

Greater Fairfield County CMLS, Inc.

Abridged “Agent” Version of the RULES AND REGULATIONS

SECTION I: DEFINITIONS

This condensed version of the Rules and Regulations was created to give the individual agent an outline of the major GFC CMLS policies affecting them. A full version of the Rules and Regulations is available at www.ct-mls.com or at the GFC CMLS office upon request.

As used in these Rules and Regulations, the following terms shall have the meaning stated below:

Section 1.1 Two (2) Calendar Days: Two full days including weekends and holidays. For example, from Friday noon until Sunday noon is Two (2) Calendar Days.

Section 1.2 GFC CMLS: Greater Fairfield County CMLS, Inc., a Connecticut non-stock membership corporation. GFC CMLS provides multiple listing services for certain types of real property to its members.

Section 1.3 GFC CMLS Service; GFC CMLS System: The on-line computer system database and other functions and products provided by or through GFC CMLS.

Section 1.4 Compilations: “Compilations” shall mean the product(s) of publishing, either in electronic or printed form, all or any portion of the GFC CMLS Database.

Section 1.5 Cooperating Broker: A Buyer Agent or a Subagent who is selling or leasing the property of a Listing Broker.

Section 1.6 FNIS: FNIS, a Delaware Corporation, and its successors and assigns, currently serving as GFC CMLS's vendor to provide multiple listing services to Participants and Subscribers.

Section 1.7 Home Access Service: An optional, level of On-line System Services available only to Subscribers using equipment separate from a Participant's Office Service terminal.

Section 1.8 Input: “Input” shall mean the entering of information detailing the characteristics of a property offered for sale or rent by a listing agent into the GFC CMLS Database. “Input” can be accomplished either by direct Online Terminal Input, or by GFC CMLS staff. Certain data fields on the “GFC CMLS Listing Input Sheets” are preceded by an “*” indicating a “Mandatory” field or a field in which data must be entered at the time the listing is “Input” into “GFC CMLS System.”

Section 1.9 Internet Data Exchange: “Internet Data Exchange” or “IDX” is a means by which each Participant subscribing to the program (the “Internet Data Exchange Subscriber” or “IDX”) permits the display of its active listings appearing in GFC CMLS on each other IDX's Internet web site.

Section 1.10 Internet Data Exchange Database: The “Internet Data Exchange Database” is the current aggregate compilation of all active exclusive listings of all Internet Data Exchange Subscribers except those listings where the property seller has opted out of Internet publication by so indicating on the listing contract.

Section 1.11 Listing Broker/Agent: GFC CMLS Participant/Subscriber who lists a property.

Section 1.12 MLS Books: The bi-weekly GFC CMLS Books containing the listings and other information designated pursuant to contractual arrangements between GFC CMLS and FNIS. *(Note the GFC CMLS stopped publishing MLS Books as of January 1, 2002)*

Section 1.13 On-Line System Services: The services available through the On-line computer system provided to GFC CMLS, its Participants and Subscribers by FNIS.

Section 1.14 Owner(s): The person(s) having legal ownership of the property or the person(s) authorized agent, or person(s) having the legal right to sell.

Section 1.15 Participant: The Member/Designated REALTOR, as defined in the GFC CMLS Certificate of Incorporation, of any firm, partnership or corporation designated by such firm, partnership or corporation, who shall have all rights, benefits and privileges of GFC CMLS Office Service Access, and shall accept all obligations to GFC CMLS for the Participant's firm, partnership or corporation and for compliance with the Rules and Regulations of GFC CMLS by all Subscribers affiliated with the Participant.

Section 1.16 Publication: The reproduction and dissemination of listing information through the System.

Section 1.17 Purchaser(s): The buyer(s) or prospective buyer(s) under earnest money agreement or the buyer(s)' authorized agent.

Section 1.18 Registrant: As it applies to VOW, within the GFC CMLS, the term Registrant means a consumer who has been given permission by a Participant to access the Participant's VOW.

Section 1.19 Seller: "Seller(s)" shall mean the person(s) holding legal title to listed property; person(s) who have the legal right to sell listed property; or the properly authorized agent of such person(s).

Section 1.20 Service Area: "Service Area" shall mean the geographical area within the State of Connecticut in which GFC CMLS provides multiple listing services. The Corporation's "Service Area" shall include Fairfield County, Connecticut, except the Towns of Greenwich, Darien and New Canaan, and the following Towns located within Litchfield or New Haven Counties, Connecticut: Ansonia; Beacon Falls; Derby; Oxford; Seymour; New Milford; Bridgewater; Kent; Roxbury; Sherman; Warren; Washington.

Section 1.21 Subagent: Cooperating broker who is selling a listing of another GFC CMLS Participant, as an agent of the Seller.

Section 1.22 Subscriber: Any real estate licensee described in Section 1.4, who has signed a Subscriber Agreement with GFC CMLS.

Section 1.23 Virtual Office Website or VOW: For purposes of this policy, the term Virtual Office Website ("VOW") means a Participant's Internet website, or a feature of a Participant's Internet website, through which consumers receive real estate brokerage services, including the opportunity to search for MLS data subject to the Participant's oversight, supervision and responsibility.

SECTION III: SERVICE CHARGES AND FEES

Section 3.1 Service Fees and Charges: The following service charges for the operation of GFC CMLS are in effect to defray the costs of GFC CMLS and are subject to change from time to time in the manner prescribed. Current fees are detailed in Schedule "A".

- a) Primary Subscriber fee in such amount as may from time to time be determined by the Board of Directors. Subscriber fees shall be billed quarterly in advance.
- b) Secondary Subscriber fee, which shall be equal to fifty percent of the full Subscriber fee and is applicable to any additional ID(s) assigned to a Subscriber beyond their first/primary active ID. The discounted Secondary Subscriber fee shall be limited to one User ID per Subscriber, per branch office within multi-office organizations.
- c) Each Participant shall pay a one time set up fee upon joining the GFC CMLS.
- d) A fee for GFC CMLS staff loading of listing data in such amount as may from time to time be determined by the Board of Directors.

Section 3.2 Failure to pay: (1.) Failure of a Participant to pay required Fees within thirty (30) days of the due date shall result in all services to the Participant and its Subscribers being suspended until the fees are paid in full. (2.) Failure of a Subscriber to pay Subscriber Fees within thirty (30) days of the due date shall result in suspension of all services to the applicable Subscriber until the fees are paid in full. Any such unpaid Primary Subscriber fee shall automatically become a responsibility of the Subscriber's Participant. If said fees remain unpaid for an additional thirty-day period, the services to said Participant and its Subscribers shall be suspended. The GFC CMLS shall give at least ten (10) days notice prior to suspending an office's service. Reinstatement after suspension of either a Participant or Subscriber shall require payment of a Reinstatement Fee.

Section 3.3 Reinstatement Fee: GFC CMLS shall impose a Reinstatement Fee in the amount of \$50.00 (fifty dollars) as a condition of any Participant's or Subscriber's resumption of On-Line System services after such Participant or Subscriber has canceled such services (or been suspended or terminated for nonpayment). No such Reinstatement Fee shall be charged to a Subscriber (1.) who cancels On-Line System Services and (a.) resumes such services through a different Participant within (30) days of such cancellation or (b.) resumes such services after a period of at least twenty-four months or (2.) whose services have been suspended or terminated for nonpayment, provided the Subscriber allows us to automatically deduct their quarterly service fees from their Visa, MasterCard, Discover or American Express account for a minimum of one year following such suspension or termination.

Section 3.4 Refunds: Participant and Subscriber Agreements may be terminated only as of the end of a calendar month. There shall not be any proration or refund of fees for Participants or Subscribers with respect to suspension or termination of service.

Section 3.5 Subscriber Transfers: Any Subscriber transferring his/her or her license from one Participant to another shall notify GFC CMLS promptly, and shall submit a Transfer Agreement executed by Subscriber and the Participant to whose office Subscriber is transferring. As soon as is practicable after receipt of such Subscriber Agreement, GFC CMLS shall provide any prepaid MLS Books and Subscriber Access Service to Subscriber at such new address as is designated in such Subscriber Agreement.

Section 3.6 Allowing another person to use an MLS ID is disallowed: Only the Subscriber specifically assigned an MLS ID is authorized to access the MLS using that ID. Unless specifically authorized in writing by the GFC CMLS, allowing any other person to use an ID to access the MLS system, including, without limitation, the Subscriber's broker, other Subscribers, other agents, clients or customers is expressly prohibited. The penalty for the first violation of this policy shall be a one hundred dollar fine. The penalty for additional violations of this policy shall be both a five hundred dollar fine and a thirty-day suspension of MLS privileges.

SECTION IV: LISTING PROCEDURES

Section 4.1 Mandatory Listings: Listings of the following types of property located within the Service Area of GFC CMLS taken by Participants on an Exclusive Right to Sell/Rent or Exclusive Agency to Sell/Rent listing contract shall, in accordance with these Rules and Regulations, be input into the GFC CMLS System within two (2) calendar days after all necessary signatures of seller(s) and Participant, or his/her authorized agent, have been obtained:

- a) Residential single-family homes, condominiums, co-ops, mobile homes for sale, lease or exchange;
- b) Multifamily residential buildings containing four (4) or less dwelling units for sale, lease or exchange; and
- c) Vacant lots and acreage for sale, lease or exchange.

A listing contract shall be considered "taken by a participant" if it is signed and/or serviced: (i) by the Participant; or (ii) by any licensee (including without limitation an office manager or designated REALTOR) affiliated with the Participant in any office maintained by the Participant.

Section 4.2 New Construction: Listings involving new construction shall classify such construction in one of the following categories:

- a) "Complete" - construction completed, but property has never been occupied; or
- b) "Proposed" - specifications finalized; or
- c) "Model" - being used as a model home; or
- d) "Under" - construction actually underway.

Note: If listing is not any of the above use: N-Not New Construction.

Section 4.3 Land Listings: Listing Agents should submit a map of the listed property.

Section 4.4 Rental Listings: All rental listings must specify the term of the proposed rental on the Data Sheet and Listing Agreement, as well as in all GFC CMLS "Compilations".

Section 4.6 Office Exclusives. If the Owner refuses to permit the listing to be Published by GFC CMLS, the Participant may take the listing as an Office Exclusive. Such listing shall be accompanied by a written statement signed by the Owner stating he/she does not desire the listing to be Published by GFC CMLS. Such statement shall be provided to GFC CMLS within two (2) working days of request.

Section 4.10.1 Limited Service Listings. Listing agreements under which the listing broker will not provide one, or more, of the following services shall be identified with the code “LS” in MLS compilations and reports. This is required so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to the listing brokers’ clients, prior to initiating efforts to show or sell the property:

- (a) accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s);
- (b) advise the seller(s) as to the merits of offers to purchase;
- (c) assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (d) participate on the seller(s) behalf in negotiations leading to the sale of the listed property.

Section 4.10.2 MLS Entry-only Listings. Listing agreements under which the listing broker will not provide any of the following services shall be identified with the code “EO” in MLS compilations and reports. This is required so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to the listing brokers’ clients, prior to initiating efforts to show or sell the property:

- (a) accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s);
- (b) advise the seller(s) as to the merits of offers to purchase;
- (c) assist the seller(s) in developing, communicating, or presenting counter-offers; or
- (d) participate on the seller(s) behalf in negotiations leading to the sale of the listed property.

Section 4.11 Data Loading. Listing data must be loaded into the GFC CMLS System within two (2) calendar days after all necessary signatures have been obtained in either of two ways:

- a) Broker Load. Participants (or their authorized Subscribers having the appropriate User Class designation specified by the Participant) may load information directly through such Participant’s Office Service Access terminal;
- b) GFC CMLS Load. For the Listing Input Fee specified on Schedule A, GFC CMLS staff will load listing data into the GFC CMLS System. The Participant must provide GFC CMLS with the completed Listing Data Input Form for each listing before GFC CMLS will load such data. The appropriate Listing Input Fees must accompany the Listing Input Form. GFC CMLS will dispose of all Listing Data Input Forms 30 days after submission.

Listings that will not be available for showing within two (2) calendar days of the date it has been entered in to the GFC CMLS System must be placed in the “Withdrawn” status at the time the listing is entered into the system and remain in the “Withdrawn” status until it becomes available for showing.

Section 4.13 Withdrawal or Cancellation Prior to Expiration: Based upon a written agreement signed by the seller(s) and Listing Agent, a Participant may cancel a Listing Agreement or withdraw a listing from GFC CMLS before the expiration date of the Listing Agreement by inputting to GFC CMLS notification of the withdrawal or cancellation. All withdrawals are subject to the requirement of Section 4.12 above.

Section 4.15.1 Sensitive and Regulated Data: Sensitive information such as, but not limited to, keybox combinations and home security system access codes shall not be included in the GFC CMLS database or published in the MLS book or any online report. Further, no information shall be entered into the GFC CMLS database which would violate any municipal, state or federal order, ruling or statute. The GFC CMLS retains the right to correct any violation of this regulation.

Section 4.15.2 Data Restrictons: Information allowed in listing reports, on photographs or contained in Virtual Tours is restricted to information that describes the property, its amenities and the neighborhood. Information that may be construed to be marketing or offering services such as, but not limited to, home inspections, mortgage services or the listing broker/agent, him/herself, is specifically disallowed. Information that identifies the Listing Agent, Listing Broker or Property Owner is restricted to the “Showing Instructions” field and fields specifically provided for Property Owner, Agent & Broker identification. The GFC CMLS retains the right to correct any violation of this regulation.

Section 4.16 Listing Multiple Unit Properties: All properties which are to be sold or which may be sold separately must be indicated individually in the Listing Agreement and on the Data Sheet. When part of a listed property has been sold, proper notification must be input into the GFC CMLS

Section 4.16.1 Listing Properties in Multiple Towns: No property shall be listed in more than one town, unless: (1.) it is physically located in more than one town, or (2.) the street on which the property is located can only be entered from an adjoining town.

If a property meets one or both of the above criteria, the Listing Broker may elect to place the property listing in each appropriate town provided: (1.) the Listing Broker must immediately notify the GFC CMLS office, in writing, of the fact that the property has been listed in more than one town. (Printed copies of the listing as it appears in each town must be included with the notification.) (2.) The first line in the "Remarks" section of the adjoining town listing must clearly indicate the town(s) in which the property is physically located and the municipal school system(s) serving the property. (3.) The Listing Broker must notify the GFC CMLS office, in writing, as soon as the property is sold, the listing expires or is cancelled. Upon such notification, or if a property that fails to meet the criteria listed above is listed in an adjoining town, the GFC CMLS office shall remove the adjoining town listing. Any broker placing a Listing in violation of this section shall be fined in accordance with Section 10.6 of these Rules and Regulations.

Section 4.20 Photographs. Each listing submitted for publication in the GFC CMLS must include a photo unless it is one of the following Property Types; (a.) Land, (b.) Business For Sale, (c.) Residential Rental or (d.) either "Proposed New Construction" or "Under Construction". Note: photos of properties listed as "Proposed New Construction" or "Under Construction" are required to have photos once construction has been completed.

Photos must be input into the system or received at GFC CMLS office within five calendar days of the date the listing was entered into the system. There are four ways to meet this requirement: (1.) At the time a listing is entered into the GFC CMLS system, the Listing Agent may indicate that the primary photo (secondary photos will not be copied) of a property already existing in the GFC CMLS system and originally entered by her/himself, or an agent in the listing agent's current office, should be copied to the new listing. In this case the Listing Agent must also clearly and accurately indicate the listing number for the property from that contains the photo to be copied. (2.) Using RE/Xplorer 2, the Listing agent may enter a digital photo directly from their computer, (3.) A digital photo file(s), in ".jpg" file format may be e-mailed, as an attachment(s), to photos@ct-mls.com or (4.) Photos may be hand delivered or mailed directly to the GFC CMLS. There is no fee charged for including photographs or copying photos from one listing to another.

Section 4.21 Listing Subject To Rules and Regulations of GFC CMLS: Except for Office Exclusive listings, all listings procured through a Participant's Subscribers from within the GFC CMLS service area shall be loaded into the System or submitted to GFC CMLS and are immediately subject to GFC CMLS Rules and Regulations.

Section 4.22 Deadlines: The deadlines for Publication of listings, photographs and changes are set forth on Schedule C.

Section 4.23 Data Errors: After written notice from the Listing Broker of any errors or omissions in data loaded by GFC CMLS, GFC CMLS's sole responsibility shall be to correct any such errors or omissions in the GFC CMLS System. A Participant shall correct all errors or omissions in data loaded by such Participant or its Subscribers. GFC CMLS will not be responsible for errors or omissions with respect to listing information, regardless of whether the Listing Broker or GFC CMLS loaded such data.

Section 4.26 Accepted Offers: The Listing Agent shall report all accepted offers as "Contingent," "Pending", "Sold or "Rented" within two (2) Calendar Days of the effective date of such status. No status change will be accepted by GFC CMLS without all required data. Failure to comply may subject Participants and Subscribers to the penalties detailed in Section 9.6.

- a) "Continue to Show " (CTS). Any accepted offer with a contingency other than financing and routine inspections shall be reported as "continue to show" (CTS) until such offer becomes "pending", "sold" or "canceled". Contingent sales will remain as active listings in the GFC CMLS System for thirty (30) days at which time they are automatically converted to a "Pending" status, or until a status change is reported, or the listing "expires".

- b) "Pending" Any accepted offer with no contingencies other than financing and routine inspections shall be reported as "Pending." Listings with "Pending" status will not remain as active listings, but will remain in the GFC CMLS System as "Pending" until reported "Sold" or canceled. "Pending" sales will not "Expire" unless such "Pending" sale is reported "Canceled".
- c) "Sold" Any property that has closed shall be reported as "Sold".
- d) "Rented" Any property that's been rented shall be reported as "Rented".

Section 4.28 Closings on Listed Properties: The Listing Agent shall report all closings on listed properties within two (2) calendar days after they occur. Failure to comply may subject Participants and Subscribers to the penalties detailed in Section 10.6.

Section 4.30 Withdrawal of Listing Prior to Expiration: Listings may be withdrawn from GFC CMLS by the Listing Agent before the expiration date of the listing agreement provided the Listing Broker obtains a written statement signed by the Owner stating his/her desire to withdraw such listing from GFC CMLS. Such statement shall be provided to GFC CMLS within two (2) working days of request. Failure to comply may subject Participants and Subscribers to the penalties detailed in Section 10.6.

SECTION VII - DIVISION OF COMMISSIONS

Section 7.2 Payment of Compensation: Unless otherwise agreed between the Listing Broker and the Cooperating Broker, the Listing Broker shall immediately cause the Cooperating Broker to be sent his/her share of the commission, fee or other compensation after the collection of the same commission by the Listing Broker.

Section 7.3 Cooperative Compensation Specified on Each Listing: Each listing placed on the GFC CMLS System must offer compensation to GFC CMLS Participants. The listing broker shall specify, on each listing filed with GFC CMLS, the compensation offered to other GFC CMLS Participants for their services in the sale of such listing. The essential and appropriate requirement is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance. The compensation specified on listings published by GFC CMLS shall be shown in one of the following forms: a) by showing a percentage of the gross selling price; or b) by showing a definite dollar amount.

Note: When placing a property in the GFC CMLS System, the Participant of the Service is making blanket unilateral offers of cooperation and compensation to the other Participants, and shall therefore specify on each listing placed in the GFC CMLS System the compensation being offered to the other Participants. Specifying the compensation on each listing is necessary because the cooperating broker has the right to know what his/her compensation shall be prior to his/her endeavor to sell.

The listing broker retains the right to determine the amount of compensation offered to Subagent and to Buyers Agents, which may be the same or different. This shall not preclude the listing broker from offering any GFC CMLS Participant compensation other than the compensation indicated on any listing published by GFC CMLS provided the listing broker informs the other broker in writing in advance and provided that the modification of the specified compensation is not the result of any agreement among all or any other Participants in GFC CMLS. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

SECTION XI: SANCTIONS FOR VIOLATIONS

Section 11.5 Enforcement of Mandatory Listings:

- a) If a mandatory listing as defined in Section 4.1 or the seller(s) waiver for such listing as provided in Section 4.6, are not submitted to GFC CMLS as required by these Rules and Regulations, the following fines shall be automatically imposed by GFC CMLS on the responsible Participant.
 - 1) per day up to a maximum of \$25.00 for the first such listing in any thirty (30) day period;
 - 2) per day up to a maximum of \$125.00 for the second such listing in any thirty (30) day period;
 - 3) per day up to a maximum of \$250.00 for the third such listing in any thirty (30) day period; and
 - 4) per day up to a maximum of \$625.00 for the fourth such listing in any such thirty (30) day period.

SECTION XVI - LOCK BOX SYSTEM

Section 16.1 GFC CMLS Lock Box System: GFC CMLS shall provide a Lock Box system to Participants/Subscribers for the purpose of providing access to properties placed on the GFC CMLS database for legitimate real estate business subject to their execution of a lease agreement. This lease agreement shall provide that keys may not be used under any circumstances by anyone other than the keyholder. Electronic Lockboxes may only be placed on properties that are listed by a Subscriber to the GFC CMLS Electronic Lockbox program. Electronic Lockboxes shall not be placed on any property that is not in the GFC CMLS database. This system shall be provided by a recognized Lockbox vendor. GFC CMLS shall charge fees as may be set from time to time to defray the costs of the lock box system. Current GFC CMLS Lockbox fees are set forth on Schedule A.

Section 16.2 Allowing another person to use a Keypad /Entry Card is disallowed: Only the Subscriber specifically authorized in the “Advantage Express Entry Card Agreement” may utilize their Keypad/Entry Card. Sharing or loaning the Keypad/Entry Card to any Non-Lockbox System Subscriber, including, without limitation, the Subscriber’s broker, other Subscribers, home inspectors, appraisers or the homeowner is expressly prohibited. The penalty for the first violation of this policy shall be a one hundred dollar fine. The penalty for the second violation of this policy shall be both a five hundred dollar fine and a ninety-day suspension of lockbox privileges.

Section 16.3 Storing the PIN with a Keypad/Entry Card is disallowed: PIN codes are never to be attached to or stored with a Keypad/Entry Card. The penalty for the first violation of this policy shall be a one hundred dollar fine. The penalty for the second violation of this policy shall be both a five hundred dollar fine and a ninety-day suspension of lockbox privileges.