

CANOPY MLS COMPLIANCE PROGRAM

RECEIVING A COMPLIANCE NOTICE?

DON'T PANIC!

Although receiving a compliance notification is unsettling, in most instances, a simple correction is usually all that is required. Each compliance notification describes the action the agent should take to correct the error. In the most severe cases, a \$100 or \$1,000 fine must be paid. Receiving more than ten Category I violations in a calendar year results in higher fines, and additional education required.

Receiving more than three Category II and/or Category III violations in a calendar year requires a hearing.

APPEAL PROCESS

If the Member Participant or Subscriber believes the compliance notice was issued in error, there is an appeal process that provides the opportunity to request a hearing with the Canopy Realtor® Association Professional Standards Committee. Information about the appeal process is included with each compliance notification.

For additional information about Canopy MLS's compliance program, contact Dana Gibbs-Haney at compliance@canopyrealtors.com or 704-940-3159, Opt. 4.

The Canopy MLS Rules and Compliance Program makes possible the high-quality listing data you find in the MLS, powering brokerage websites and business tools.

LISTING DATA CHECKER

- ▶ Canopy MLS uses a tool called Listing Data Checker, an application designed to help multiple listing services validate the quality and accuracy of their data, and enforce the correction of incomplete and inaccurate data.
- ▶ Canopy MLS staff also uses Listing Data Checker to enforce violations of the Canopy MLS Rules and Regulations that cannot be detected by searching the listings, such as Supra key violations and to process complaints reported by Canopy MLS members.

Before submitting a complaint, Canopy MLS staff encourages Subscribers, whenever possible, to report violations to one another prior to initiating a [Canopy MLS Violation Report](#). However, if a complaint needs to be submitted, it should be in writing, with as much evidence and supporting documentation as possible.

COMPLIANCE NOTIFICATIONS

There are three types of compliance notification e-mails:

- ▶ **COURTESY**
These do not carry any fines and are not tracked for correction.
- ▶ **WARNING**
This type of notification provides a grace period of two business days to correct the error. If the error is not corrected within the grace period, a fine is issued.
- ▶ **FINE CITATIONS**
Immediate fines are issued under these citations and no grace period is provided for correction.

REVIEW YOUR LISTINGS FOR COMPLIANCE

- ▶ Listing Data Checker integrates with Matrix and provides the "[Listing Compliance Check](#)" tool that highlights potential compliance issues so agents can correct them right away, to avoid a receiving a compliance notice.
- ▶ Agents should always review their listings to ensure that all required fields are filled in completely and accurately.
- ▶ Each Canopy MLS subscriber is responsible for reading completely and complying with the Canopy MLS Bylaws and Rules and Regulations. To obtain a copy of the most current version of the Canopy MLS Rules and Regulations, go to Brokerrelations.Canopyrealtors.com | [Compliance Education](#) | [Canopy MLS Rules and Regulations](#)

Modify property

MLS#: 1234567
City Tx Paid To: Charlotte
County: Mecklen
Subdivision: None
Category: RESI
Type: Single Family

Select Form

Residential Add/Edit
Team Information Update
Delete Incomplete Listing

Other Options

Manage Photos
Manage Attachments
Listing Compliance Check
Manage ShowingTime

Cancel

COMPLIANCE CATEGORIES

CATEGORY I

- ▶ Digital image required.
- ▶ Duplicate listing error.
- ▶ Entering a combination Lockbox code or security system code in any field of the MLS system.
- ▶ Inaccurate data - City Taxes Paid To field.
- ▶ Inappropriate branding.
- ▶ Incomplete/inaccurate data.
- ▶ Incorrect closed price.
- ▶ Incorrect mapping.
- ▶ Incorrect selling agent/office.
- ▶ Misabeled below-grade sqft/room levels.
- ▶ Square footage violation-incomplete info.
- ▶ Undisclosed Limited Service Listing violation.
- ▶ Virtual tour error.

CATEGORY II

- ▶ Co-listing violation.
- ▶ Compensation error.
- ▶ Entering a listing in the MLS without a valid, signed listing agreement.
- ▶ Failure to comply with any of the Internet Data Exchange (IDX) or the Virtual Office Website (VOW) rules within five (5) days of written notification from Canopy MLS.
- ▶ Failure to enter into a written buyer agreement prior to touring a home.
- ▶ Failure to provide Canopy MLS with requested documentation within two (2) business days.
- ▶ Failure to provide required consumer disclosures of compensation.
- ▶ Failure to remove a listing upon termination of a listing agreement.
- ▶ Listing Accessibility rule and policy violation.
- ▶ Listing status change violation.
- ▶ Making an appointment for a showing or negotiating with the Seller without the permission of the Listing Brokerage, unless after reasonable effort, the Cooperating Brokerage is unable to contact the Listing Brokerage.
- ▶ Making an offer of compensation on the MLS.
- ▶ Membership policy violation.
- ▶ Unauthorized advertising of another brokerage's listing.
- ▶ Unauthorized use of Listing Content.
- ▶ Unauthorized use of system.
- ▶ Using MLS data or data feeds to establish a platform to make offers of compensation from multiple brokers.

CATEGORY III

- ▶ Clear Cooperation/late listing input violation.
- ▶ Failure to safeguard Key or Lockbox code.
- ▶ Unauthorized access of property.
- ▶ Unauthorized installation or use of Lockbox.
- ▶ Unauthorized presence of potential buyer at appointment or showing.
- ▶ Unauthorized removal of keys from Lockbox.

CATEGORY IV

- ▶ Coming Soon-No Show status showing violation.
- ▶ Unauthorized use of electronic Lockbox key.
- ▶ Unauthorized disclosure of login and password.

COURTESY

- ▶ Potential fair housing violation, and potential misuse of the "55 and "older" option.

COMPLIANCE FINE SCHEDULE	1ST VIOLATION	ADDITIONAL VIOLATIONS	NONCOMPLIANCE	NONPAYMENT
Category I	No fine	\$100 for same offense by the same individual within the same calendar year, up to ten violations.*	\$100	\$200
Category II	\$100	\$100*	\$200	\$200
Category III	\$500	\$500*	\$300	\$200
Category IV	\$1,000	2nd \$3,000 3rd Suspended from Canopy MLS for one year.	\$500 + Suspended until paid	Suspended until paid

NOTE: If more than ten Category I violations in a calendar year, subsequent violations carry an immediate \$500 fine, and completion within 45 days a virtual education session relevant to the areas of concern. If more than three violations of Category II or Category III within a calendar year, a hearing is required.