

LISTING PROCEDURES

SECTION 1: REQUIRED LISTING CHARACTERISTICS: Listings submitted to the MLS shall possess all the following characteristics:

1. The subject of the listing must be real property, for sale, exchange or lease.
2. The listing must belong to a real estate brokerage.
3. The listing must qualify for one of the following property categories: 1) single-family, 2) condo/townhouse, 3) multi-family, 4) land, lots and acreage, 5) commercial or 6) rental.
4. The listing must be subject to one of the following two types of listing agreements as defined by the National Association of Realtors® (NAR):
 - **Exclusive Right to Sell Listing Agreement:** A contractual agreement under which the Listing Brokerage acts as the agent of the Seller(s), and the Seller(s) agrees to pay a commission to the Listing Brokerage, regardless of whether the property is sold through the efforts of the Listing Brokerage, the Seller(s), or anyone else, except that the Seller(s) may name one or more individuals or entities as exemptions in the listing agreement and if the property is sold to any exempted individual or entity, the Seller(s) is not obligated to pay a commission to the Listing Brokerage. *(Amended 1-07)*
 - **Exclusive Agency Listing Agreement:** A contractual agreement under which the Listing Brokerage acts as the agent of the Seller(s), and the Seller(s) agrees to pay a commission to the Listing Brokerage if the property is sold through the efforts of any real estate broker. If the property is sold solely through the efforts of the Seller(s), the Seller(s) is not obligated to pay a commission to the Listing Brokerage. *(Amended 1-07)*
5. The Seller, in the listing agreement, must authorize the Listing Brokerage to offer cooperation and compensation to the other Member Participants of Canopy MLS acting as subagents or buyer agents or in other agency or non-agency capacities defined by law. *(Amended 10-97)*
6. **SIGNATURES OF SELLER(S) ON LISTING AGREEMENT:**

~~a. **SIGNATURES OF HUSBAND AND WIFE:** Any listing agreement, when submitted to the MLS, is required to contain the signatures of both husband and wife where the property is either separately owned by one or jointly owned by both at the time of conveyance.~~

~~b.a.~~ **SIGNATURES OF ALL PROPERTY OWNERS OF RECORD:** All owners having an ownership interest must sign the listing agreement.

~~e.b.~~ **SELLER NOT OWNER OF RECORD:** When the Seller of a property does not hold title but has a contract to receive title on the property, the Listing Brokerage must indicate, "Seller does not yet own," in the "Ownership" field. *(Amended 01-11)*

A "Seller" is defined as the person or entity described as such in an Exclusive Right to Sell listing agreement or an Exclusive Agency listing agreement with respect to the property in question. *(New Section Approved 8-97)*

Entering a listing in the MLS without a valid, signed listing agreement is a Category II violation as described in Section 9.4.2 and carries a fine.

7. **DETAILS ON LISTINGS SUBMITTED TO THE SERVICE:** When a listing is submitted to the MLS, the Listing Brokerage shall complete the listing agreement and property data form in every detail which is reasonably ascertainable. The Listing Brokerage shall not enter the listing into the computer unless all required fields on the property data form and listing agreement are filled. When “other” is used in any field of a listing, the Listing Brokerage shall provide an explanation in the remarks field.
8. **LISTING PRICE SPECIFIED:** The Listing Brokerage must include the full gross listing price stated in the listing agreement in the information submitted to the Service, unless the property is subject to auction. If the property is subject to auction, the listing must include an actual list price, assessed value, starting bid or market value in the list price field. *(Amended 5-07)*
9. **TERMINATION DATE OF LISTINGS:** Listings submitted to the Service shall bear a definite and final termination date as negotiated between the Listing Brokerage and the Seller.

SECTION 1.1: REQUIRED LISTINGS: ~~With the exception of commercial and rental listings,~~ All Exclusive Right to Sell and Exclusive Agency listings meeting the requirements of Section 1 and located within the Service Area are required to be submitted to the MLS, except for properties defined as Optional Listings in Section 1.2 below.

Failure to input a new listing required to be entered into the MLS System is a Category II violation as described in Section 9.4.2 and carries a fine.

SECTION 1.1.1 LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE: All listings taken by Member Participants are subject to these rules. The Listing Brokerage must input each listing required to be submitted to the Service after obtaining the Seller's signature on the listing agreement and within one (1) business day of the "Effective Date" (or, if applicable, the "Delayed Marketing Date" as it is known in North Carolina) or the beginning date of the term of the listing (for South Carolina). ~~Withheld listings as defined in Section 1.2 #3 cannot be entered into the MLS system by the Listing Brokerage once the listing is under contract.~~

Canopy MLS prohibits the listed property from being previewed or shown by the Seller or any real estate agent, including Firm's agents, prior to the Delayed Marketing Date or the beginning of the term of the listing unless the listing is a Firm Exclusive Listing as defined in Section 1.2.1 below.

SECTION 1.1.2: CLEAR COOPERATION: Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.

Note: Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Policy. This applies to any listing filed under Section 1 and any listing exempt from distribution under Section 1.2.1 of the Canopy MLS Rules and Regulations if the listing is being publicly marketed, and any other situation where the listing broker is publicly marketing an exclusive listing that is required to be filed with the service and is not currently available to other MLS Participants.

SECTION 1.2: OPTIONAL LISTINGS: The Listing Brokerage may, with the informed consent of the Seller/landlord, submit the following types of listings to the MLS.

1. EXCLUSIVE AGENCY LISTINGS

2.1. PROPERTIES FOR LEASE: The Listing Brokerage may submit to the MLS real property for lease, listed subject to a written agency agreement between a landlord and real estate broker to procure tenants or receive rents for the landlord's property, which makes it possible for the Listing Brokerage to offer cooperation and compensation to other Member Participants of the MLS.

~~**3. WITHHELD LISTINGS:** If the Seller refuses to permit the listing to be disseminated by the Service, the Listing Brokerage must submit a certification signed by the Seller that he/she does not want the listing to be disseminated by the Service within two business days from the "Effective Date" (or if applicable the "Delayed Marketing Date" as it is known in North Carolina) or the beginning date of the term of the listing (for South Carolina). Canopy MLS recommends use of the "Canopy MLS Certification by Seller to Withhold Listing" form. Withheld listings cannot be entered into the MLS system by the Listing Brokerage once the listing is under contract.~~

~~**4.2.** Canopy MLS will accept but cannot require listings of property located outside the Service Area. (Amended 6-17-99)~~

3. COMMERCIAL LISTINGS

~~5.~~

~~**6.4. AUCTION PROPERTIES:** Canopy MLS accepts exclusively listed property that is subject to auction (Absolute Auction or Auction With Reserve) or Online Auction; however, any listing submitted is entered into within the scope of the Listing Brokerage's licensure and in accordance with all other requirements for listing input. Such listings must include an actual list price, assessed value, starting bid or market value in the list price field, and all required fields must be completed. If a "Starting Bid" cannot be established in accordance with these rules, then an actual "List Price," "Assessed Value" or "Market Value" must be input into the "List Price" field. Compensation must be offered as described in the entire Section 6 of these rules. The auction firm name/auctioneer and auction firm/auctioneer license number must be included in the "Public Remarks" field, but no other contact information may be included in the "Public Remarks." Any other contact information or bidding website, if applicable, must be included in the "Agent Remarks."~~

Absolute Auction: An absolute auction, also known as an auction without reserve, means an auction where the real or personal property offered for auction is sold to the highest bidder (i) without the requirement of any minimum bid; (ii) without competing bids

of any type by a seller or agent of a seller, and (iii) without any other limiting condition of sale. (NCAR Standard Form 601)

Auction With Reserve: An auction with reserve, also known as a sale subject to confirmation (this does not mean confirmation by a court, only acceptance by the seller), means an auction in which a seller reserves the right to establish a minimum bid, to accept or decline any and all bids, or to withdraw the property at any time prior to the announcement of the completion of the sale by the broker. (NCAR Standard Form 601)

Online Auction: Offers are submitted online using a third-party bidding opportunity, such as with bidselect.com, realtybid.com, HMBIREO.com, etc. Real estate brokers are cautioned to not cross the line separating real estate brokerage from auctioneering. An auctioneer license is required if there will be more than one round of bidding, and Listing Brokerages are encouraged to consult with NCREC and the N.C. Auctioneer Licensing Board for guidance. (Revised 12-08)

5. FRACTIONAL LISTINGS: Canopy MLS will accept fractional listings, but not timeshare listings. A fractional listing is defined as a listing where the buyer receives a recorded deed for a share of the property, while a timeshare listing is defined as a listing where the buyer receives a right to use the property, but not own any portion of the property itself. Legal restrictions can apply to fractional ownership, including state real estate law, private deed restrictions and federal/state securities law. If a Participant chooses to enter a fractional listing into the MLS, (i) "Fractional Ownership" under the "Special Conditions" field must be selected, and (ii) the number of shares or amount of ownership must be expressed as either a percentage or a fraction (for example: "Fractional ownership of 75%" or "Fractional ownership of $\frac{3}{4}$ ") in the first line of the "Public Remarks" field. Shares of an LLC cannot be listed in Canopy MLS, because the sale of shares of an LLC involves legal situations that are not typical of real estate sales.

6. New Construction that is "Proposed" and "Under Construction": The Listing Brokerage may submit New Construction properties to the MLS that are "proposed" and "under construction" that have not received a certificate of occupancy. "New Construction" means the certificate of occupancy is no more than two years old, the home has never been lived in, and New Construction does not include remodeling. If a New Construction property is not already under contract when the certificate of occupancy is issued, and the property meets the requirements of Section 1, then the property is required to be submitted to the MLS. If the property is under contract at the time the certificate of occupancy is issued then the property may be either: (1) entered as a new listing and immediately updated to under contract status, or (2) entered for comparable purposes after it closes (see Section 3.6).

SECTION 1.2.1: EXEMPT LISTINGS: If the Seller refuses to permit the listing to be disseminated by Canopy MLS, the Listing Brokerage may then take the listing (Firm Exclusive). The Listing Brokerage must submit the "Firm Exclusive Agreement" form to Canopy MLS. The form must be initialed where required and signed by the listing agent(s), listing broker and seller(s) affirming that they do not want the listing to be disseminated by Canopy MLS.

Failure to submit the required "Firm Exclusive Agreement" within two (2) business days from the "Effective Date" is a Category II violation as described in Section 9.4.2.

Note 1: Section 1.2.1 is not required for Optional Listings as described under Section 1.2.

Note 2: MLS Participants must distribute exempt listings within (1) one business day once the listing is publicly marketed. See Section 1.1.2: Clear Cooperation.

SECTION 1.3: PROHIBITED LISTINGS: Canopy MLS does not regulate the type of listings Member Participants may take. However, Canopy MLS does not accept Net Listings, Open Listings or business opportunities (including but not limited to shares of an LLC).

NET LISTINGS: A brokerage fee arrangement in a listing contract whereby the Seller will receive a fixed price for his property and the broker will receive any amount realized (i.e., the “net”) in excess of that price. Net listings are deemed unethical and, in most states, illegal. The Real Estate Commission (both North and South Carolina) strongly discourages the use of Net Listing agreements.

OPEN LISTINGS: A contractual agreement under which the listing broker acts as the agent of the Seller(s), and the Seller(s) agrees to pay a commission to the listing broker only if the property is sold through the efforts of the listing broker. The inherent nature of an Open Listing is such as to usually not include the authority to cooperate and compensate other brokers and inherently provides a disincentive for cooperation.
(Amended 1-07)

CO-LISTINGS: Listings that are co-listed with other licensees who are not Member Participants or Subscribers of Canopy MLS must not be entered into the MLS.

~~**SECTION 1.4: LISTINGS SUBJECT TO RULES AND REGULATIONS OF THE SERVICE:** All listings taken by Member Participants are subject to these rules. The Listing Brokerage must input each listing required to be submitted to the Service after obtaining the Seller's signature on the listing agreement and within 48 hours (excluding holidays and weekends) of the “Effective Date” (or if applicable the “Delayed Marketing Date” as it is known in North Carolina) or the beginning date of the term of the listing (for South Carolina). Withheld listings as defined in Section 1.2 #3 cannot be entered into the MLS system by the Listing Brokerage once the listing is under contract.~~

SECTION 3.5: REPORTING CONTRACTS AND SALES TO THE SERVICE: All Member Participants and Subscribers are obligated to report status changes, including final closings of sales, on listings submitted to the Service, regardless of the level of service or type of listing agreement associated with the listing. Reporting sales information is a condition of submitting any listing to the Service.

- a. Pending sales shall be reported to the MLS (Under Contract-Show or Under Contract-No Show status) by the Listing Brokerage within two (2) business days~~48 hours (excluding holidays and weekends)~~ after the “Effective Date” as defined in the purchase agreement, or as otherwise determined under applicable state law.
- b. Pending sales that will remain on the market shall be reported as such to the MLS (Under Contract-Show status) by the Listing Brokerage within two (2) business days~~48 hours (excluding holidays and weekends)~~ after the “Effective Date” as defined in the purchase agreement, or as otherwise determined under applicable state law.

- c. When a complete application (including all signed paperwork and any associated application fees) is received by the Listing Brokerage for real property for lease, the status shall be reported to the MLS as "Application Received" within one (1) business day ~~24 hours (excluding holidays and weekends)~~.
- d. The Listing Brokerage shall report to the MLS the cancellation of any pending sale and, unless it has expired, the listing shall be reinstated (back-on-market status) within two (2) business days ~~48 hours (excluding holidays and weekends)~~ after the Listing Brokerage becomes aware of the cancellation.
- e. The Listing Brokerage shall report closed sales and sales prices to the MLS (sold status) within five days (excluding holidays and weekends) after the closing. For new-construction listings, a valid street address must be reported to the MLS as soon as possible and no later than the close of the sale.
- f. ~~The Listing Brokerage shall withdraw any Exclusive Agency listing which the Seller sells without the assistance of either the Listing Brokerage or a Cooperating Brokerage (do not report as "Closed")~~.

Failure to report a listing's change of status as described above is a Category II violation as described in Section 9.4.2 and carries a fine. *(Amended 10-15)*

SECTION 3.6: DATA ENTERED FOR "COMPARABLE PURPOSES": Sales input for comparable purposes must provide at least one photo, must provide complete data in all required fields, and the "Listing Agent" and "Selling Agent" fields must accurately reflect the transaction side represented by the member. A copy of the listing agreement or buyer agency agreement, purchase agreement and settlement statement must be maintained in the company files and can be requested by the Canopy MLS staff to verify the information entered into the MLS system.

The following types of pending sales can be input for comparable purposes: reported to the MLS (Under Contract Show or Under Contract No Show status) by the Listing Brokerage, but are not required. When pending sales are reported the data must be input within 48 hours (excluding holidays and weekends) after the "Effective Date" as defined in the purchase agreement, or as otherwise determined under applicable state law.

- New construction listed as a multiple unit property as defined in Section 1.18. A valid street address must be reported to the MLS as soon as possible and no later than the close of the sale.
- ~~"Withdrawn" or "Expired" listings if the sale occurs as a result of the property having been listed in the MLS~~ within the "Protection Period" defined in the listing agreement, and the listing brokerage represents the seller in the transaction.
- Firm Exclusive ~~Withheld~~ ~~!~~ listings as defined in Section 1.2.1 #3 ~~cannot~~ be entered into the MLS system by the Listing Brokerage once the listing is under contract Closed, unless prohibited in writing by the seller.
- Selling Agent Comp listings include non-represented seller transactions, non-member listing agent transactions and unlisted new construction transactions.

~~**Unlisted Buyer Agent Sales:** Buyer agents can report closings of unlisted property (i.e., for sale by owner listings) and closings of withheld listings as defined in Section 1.2#3 within five business days after the closing if the sale and buyer were subject to an Exclusive Buyer Agency Agreement. *(New Section Approved 03-15)*~~

ENFORCEMENT OF RULES OR DISPUTES

SECTION 9: CONSIDERATION OF ALLEGED VIOLATIONS: Canopy MLS considers all complaints alleging a violation of the Rules and Regulations, including but not limited to complaints initiated by MLS staff or staff of Realtor® Associations. Canopy MLS reserves the right to request complaints be submitted in writing.

SECTION 9.1: VIOLATIONS OF RULES AND REGULATIONS: If the Staff determines an alleged offense is a violation of Rules and Regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, Staff will process the complaint as described in this Section 9.

SECTION 9.2: COMPLAINTS OF UNETHICAL CONDUCT: Canopy MLS refers alleged violations involving complaints of unethical conduct or requests for arbitration to the Grievance Committee of the Canopy Realtor® Association for appropriate action in accordance with the usual procedures under terms of the Canopy Realtor® Association Bylaws and the Code of Ethics and Arbitration Manual.

SECTION 9.3: COMPLAINTS OF UNAUTHORIZED USE OF LISTING CONTENT: Canopy MLS requires the Listing Brokerage to obtain the necessary rights to use and reproduce the photographs, images, PDF documents, text files and artist renderings, audio or video recordings, and virtual tours (“Media”) from the copyright holder for use by the MLS and all other authorized entities anywhere the MLS data is intended to appear. The Listing Brokerage indemnifies Canopy MLS in the event of any legal proceeding relating to the reproduction of the Media by Canopy MLS or other authorized entities. By submitting Media to the MLS, the submitting Listing Brokerage grants the MLS and the other Member Participants and Subscribers the right to reproduce and display the Media in accordance with these rules and regulations. Member Participants and Subscribers may use Media from the MLS only for purposes of finding buyers for properties listed in the Service or for the preparation of appraisals, consistent with the rules and regulations. Canopy MLS reserves the right to reject or remove any digital image submitted that includes any embedded, overlaid, or digitally stamped text, personal advertising or promotion as well as people or persons. Before a Member Participant or Subscriber copies the Media submitted by another Listing Brokerage to a new listing, the Member Participant or Subscriber must obtain the written permission of the owner of the Media.

Any Member Participant, who believes another Member Participant has engaged in the unauthorized use or display of listing content and Media shall send notice of such alleged unauthorized use to the MLS in writing, specifically identifying the allegedly unauthorized content. Alleged violations will be processed as Category I violations as described in Section 9.4.1 below. No participant may pursue action over the alleged unauthorized use and display of listing content and Media in a court of law without first completing the notice, response, and appeal procedures outlined in this entire Section 9 of the MLS rules. If after (10) days following the final determination by the Executive Committee the alleged violation remains uncured (i.e. the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law.

SECTION 9.4: MLS VIOLATION REPORT/VIOLATION CATEGORIES: Anyone may report the discovery of inaccurate or incomplete information in the MLS database. Staff will check the database to confirm the violation. If Staff cannot verify the complaint alleging a violation of the *Canopy MLS Rules and Regulations* by checking the database or tax records, then

the complainant must submit the complaint in writing. The complainant may send (mail, fax or email) the MLS Violation Report to Staff.

If Staff is able to independently verify the violation reported by the complainant, then Staff will maintain the confidentiality of the complainant. However, if a complaint goes to a hearing, and the panel requires evidence from a complainant, the respondent is given the opportunity to confront the evidence and the complainant.

MLS Member Participants may not take legal action against another Member Participant for alleged rules violation(s) unless the complaining Member Participant has first exhausted the remedies provided in these rules.

If a violation occurs, it will fall into one of four categories:

SECTION 9.4.1: CATEGORY I VIOLATIONS: Considered to be “correctable violations” and do not carry a fine for the first violation.

- A. **Staff Action:** Staff will send "Listing Complaint Notification", by email to the attention of the respondent and the respondent's Member Participant.
- B. **Fine:** There is no fine for the first Category I violation.
- C. **Compliance:** The Member Participant must correct the violation within two (2) business days~~48 hours (excluding weekends and holidays)~~.
- D. **Non-Compliance:** If the respondent does not correct the violation within two (2) business days~~48 hours (excluding weekends and holidays)~~, and the respondent has not indicated plans to appeal the alleged violation, Canopy MLS will assess a Category I Non-Compliance Fine as described in Section 9.5: Compliance Fee Schedule.
- E. **Repeat Violations:** Repeat violations carry fines as outlined in Section 9.5: Compliance Fee Schedule.
- F. **Violations Include:** Any violation of the *Canopy MLS Rules and Regulations* not specifically addressed by Category II, III or IV.

SECTION 9.4.2: CATEGORY II VIOLATIONS: Considered serious violations. Many are not “correctable” and therefore incur an immediate fine.

- A. **Staff Action:** Staff will confirm whether a violation occurred. If there is no violation, the matter is closed. Staff will contact the person who filed the original complaint if that person requested notification of the alleged violation outcome. When the respondent has violated the “Canopy MLS Rules and Regulations,” Staff will send a "Listing Complaint and Fine Notification" to the attention of the respondent and the respondent's Member Participant.
- B. **Fine:** See Section 9.5: Compliance Fee Schedule.
- C. **Compliance:** The respondent must correct the violation (if the violation is correctable) within two (2) days~~48 hours (including weekends and holidays)~~.
- D. **Non-Compliance:** If the respondent does not correct the violation (if correction is possible) within two (2) days~~48 hours (including weekends and holidays)~~, and the Member Participant has not indicated plans to appeal the alleged violation, Canopy MLS will assess a Category II Non-Compliance Fine as described in Section 9.5: Compliance Fee Schedule.
- E. **Repeat Violations:** Repeat violations carry fines as outlined in Section 9.5: Compliance Fee Schedule.
- F. **Violations include (but are not limited to):**
 - 1. Failure to input a new listing required to be entered into the MLS System.

2. Failure to indicate that a listing is a Limited Service Listing as described under Section 1.5.
3. Failure to ~~produce~~submit a ~~signed listing~~Firm Exclusive ~~a~~Agreement within ~~48 hours (including holidays and weekends)~~two (2) business days from the Effective Date of the listing agreement ~~when requested by Staff~~ indicating that the Seller, the listing brokerage and any other entity cannot publicly market the listing, which includes, but is not limited to: flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public ~~refuses to permit the dissemination of the listing by the MLS service.~~
4. Failure to report a listing's change of status as required by Section 1.14 and Section 3.5, or failure to report a listing's correct status. (*Amended 7-08*)
5. Failure to include a Cooperating Brokerage when an offer is made to the Seller except where the Seller prohibits this in writing. The Listing Brokerage must provide a copy of the Seller's written instructions to the Cooperating Brokerage on request.
6. Failure to include the Listing Brokerage when a counteroffer is made to the purchaser except if the purchaser prohibits this in writing. The Cooperating Brokerage must provide a copy of the purchaser's written instructions to the Listing Brokerage on request.
7. Failure to comply with any of the Internet Data Exchange (IDX) or the Virtual Office Website (VOW) rules within five days of written notification from Canopy MLS.
8. Entering a listing in the MLS without a valid, signed listing agreement.
9. Failure to remove a listing upon termination of a listing agreement.
10. Making an appointment for a showing or negotiating with the Seller for the purchase of listed property submitted to the Service without the permission of the Listing Brokerage, unless after reasonable effort, the Cooperating Brokerage (subagent or buyer agent) is unable to contact the Listing Brokerage or his or her representative.
11. Failure to provide Canopy MLS with requested documentation within ~~two (2) days~~48 hours.
12. Entering a combination lockbox code or security system code in any field of the MLS System. (*Amended 10-11*)

SECTION 9.4.3: CATEGORY III VIOLATIONS: These violations pertain to possession and use of the Supra DisplayKEY, eKEY, SentriKey, SentriCard and Lockboxes, and failure to make an appointment with the Listing Brokerage prior to entering a listed property submitted to the Service.

- A. **Staff Action:** Staff will confirm whether a violation occurred. If there is no violation, the matter is closed. Staff will contact the person who filed the original complaint if that person requested notification of the alleged violation outcome. When the respondent has violated the *Canopy MLS Rules and Regulations*, Canopy MLS will send a "Listing Complaint and Fine Notification" to the attention of the respondent and the respondent's Member Participant.
- B. **Fine:** See Section 9.5: Compliance Fee Schedule.
- C. **Compliance:** If possible, the respondent must correct the violation within ~~48 hours (including weekends and holidays)~~two (2) days.
- D. **Non-Compliance:** If the respondent does not correct the violation within ~~two (2) days~~48 hours (including weekends and holidays), and the respondent has not

indicated plans to appeal the alleged violation, Canopy MLS will assess a Category III Non-Compliance Fine as described in Section 9.5: Compliance Fee Schedule.

- E. **Repeat Violations:** Repeat violations carry fines as outlined in Section 9.5: Compliance Fee Schedule.
- F. **Violations include (but are not limited to):**
 1. Any violation of Section 2, excluding Section 2 G 3 and 2 G 5. *(Amended 12-14)*
 2. Failure to make an appointment with the Listing Brokerage prior to entering a listed property submitted to the Service. *(Amended 9-19)*
 3. If the potential buyer will be present for the inspection then a licensed real estate agent must also attend, unless express written permission has been granted by the seller or seller's representative. *(Amended 9-19)*
 4. The person opening the Lockbox must be the person for whom the appointment was made unless expressly authorized in writing by the seller. *(Amended 8-19)*
 5. Unauthorized removal of keys from lockbox. *(Amended 7-19)*

SECTION 9.4.4: CATEGORY IV VIOLATIONS: This violation pertains to unauthorized disclosure of login name and password to the MLS System.

- A. **Staff Action:** Staff will confirm whether a violation occurred. If there is no violation the matter is closed. Staff will contact the person who filed the original complaint if that person has requested notification of the alleged violation outcome. When the respondent has violated the "Canopy MLS Rules and Regulations," Canopy MLS will send a "Canopy MLS Listing Complaint and Fine Notification" to the attention of the respondent and the respondent's Member Participant.
- B. **Fine:** See Section 9.5: Compliance Fee Schedule.
- C. **Compliance:** Must change password within two (2) days ~~48 hours (excluding weekends and holidays)~~
- D. **Non-Compliance:** If the respondent does not change the password immediately, a Category IV Non-Compliance Fine as described in the Compliance Fee Schedule will be assessed.
- E. **Repeat Violations:** Repeat violations will be fined as outlined in Section 9.5: Compliance Fee Schedule.
- F. **Violations include (but may not be limited to):**
 1. Unauthorized disclosure of login name and password to the MLS System. (Sec. 5.4)
 2. Any violation of Section 2 G 3 and 2 G 5
 3. Properties in Coming Soon-No Show status may not be shown. If the property is shown while in Coming Soon-No Show status, a \$1,000 fine is assessed to the listing agent.

SECTION 9.5: COMPLIANCE FEE SCHEDULE *(Amended 10-06)*

	Category I	Category II	Category III	Category IV
1 st Violation	None	\$100	\$500	\$1,000
Additional violations of the same offense by the same individual, whether Member Participant or Subscriber.	2 nd \$100 3 rd \$150	2 nd \$150 3 rd \$200	2 nd \$550 3 rd \$600	2 nd \$3,000 3 rd Expelled from Canopy MLS for a period of one year. Reinstatement requires the approval of the Canopy MLS Board of Directors.
	Fine will increase by \$50 for each additional occurrence to a maximum of \$500. Thereafter, fines shall be as determined by the Canopy MLS Board of Directors.			

Non-Compliance	\$100	\$200	\$300	\$500 + Suspension until paid
Non-Payment	\$200	\$200	\$200	N/A

SECTION 9.6: FAILURE TO PAY FINES: Failure to pay a fine within 20 days (including weekends and holidays) incurs a Non-payment Fine as described in the Compliance Fee Schedule. Every 30 days thereafter (including weekends and holidays) another Non-payment Fine may be levied if the fines are not paid. Failure to pay accumulated fines of \$500 or more may result in the termination of MLS services. Canopy MLS will send the respondent a "Notification of Intent to Terminate MLS Services." If the respondent does not pay accumulated fines within 10 days (including weekends and holidays) of the "Notification of Intent to Terminate MLS Services" Canopy MLS will terminate the respondent's services, and service will be reinstated when the fine(s) have been paid. *(Amended 2-03)*

SECTION 9.7: HEARING REQUEST: Any respondent, having reason to believe that the fine imposed on that respondent by the MLS is without merit, may file an "Canopy MLS Compliance Hearing Request" form. The request for a hearing must:

- 1) Include copies of any relevant documents;
- 2) Include payment of assessed fine;
- 3) Include an appearance deposit equal to ½ the assessed fine which will be returned to the respondent as long as the respondent is not deemed "non-appearing"; and
- 4) Be sent to the Canopy MLS Compliance Administrator within twenty (20) days after the "MLS Complaint and Fine Notification."

If in the opinion of Staff, the respondent is able to show compliance with all Rules and Regulations and that the fine was erroneous, Canopy MLS will refund the assessed fine and the appearance deposit. If the Staff is not satisfied that the respondent was or is in compliance with all Rules and Regulations then the respondent may request a hearing before the Professional Standards Committee of Canopy Realtor® Association.

Within 15 days of receiving a "Canopy MLS Compliance Hearing Request" form, Staff will send notice to the respondent requesting a hearing, offering two hearing dates and a list of the Professional Standards Committee members who may be selected to appear at the hearing.

The respondent then has 15 days (including weekends and holidays) to notify the Staff of the preferred date and of any objection to any Professional Standards Committee member. When the respondent has good cause the respondent may object to a Professional Standards Committee member who may be selected to sit on the Hearing Panel. The respondent must provide a written detailed explanation for the objection. Staff will review the objection and choose from the remaining Professional Standards Committee members to serve as Hearing Panel members when appropriate. If the respondent does not respond within the 15 days it will be considered a "non-appearance." The fine will stand and the respondent forfeits the appearance deposit.

Staff will fill last minute emergency absences by scheduled panel members with the scheduled alternate.

SECTION 9.8: MLS HEARINGS: Staff schedules members of the Professional Standards Committee to serve on panels as primary and alternate participants on a rotating basis. Staff schedules hearings as required.

SECTION 9.9: REQUESTS FOR DOCUMENTS: Members of the panel scheduled for a hearing may request any document(s) they deem relevant and necessary to the determination of the hearing, from the parties to the hearing. The parties to the hearing must provide the documents requested by the hearing panel. Canopy MLS deems any failure to provide requested documents a "nonappearance." The hearing will be canceled, and the respondent shall have no further recourse. If the respondent fails to provide requested documents, the respondent must forfeit the appearance deposit.

SECTION 9.10: CONTINUANCE OF HEARING: If any party fails to appear at the hearing and has not requested a continuance, the hearing shall proceed as scheduled. If the respondent fails to appear he/she forfeits the appearance deposit. One continuance may be granted if there are extenuating circumstances. The parties to the hearing must request the continuance in writing at least two (2) days~~48 hours~~ prior to the hearing date to the Staff. When a continuance is granted, Staff will coordinate a new date for the hearing. If the respondent fails to appear before the Professional Standards Hearing Panel for the second scheduled hearing pursuant to the continuance, the respondent forever waives the right to contest that fine which is the subject of said hearing.

SECTION 9.11: CANCELLATION OF HEARING REQUEST: The respondent who requested the "Canopy MLS Compliance Hearing Request" may cancel the request.

The request must be in writing and received (mail, fax or email) by noon of the business day preceding the hearing date in order to receive a refund of the appearance deposit in full. The Member Participant forever waives the right to contest the fine that was the subject of said hearing.

SECTION 9.12: RECORDING THE HEARING: Staff may tape-record the proceeding. Parties to the hearing may at their own expense have a court reporter present or tape record the proceeding. If transcribed, a transcript shall be sent to Canopy MLS.

SECTION 9.13: HEARING PROCEDURES: The Professional Standards Committee Hearing Panel is not bound by the rules of evidence applicable in courts of law, but shall afford all parties a full opportunity to be heard, present witnesses, and offer evidence, subject to its judgment as to relevance. All hearings are conducted in accordance with the NATIONAL ASSOCIATION OF REALTORS® Handbook on Multiple Listing Policy and such Rules as promulgated hereunder.

SECTION 9.14: AMENDING A COMPLAINT: At any time during the hearing, the complaint may be amended or upon motion of the Professional Standards Committee Hearing Panel to add previously uncited violations of the *Canopy MLS Rules and Regulations* or additional respondents. In such event the hearing, with the concurrence of the respondent to the complaint, may proceed uninterrupted or be reconvened on a date certain, not less than fifteen (15) or more than thirty (30) days from adjournment. If the respondent knowingly waives his or her right to the adjournment, the record should reflect the fact that the respondent was aware of the right to an adjournment but chose to proceed with the hearing without interruption on the basis of the amended complaint. If the hearing is adjourned to be reconvened at a later time, the amended complaint shall be filed in writing, signed by the Chairperson of the Professional Standards Committee Hearing Panel, and shall be promptly served on the respondent as in all other cases provided herein.

SECTION 9.15: HEARING APPEALS: The respondent may appeal a Hearing decision for an alleged violation of the “Canopy MLS Rules and Regulations.”

Within twenty (20) days of receipt of the hearing outcome, the respondent may file an appeal with the President for a hearing before the Executive Committee challenging the decision and/or recommendation for discipline. The respondent’s bases for appeal are limited to (1) a misapplication or misinterpretation of the Canopy MLS Rules and Regulations, (2) procedural deficiency or any lack of procedural due process, and (3) the discipline recommended by the Hearing Panel. A summary of the hearing shall be presented to the Executive Committee by the Chairperson of the Hearing Panel, and the parties and their counsel (if applicable) may be heard to correct the summary. No new evidence will be received (except such new evidence as may bear upon a claim of deprivation of due process), and the appeal will be decided on the summary.

The Executive Committee will hear appeals of determinations by the Professional Standards Committee Hearing Panel.

A \$100 deposit will be charged for an appeal of a hearing decision.

SECTION 9.16: HEARING OUTCOME: Canopy MLS shall return the respondent’s appearance deposit in full if the respondent has appeared. The Professional Standards Committee Hearing Panel will submit their decision in writing, signed by all panel members to the Staff and the parties to the hearing, within 10 days. If a majority of the Professional Standards Committee Hearing Panel finds that the respondent violated a rule or regulation the fine stands. If a majority of the Professional Standards Committee Hearing Panel finds that the respondent’s appeal prevails on its merits, the panel may revoke the fine that is the subject of the respondent’s appeal. Staff will mail a fine refund to the respondent within three weeks of the notification of the fine revocation.

SECTION 9.17: RECORDS: Staff will retain records of all complaints and their disposition and tapes from MLS compliance hearings for seven years.