registration requirements as set forth in Article II – Section 1. (Directors action)</p>		<p>\$200.00 per offense</p>
16.	<p><u>Failure to Remove “Caravan Tour”</u> – This fine is issued if an agent fails to remove “Caravan Tour” from a tour list within 1 hour prior to the scheduled inspection.</p>		<p>\$25.00</p>
17.	<p><u>Cloning Another Member’s Listing Photo or Virtual Tour</u> – photos and virtual tours are copyrighted, therefore you are in violation of that copyright by cloning, copying, or using them. As a listing agent, it is your responsibility to submit your own photos. Take photos of your own listings and DO NOT CLONE, COPY, OR USE another member’s listing photo(s). NOTE: You are only allowed to clone, copy, or use your personal listing photos or any of your office’s listing photos. (Directors action)</p>		<p>\$100.00 - if used on a new listing in the MLS.</p> <p>\$1,000.00 – if used in any advertising outside of the MLS.</p>
18.	<p><u>Non Submittal of Photo</u> – Upon listing entry the member is required to either upload the required photo NOW or select the option to upload the photo LATER. <u>If it is indicated</u> (checked box) that the photo will be uploaded LATER, and <u>no photo has been uploaded after seven (7) days</u> since listing entry, the MLS will impose a fine.</p>		<p>\$20.00</p>
19.	<p><u>ALL Sellers Concessions are to be reported at the TIME a listing is reported SOLD</u> – A fine will be issued for non-reporting of any sellers concessions on a sold listing. (Directors action)</p>		<p>\$35.00</p>
20.	<p><u>Incorrect Info in Public Remarks, Directions/Cross Streets Fields, Legal Descriptions</u> – Names, addresses, phone numbers, web address (i.e. personal, company, or any 3rd party), or any type of solicitation are not allowed in any of the fields listed above.</p> <p>Public Remarks is limited to the description of the property only. (Directors action)</p>		<p>\$50.00</p>
21.	<p><u>Failure to provide the minimum disclosure for required forms and/or addendums</u> – the listing agent must provide minimum disclosure where appropriate on the listing datasheet, that additional forms and/or addendums are required to properly inform other members upfront.</p>		<p>1st Offense: \$25.00</p> <p>2nd Offense: \$50.00</p>
22	<p><u>Manipulation of Property ID#</u> – Any manipulation of the property ID# entered into the database to bypass the programming which prohibits a property to be reentered in the database within 48 hrs of either withdrawing or canceling the same property (by the same agent) . (Directors action)</p>		<p>\$50.00</p>

No.	VIOLATIONS	<i>Modified 8-1-10</i> Fines
23.	<p><u>Violation of any rule as written in Article V – Section 3.3 and 3.4 of the MiRealSource Rules & Regulations.</u></p> <p>Note: The one year period to be used for counting the number of cumulative violations committed by a Shareholder shall be a "rolling" 12 months such that the number of violations committed in the 12 months immediately preceding the date of the most recent violation shall be taken into account in counting the number of violations for purposes of the progressive fine schedule set forth above.</p> <p>For example, if the first violation occurs on January 1, 2009, and a second violation occurs on November 1, 2009, and a third violation occurs on December 1, 2009, and a 4th violation occurs on May 1, 2010, and a 5th violation occurs on October 1, 2010, the Shareholder in question has committed four cumulative violations (i.e. Nov. 1, 2009, Dec. 1, 2009, May 1, 2010 and Oct. 1, 2010) despite the fact that only 3 violations occurred in the 12 months commencing with the January 1, 2009 violation.</p>	<p>1st Offense: \$25</p> <p>2nd Offense: \$50</p> <p>3rd Offense: \$100</p> <p>4th Offense: Office Member Removed</p>
24.	<p><u>Providing Keys, Lockbox Information, and/or Access to Property to Unauthorized Persons</u> – Providing keys, lockbox information or access to any party other than the listing broker, listing broker's agent(s), the cooperating broker and/or cooperating broker's agent(s), or any authorized 3rd party for any property will result in a \$1000 fine.(Director action)</p>	<p>\$1,000.00</p>
<p><u>NOTE:</u> The foregoing fine schedule does not apply to any violations which occur during the period that a broker is participating in MiRealSource's "Free Trial Service" program (when/if such program is available).</p>		