

# REALTRACS RULES

Last Revised: August 17, 2024

## Section 1: General Usage Provisions

### Purpose and Qualifications

**1.1 Purpose of Realtracs.** Realtracs is organized for the orderly compilation and dissemination of listing information so Participants may better serve their clients, customers and the public, including listing properties for sale and lease, cooperating with other Participants in the sale and lease of property, and facilitating Participants and appraisers to perform accurate valuation of properties.

**1.2 Qualifications for Participation in Realtracs.** Participation in Realtracs is available to the firm, partnership, or corporation of any REALTOR® principal that is a member of any Board/Association of REALTORS®; holds a current real estate broker's license and cooperates impartially with all other Participants, including by endeavoring on an ongoing basis to cooperate with other Participants in the sale or lease of listed properties; or holds a current appraiser's license; and otherwise complies with these Rules and Realtracs' policies.

### Definitions

**1.3 Listing Compilation.** All permitted data available to the Participants, including Listing Content, on the Realtracs System, and all other text, binary, and photographic image data, in any form now known or hereafter discovered.

**1.4 Listing Content.** All data and information that any Participant or User provides to Realtracs, including, but not limited to, text, photographs, images, the Primary Image, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other materials, details or information related to each property in the Listing Compilation, in any form now known or hereafter discovered, to which Participant and User have the rights to provide to Realtracs.

**1.5 Participant.** The REALTOR® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation is the "Participant" in Realtracs and is responsible for compliance with the Realtracs Bylaws and these Rules by all persons affiliated with the Participant who utilize Realtracs.

**1.6 Secondary Participant.** A Participant who has a primary subscription with a bona fide and approved multiple listing service or broker listing cooperative.

**1.7 Realtracs System.** The electronic information system that Realtracs, or its third-party provider(s), maintains to make access to the Listing Content and Listing Compilation available to Participants and Users in accordance with these Rules.

**1.8 User.** Any individual affiliated with a Participant, including employees, contractors, assistants, salespeople or licensees who list, show, sell, appraise real property (whether licensed or unlicensed as real estate agents or appraisers), or any other authorized person who utilizes Realtracs on a regular basis and is entitled to such access. Any non-principal broker, sales associate, and licensed and certified appraisers affiliated with a Participant and are subject to fee waiver under Realtracs' policies are not Users.

### Changes in Rules

**1.9 Changes in Rules.** Amendments to these Rules of Realtracs shall be by consideration and approval of the Realtracs Board of Directors.

## **Compliance with Rules**

**1.10 Fines and Penalties.** By becoming and remaining a Participant or User in Realtracs, each Participant and User is subject to these Rules and any other Realtracs policies applicable to Participants and Users. Each Participant is subject to these rules with regard to licensees affiliated with the Participant. Realtracs may, through the administrative and hearing procedures established in these Rules, impose discipline for violations of these Rules, and other Realtracs governance provisions.

Participants and Users shall provide to Realtracs all documentation Realtracs requests to ascertain compliance with these Rules.

**1.11 Fines.** Realtracs may collect fines from each Participant (or User, where appropriate) for violations of these Rules. Realtracs may amend its schedule of fines and terms for collecting them at its sole discretion at any time.

**1.12 Suspension of Access to Realtracs System.** Realtracs may in its sole discretion immediately suspend Participant's or User's access to the Realtracs System if in Realtracs' good faith determination such a suspension is (i) necessary to comply with law, court order, subpoena, or similar regulatory requirement; (ii) will help to enforce the Realtracs Rules, (iii) will help to protect the safety, security and data integrity of the Realtracs System, Realtracs Users, or third parties; or (iv) failure to timely pay Realtracs fees and fines. Realtracs will use commercially reasonable efforts to promptly notify Participant and/or User of any suspension of access to the Realtracs System. If the suspension is related to Participant's or User's failure to abide by the Realtracs Rules the suspension may, in Realtracs' sole discretion, remain in effect until a decision regarding the violation is rendered by the Board of Directors in accordance with the Realtracs Rules.

## **Fees**

**1.13 Fee Schedule.** Realtracs' fee schedule is available on Realtracs.com. All fees must be paid when due. Participants are financially responsible for payment of all fees related to their affiliated Users. Secondary Participants are not financially responsible for payment of fees related to their affiliated Users.

**1.14 Reporting Requirements.** Participants are required to report all User changes to Realtracs immediately, including but not limited to changes in licensee, appraiser, paid assistant, or paid office staff/secretary. Any licensee, appraiser, paid assistant, or paid office staff/secretary must have an individual User ID and must show on the office roster.

**1.15 Personal assistants.** Personal assistants must be approved by the Participant.

## **Ownership and Use of Realtracs System**

**1.16 Information for Participants Only.** The information provided through Realtracs may not be made available to any broker or firm who is not a Participant, without the prior consent of the listing broker. A Participant with licensees who are subject to a fee waiver may not make listings of other Participants in Realtracs available to those licensees. The preceding sentence does not prohibit a licensee from accessing listing records from any other source lawfully available to the licensee.

**1.17 Confidentiality of Realtracs Information.** Any Listing Content provided by Realtracs through the Realtracs System is exclusively for the use of Participants and real estate licensees affiliated with Participants entitled to access Listing Content, and those Participants 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 Participants entitled to access Listing Content.

**1.18 Realtracs Not Responsible for Accuracy of Information and Editorial Control.** Participant warrants that the Users must use reasonable care to ascertain the accuracy of the Listing Content and its compliance with all laws and the Realtracs Rules. Realtracs does not verify and assumes no responsibility to review, edit, or exercise editorial control over such Listing Content provided, and disclaims any responsibility for its accuracy.

Realtracs may, however, take any steps necessary in its judgment, including but not limited to, rejecting, removing, restricting publication or access to, or deleting the Listing Content or portions thereof, if Realtracs determines the Listing Content to be salacious, violent, harassing, or otherwise objectionable or inappropriate; or to avoid or remedy any violation of law, breach of the Realtracs Rules, or infringement of intellectual property right; or infringement of any third-party proprietary or privacy right. Additionally, Realtracs may alter and/or remove metadata and copyright management information contained in the Listing Content. Each Participant agrees to hold Realtracs harmless against any liability arising from any inaccuracy, or inadequacy, or non-compliance with these Rules of the Listing Content such Participant and/or its Users provide.

**1.19 Complaints of Unauthorized Use of Listing Content.** Any Participant who believes another Participant has engaged in the unauthorized use or display of Listing Content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to Realtracs. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to Realtracs not more than 60 days after the alleged misuse was first identified. No Participant may pursue action over the alleged unauthorized use and display of Listing Content in a court of law without first completing the notice and response procedures outlined in this Section 7.3 of the Realtracs Rules.

Upon receiving a notice, Realtracs will send the notice to the Participant who is accused of unauthorized use. Within 10 days from receipt, the Participant must either: 1) remove the allegedly unauthorized content, or 2) provide proof to Realtracs that the use is authorized. Any proof submitted will be considered, and a decision of whether it establishes authority to use the Listing Content will be made within 30 days.

If Realtracs determines that the use of the content was unauthorized, a sanction may be issued, including a request to remove and/or stop the use of the unauthorized content within 10 days after transmittal of the decision. If the unauthorized use stems from a violation of the Rules, that too will be considered at the time of establishing an appropriate sanction.

If after 10 days following transmittal of Realtracs' determination 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.

**1.20 Realtracs Rules Violations.** Participants may not take legal action against another Participant for alleged rules violation(s) unless the complaining Participant has first exhausted the remedies provided in these Rules.

**1.21 Submission of Listing Content.**

- a) **License by Participant.** By submitting any Listing Content to Realtracs, the Participant represents and warrants that they are authorized to grant Realtracs the license in this section and grants Realtracs a non-exclusive, perpetual, worldwide, transferable, royalty-free license to use, distribute, reproduce, display, adapt, create derivative works of, and perform the Listing Content in any form, in whole and in part, and in any manner, and to sublicense those rights through multiple tiers. Realtracs will not distribute Listing Content for its advertising purposes without the Participant's prior consent.

- b) **Listing Content Warranty.** When submitting Listing Content to Realtracs, Participant and User warrants that the Listing Content submitted complies with these Rules in all respects, including with regard to (i) required data fields; (ii) format of submission; (iii) permitted and required listing types; and (iv) procedures for submission. Participant and User further warrant that the Listing Content submitted by Participant or User (v) does not infringe or violate any patents, copyrights, trademarks, trade secrets or other proprietary rights of any third party; (vi) that there is no claim, litigation, or proceeding pending or threatened with respect to the Listing Content; (vii) has the written consent of any party necessary to provide the Listing Content to Realtracs; and (viii) the Listing Content is not libelous, salacious, threatening, harassing, defamatory or otherwise objectionable or inappropriate. Each Participant who submits Listing Content to Realtracs agrees to defend and hold Realtracs and every other Participant harmless from and against any liability or claim arising from any breach of these warranties.

**1.22 Ownership of Listing Compilation.** All right, title, and interest in each copy of every Listing Compilation created and copyrighted by Realtracs and in the copyrights therein, shall at all times remain vested in Realtracs.

**1.23 Use Limited.** Participants and Users shall use the Listing Compilation and Realtracs service solely for the purpose of selling, listing, leasing, valuing, and appraising real estate strictly as permitted by these Rules. Using the Realtracs System to communicate offers of compensation is prohibited. Except as expressly provided in these Rules or applicable license agreement, Participants and Users shall not copy, create derivative works of, distribute, perform, or display the Listing Compilation and Realtracs service or any part of it, except their own Listing Content; Listing Content may not be used to create, test, or support the development of software.

**1.24 Display.** Participants and Users are permitted to display Listing Content (a) to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers; or (b) subject to Realtracs' Internet display policies (i.e. IDX and VOW).

**1.25 Reproduction.** Participants and their affiliated Users shall not reproduce any Listing Compilation or any portion thereof except in the following limited circumstances:

- a) Participants or their authorized Users may reproduce from the Listing Compilation, and distribute to prospective purchasers, a reasonable number of single copies of the Listing Content contained in the Listing Compilation, which relate to any properties in which the prospective purchasers are, or may, in the judgment of the Participants or their authorized Users, be interested.
- b) Reproductions made in accordance with this rule shall be prepared in such a fashion that the Listing Content of properties other than that in which the prospective purchaser has expressed interest, or in which the Participant or their authorized Users are seeking to promote interest, does not appear on such reproduction.
- c) Nothing contained herein shall be construed to preclude any Participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of Listing Content pertaining exclusively to properties currently listed for sale with the Participant.
- d) Any Listing Content, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and their authorized Users who are authorized to have access to such Listing Content. Such Listing Content may not be transmitted, re-transmitted, or provided in any manner to any unauthorized individual, office, or firm.

- e) None of the foregoing shall be construed to prevent any individual legitimately in possession of Listing Content or statistical information from utilizing such information to support valuations on a particular property for a particular client or customer. Any Listing Content in data feeds available to Participants for real estate brokerage purposes are also available to Participants for valuation purposes, including automated valuations. Realtracs may permit the use of existing data feeds, or create a separate feed, to satisfy this requirement. Realtracs may require execution of a third-party license agreement where deemed appropriate by Realtracs. Realtracs may require Participants who will use such data feeds to pay the reasonably estimated costs incurred by Realtracs in adding or enhancing its downloading capacity for this purpose. Listing Content that is deemed confidential may not be used as supporting documentation. Any other use of such Listing Content is unauthorized and prohibited by these Rules.

**1.26 Electronic Public Access to Listing Compilations.** Except as provided by these Rules' provisions governing Internet Data Exchange (IDX) and Virtual Office Websites, Participants and their affiliated licensees shall not use nor facilitate the use of a compilation of Listing Content of property listed with other Participants on websites created, sponsored or otherwise affiliated with the Participant without written permission of the listing broker(s).

- a) Public access to any electronically accessible system using a compilation of Listing Content of property listed with other Participants without their permission is also prohibited.
- b) This rule does not restrict the use of hyperlinks to or framing of sites where listing brokers have authorized the posting of their listings.

**1.27 License to Affiliated Businesses.** Realtracs may offer information and network opportunities to affiliate businesses engaged in real estate activity so long as the business is not eligible to be a "Participant." All Listing Content compiled, transferred or transmitted from Realtracs may not be provided in any manner to any unauthorized individual, office or firm except as otherwise provided in these Rules, unless a separate, signed agreement is entered into with the affiliated business.

**1.28 Limitations of Use of Realtracs Information.** Use of Listing Content from the Listing Compilation, from Realtracs' statistical reports, or from any sold or comparable report of Realtracs for public mass-media advertising by a Participant or in other public representations is not prohibited.

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

*"Based on information from Realtracs® for the period (date) through (date)."*

**1.29 Saved Information.** Saved Information is information that a User stores in the Realtracs System for their own later use that is not intended by them to be available to other Users, including client prospects and contact information. Saved Information may not always be available to Participant or User and may become available to unauthorized persons. Realtracs is not liable for unauthorized access to or loss of Saved Information. Participant and User are responsible for retention of any information that may be necessary to reconstruct Saved Information if it is lost or destroyed.

**1.30 System Security.** Access to the Realtracs System is limited to authorized Users. Each authorized User is given an individual User ID and password to gain access to the system. The password is to always remain private. User shall take the greater of reasonable care or the care it takes to protect its own confidential information. Participant shall ensure that its Users maintain the confidentiality of their User IDs and passwords and that only authorized Users obtain access to the Realtracs service or any part of it, and

Participant must not facilitate sharing of passwords among Users. Sharing an individual's login and password, using another user's login or password, in any way jeopardizing the security of the system, or granting unauthorized access to the system will result in a fine and/or other sanctions. This includes broker-employed office staff using any other than their own individual login and password.

### **Electronic Mail and Notification Systems**

**1.31 Electronic Mail and Notification Systems.** The email and notification services are the property of Realtracs. Realtracs reserves the right to monitor its email and notification systems, regardless of by or to whom email and/or notifications are sent, received, or created and regardless of whether a personal login and password is used to send, receive, or create emails and/or notifications.

No message created or sent through Realtracs' email and notification systems may be of an intimidating, hostile, harassing, or offensive nature or violate any federal, state, or local law.

Senders of unsolicited email and/or notifications must remove recipients who request to be removed from future messages. All unsolicited messages generated from and to Realtracs' Users must contain a reply feature that automatically removes the recipient from future messages. Failure to honor a request from a recipient to be removed from future messages or failure to include a recipient removal feature will result in the sender being denied access to the Realtracs email and/or notification services.

Example Recipient Removal Feature: *"To be removed from future mailings, click [here](#) and type 'unsubscribe' in the subject line."* OR *"Text CANCEL to be removed from future messages."*

Misuse of the email and/or notification services provided by Realtracs can result in fines and cancelation of these services for the offending user and/or company.

## **Section 2: Data Integrity**

**2.1 Realtracs' Service Area and Mandatory Listing Area.** Realtracs' Service Area and Mandatory Listing Area are defined in Exhibit A.

**2.2 Mandatory Listings.** Listings of real or personal property of the following types, which are 1) listed subject to a real estate broker's license, 2) are located within the Realtracs' Mandatory Listing Area, and 3) are taken by Participants on an exclusive listing agreement, must be filed with Realtracs:

- a) residential,
- b) multi-family, and
- c) land, lots and farms.

Participants must submit 100% of their Exclusive Right to Sell and Exclusive Agency listings, unless specifically exempted by these Rules or not accepted by Realtracs.

**2.3 Exclusive Right to Sell.** A contractual agreement under which the listing broker becomes the agent of the seller(s), and the seller(s) agrees to pay a commission to the listing broker, regardless of whether the property is sold through the efforts of the listing broker, the seller(s), or anyone else; and a contractual agreement under which the listing broker becomes the agent of the seller(s), and the seller(s) agrees to pay a commission to the listing broker regardless of whether the property is sold through the efforts of the listing broker, 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 broker.

**2.4 Exclusive Agency Agreement.** A contractual agreement under which the listing broker becomes the agent of the seller(s), and the seller(s) agrees to pay a commission to the listing broker 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 broker.

**2.5 Optional Listings.** Additional types of listings may be filed with Realtracs. Optional listings, when filed with Realtracs, must meet all the requirements of and be bound by the same rules as Mandatory Listings. The following optional listings may be filed with Realtracs:

- a) any listing type outside the Realtracs' Mandatory Listing Area and within the Realtracs' Service Area,
- b) commercial,
- c) rental, and
- d) listings of Secondary Participants.

**2.6 Entry Timeframe.** Exclusive listings must be entered into Realtracs within forty-eight (48) hours after all necessary signatures have been obtained and include all required information. Exempt Listing must be entered in Realtracs within forty-eight (48) hours after all necessary signatures have been obtained and must, at a minimum, be entered with an Incomplete status and include the address, listing agreement execution date and the "Sellers Instruction Not to Disseminate Property Information Through Realtracs" form.

**2.7 Prohibited Listings.** The following types of listings cannot be filed with Realtracs:

- a) Open Listings. An Open Listing is a contractual agreement under which the listing broker becomes 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.
- b) Business interests. Prohibited business interests are units of ownership where the real property does not convey to the buyer.
- c) Listings of a Participant where the listing agent or salesperson is on a fee waiver.

**2.8 Listings Subject to the Rules.** Any listing taken on an Exclusive Right to Sell or Exclusive Agency contract to be filed with Realtracs is subject to these Rules upon signature of the seller(s).

- a) Participant shall ensure that any listing contract submitted to Realtracs contains one of the following, or substantially similar, notice signed by the seller(s)/landlord(s):

*"Seller(s) understands that the property information will be included in the Realtracs' listing service and (name of listing broker) is subject to the Rules of Realtracs. Seller represents that the information is correct to the best of the seller(s) knowledge."*

- b) All exclusive listing agreements shall contain a listing date, a definite and final expiration date, and a full gross listing price.
- c) Participants shall verify in the proper manner any Listing Content submitted to Realtracs and maintain copies of any listing contract submitted to Realtracs.

**2.9 Detail on Listings Filed with Realtracs.** Listing filed with Realtracs must include all information required in the Realtracs System.

- a) Realtracs, in its sole discretion, reserves the right to reject or remove any listing submitted in a manner not in accordance with the Realtracs Rules.
- b) Communicating offers of compensation in Listing Content is prohibited.
- c) All listings must be entered in their proper geographic area designated for that purpose.
- d) When applicable, properties must be designated OWNER/AGENT as the listing type.

- e) The directions must have a known starting point (e.g. town center, intersection or familiar landmark) and accurate directions to the listed property.
- f) New Construction must have an estimated completion date.
- g) Contact information (e.g. phone numbers, co-listing agent names, seller names and numbers, websites, e-mail addresses and other forms of advertising) is permitted only in the Private Remarks field.
- h) The Public Remarks field is intended to include a written description of the property and any special features of the property. The Private Remarks field is intended to include information the Participant wishes to convey to the other Participants, such as special offers and showing instructions.
- i) All listings in all property types are required to have, at a minimum, a Primary Image when entered in the Realtracs System. Primary Image is an image of the property that is the subject of the listing record. Listings submitted with an Incomplete status are not required to have any digital images. Listings submitted “For Comp Purposes Only” are required to have a Primary Image.

**2.10 Property Categories.** In most cases, the property category (residential, multi-family, land/lots/farms) for a listing is obvious. In all cases, the property category for a listing shall not be inconsistent with the tax record, unless the inconsistency is disclosed in the Public Remarks. In no case shall the property category selected for a given listing be misleading to potential buyers and other Participants. Realtracs reserves the right to remove a listing from the system if it is determined that the selected property category is misleading or inaccurate.

**2.11 To Be Built Listings.** To Be Built listings are required to have an intended house plan or elevation planned for construction. Otherwise, tracts of land must be listed in the residential lot, unimproved tract, or unrestricted tract categories. To Be Built properties may NOT be listed in two property categories.

**2.12 New Construction.** A property is considered "New Construction" if, at a minimum, foundation work has begun. All New Construction must be entered into the Realtracs System as Active, Coming Soon/Hold, or Under Contract designated as a “presale” prior to the completion of the framing stage of construction. A rendering or photograph of a model home may be used until the facade is complete.

**2.13 Cross-Category Listings.** Farms with houses may be entered in both the land/lots/farms and residential property categories in the Realtracs System. In rare instances, a multi-family property may be entered in both multi-family and residential as long as the provisions of Section 2.6 are followed. Once closed, however, only one listing should be modified as closed, and the other is to be cancelled from the system.

**2.14 Listing Statuses.** Listing statuses are defined as follows, and each listing is required to reflect the correct status throughout the term of the listing agreement.

Status	Definition
<b>Incomplete</b>	An exclusive listing agreement has been executed with an effective date. The Incomplete status may be used for other listing management purposes (such as managing rentals), but for the sake of these Rules, Incomplete shall have the meaning set forth above.
<b>Coming Soon/Hold</b>	An exclusive listing agreement has been executed, but the seller(s) instructs, in writing, that the listing cannot be shown for a specific period of time. The Coming Soon/Hold status may be designated when a new listing is submitted to the Realtracs System and/or during the term of the listing agreement. When a property is listed as Coming Soon/Hold, all showings are prohibited, including showings by listing agent or agents from listing agent’s firm.



<b>Active</b>	An exclusive listing agreement has been executed, and the listing is available for showing.
<b>Under Contract-Showing</b>	A Binding Sales Contract has been executed but the seller(s) requests that the property <u>still be shown</u> for back-up contracts.
<b>Under Contract-Not Showing</b>	A Binding Sales Contract has been executed and the seller(s) requests that there be <u>no more showings</u> .
<b>Closed</b>	A listing where ownership has been transferred to a buyer.
<b>Expired</b>	The term of an exclusive listing agreement has expired.
<b>Cancelled</b>	An exclusive listing agreement has been mutually terminated, in writing by the Participant and seller(s), prior to the expiration of the exclusive listing agreement.

**2.15 Binding Sales Contract.** A Binding Sales Contract is defined as a written offer to purchase that has been executed by the prospective buyer(s) and seller(s) in accordance with applicable state law where the real property is listed.

**2.16 Showing.** A Showing is defined as a seller(s) or listing brokers facilitating physical access to a listed property by other agents, brokers or potential buyers/tenants for the purpose of viewing a listing as a potential purchase or lease.

**2.17 Listing and Status Changes.** Any change to the original exclusive listing agreement or the property information that changes the Listing Content conveyed through Realtracs shall be reported to Realtracs. Changes to the original exclusive listing agreement require the signature of the seller(s) and broker. Other changes only require the broker’s signature.

- a) After authorized changes are received by the listing broker, they must be reported or input within 48 hours of the change condition, with the exception of Closed which must be reported or input within 72 hours.
- b) A status change must be made within 48 hours of the execution of a Binding Sales Contract. The status can be changed to:
  - 1) Under Contract-Not Showing: when a Binding Sales Contract has been executed and the property is no longer being shown; or
  - 2) Under Contract-Showing: when a Binding Sales Contract has been executed but the property is being shown for a back-up contract.
- c) The listing status may be changed to Coming Soon/Hold during the term of the listing agreement, upon written request by the seller(s). When a property is listed as Coming Soon/Hold, all showings are prohibited.
- d) For bank-owned property (REO) only, once an offer to purchase has been submitted and the parties are waiting for completion of the bank addendum, the listing status must be changed to 1) Under-Contract – Not Showing or 2) Under Contract-Showing with “awaiting bank addendum” as the contingency type – which means the property is still being shown for back-up contracts.
- e) For automated systems for accepting offers to purchase (e.g. HUD Homes and REO systems), the following status changes must be made when the property is no longer listed on the website or other automated system. If the listing broker is no longer accepting offers to purchase, the listing status must be changed to Under Contract-Not Showing or Cancelled. If the listing broker is accepting offers to purchase for backup contracts, the status may be changed to Under Contract-Showing.

**2.18 Coming Soon/Hold Status.** When a property is submitted as Coming Soon/Hold, all showings are prohibited, including showings by listing agent or agents from listing agent’s firm. A listing entered as

Coming Soon/Hold may not be changed to Active or Under Contract-Showing status and changed back to Coming Soon/Hold within a five-day period.

**2.19 Purchase Agreements with a Right of First Refusal.** If an accepted offer to purchase is contingent on the buyer having a right of first refusal when a seller receives a subsequent offer to purchase (often referred to as a kickout clause and often related to the sale of a home), the listing can remain in Active status.

- a) The status of a listing with an accepted offer to purchase with a right of first refusal contingency that is more than 72 hours must be updated to Under Contract-Showing or Under Contract-Not Showing.
- b) The existence of an executed offer to purchase with a right of first refusal contingency must be communicated in the Public Remarks field with the timeframe for the buyers to satisfy the contingency (e.g. "Seller has an accepted offer with a 48-hour right of first refusal contingency.")
- c) Once the contingency is fulfilled, the listing status and remarks must be updated in the Realtracs System within 48 hours.

**2.20 Listing Media Requirements.** The primary purpose of photographs, sketches, diagrams, and other media submitted to Realtracs is to convey a visual representation of the property listed to other Participants and their clients and customers. The primary subject matter, therefore, must be the listed property.

- a) Submitting images for company or agent advertising is prohibited. "For sale" signs incidental to the listing are acceptable.
- b) Digitally altering images to include overlays of other images, text, photos or logos is prohibited.
- c) Digitally altering images that change the accuracy of the actual listing's depiction or representation is prohibited. The use of "virtually staged photos" is permitted so long as the images are not deceptive to potential buyers.
  - 1) A "virtually staged photo" means an image that has been altered with editing software to create a conceptual rendering of what a room and/or the property might look like if it were physically staged or lived in.
  - 2) All virtually staged images must be designated as such in the media remarks.
  - 3) Except for To-Be-Built and Under Construction listings, an image of the existing room or property in its current state must be included immediately before or immediately after the virtually staged image. In other words, "before" and "after" images must be included and disclosed.
  - 4) Virtually staged photos may include personal property items not conveyed with the real property. Examples include, but are not limited to:
    - a. Applying digital photos edits of furniture, mirrors, artwork, rugs, plants, etc., into a photo of an empty room.
    - b. Removing an existing non-fixed home element or furnishing from an image and replacing it with a digital representation of one similar. Examples: furniture, mirrors, artwork, rugs, plants, etc.
  - 5) Virtually staged photos may include landscaping improvements that could realistically be made to improve the property's exterior appearance.
  - 6) Virtually staged photos may not include deceptive elements including, but not limited to the following:
    - a. Furniture or personal property that will not fit within a room's dimensions.
    - b. Views from the property that do not exist, such as lakes, rivers, fields, skylines and landmarks.
    - c. Fixed features that do not exist, such as a fireplace or property addition.

- 7) Virtually staged images cannot remove elements outside the property owner's control, such as buildings on adjacent properties, power lines, utility poles, water towers, retaining walls and highways.
- d) "To Be Built" listings will be designated with a default image indicating construction has not begun on the property. Additional media may include floor plans, elevation sketches and photos of properties similar to the "To Be Built" listing.
- e) Realtracs staff may remove photographs, sketches, diagrams or other media that do not adhere to these Rules.

**2.21 Contingencies Applicable to Listings.** Any contingency, exclusion, or special condition in the listing shall be noted in the listing information disseminated to the Participants.

**2.22 Listing Multiple Unit Properties.** All properties that are to be sold separately should be listed separately and entered into the Realtracs System separately. Properties for which a Participant has one listing agreement but which "may" be sold in parts should be entered once in the Realtracs System and specify the options available in the Public Remarks field.

When a portion of a listed property has been sold, the Listing Content should be modified to accurately reflect the remaining property for sale. The sold portion should be entered separately as closed for comparable purposes.

**2.23 One Exclusive Listing Accepted.** Realtracs will only accept one exclusive listing for a particular property at a time.

- a) If two or more listings are submitted to Realtracs for a particular property within a 24 hour time frame, both or all will be rejected, and the Participants notified of their removal from the system.
- b) If a second listing is submitted to Realtracs for a particular property already in the system, the second listing will be rejected, and the Participant notified of its removal from the system.

**2.24 Expiration of Listings.** Any listing filed with Realtracs automatically expires on the date specified in the listing agreement unless renewed or extended by the listing broker. If notice of renewal or extension is dated after the expiration date of the original listing, a new listing agreement must be secured for the listing to be filed with Realtracs. It shall be published as a new listing.

**2.25 Cancellation of Listing Prior to Expiration.** Listings of property may be cancelled with Realtracs by the listing broker before the expiration date of the listing agreement, provided that the cancellation is authorized in writing by an agreement between the seller and listing broker.

Sellers do not have the unilateral right to require Realtracs to cancel a listing without the listing broker's concurrence. However, when a seller(s) can document that his or her exclusive relationship with the listing broker has been terminated, Realtracs may remove the listing at the request of the seller.

**2.26 Reporting Sales to Realtracs.** Once a Binding Sales Contract is executed the listing broker shall report it to Realtracs within 48 hours.

**2.27 Reporting Resolutions of Contingencies.** The listing broker shall report to Realtracs within 48 hours that a contingency on file with Realtracs has been fulfilled or renewed, or the agreement cancelled.

**2.28 Reporting Cancellation of Binding Sales Contract.** The listing broker shall report immediately to Realtracs the cancellation of a Binding Sales Contract and the listing shall be reinstated immediately.

**2.29 Reporting Purchases of Unrepresented Sellers.** Participants may report sales of properties not listed by a Participant ("Non-MLS") for statistical and comparable purposes. Participants must enter all required information and comply with Realtracs' guidelines for submitting non-MLS properties to Realtracs.

**2.30 Reporting Lease/Purchase Agreements.** The listing broker shall report an executed lease/purchase agreement to Realtracs within 72 hours. A listing with an executed lease/purchase agreement must be "Cancelled." When the subject property is closed, the listing should be re-entered and reported as "Closed" for comparable information. The Private Remarks must include "For comparable purposes only."

**2.31 Removal of Listing Content.** Removal of any Listing Content from a listing in the Realtracs System with a Closed, Expired, or Cancelled status by Participant or any User is prohibited, except as described in this section. The Primary Image for a listing is prohibited from removal; additional images associated with a listing record may be removed. Realtracs reserves the right to remove Listing Content in its sole discretion. Participant may submit a written request to Realtracs to remove certain Listing Content and such request must include the reason for the request and applicable supporting documentation.

**2.32 Exempt Listings.** If the seller is informed about the potential impacts on their sale or lease and instructs the Participant in writing not to permit the listing to be disseminated by Realtracs to other Participants, then the listing Participant may take the listing, and the listing will be filed with Realtracs within 48 hours with a status of Incomplete. The exempt listing shall not be disseminated through Realtracs to other Participants. The restriction by the seller(s) against disseminating the listing via Realtracs must be (i) substantiated in writing and (ii) signed by the seller(s). Realtracs provides the "Sellers Instruction Not to Disseminate Property Information Through Realtracs" form for Participants' use. The seller-authorized restriction must be included with the Incomplete listing as an attached document. This seller-authorized restriction, together with the exclusive listing agreement, shall also be maintained in the brokerage office records for the listing. A Participant's use of exempt listings to circumvent cooperation with other Participants is prohibited; a Participant must cooperate with other Participants for all listings, including by impartially responding to requests for property information and arranging showings when in the client's best interests.

**2.33 Disclosing Potential Short Sales.** Participants must disclose potential Short Sales, when reasonably known to the listing Participants, by changing the listing type to "Exclusive Right to Sell Short Sale" or "Exclusive Agency Short Sale." A short sale is a transaction where title transfers; where the sale price is insufficient to pay all Third Party Creditors and the costs of sale; and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Third Party Creditors are parties that have a security interest in the listed property; secured interests include, but are not limited to, mortgages, home equity lines, and liens.

**2.34 Auctions.** Participants may submit auction listings to Realtracs with the following requirements:

- a) Prior to submitting an auction listing to Realtracs, Participants must be licensed to auction properties by the proper state regulatory agency and must provide his or her license information to Realtracs.
- b) When an auction listing is submitted to Realtracs, it must be denoted as an "auction".
- c) Auction listings submitted to Realtracs must
  1. include real property;
  2. be designated as an "absolute" or "reserve" auction; and
  3. include the following details in the Remarks:
    - a. Auction date and time.
    - b. Minimum bid for reserve auctions.
    - c. Preview dates and times.
    - d. Auction terms.
    - e. Fees charged by the auctioneer to the buyer (e.g. buyer's premium), denoted as a fixed dollar amount or a percentage of the sales price.

**2.35 Office and User Roster Information.** Participant shall ensure Realtracs has a current list of all Users. Participant shall inform Realtracs in writing of any change in the Users within 24 hours of the change. The Participant's office and affiliated licensee contact information (name, firm, address, and phone) displayed in the Realtracs System must be substantially similar to that recorded with state licensing and regulatory agencies. Realtracs staff may change incorrect office and roster information at any time and without notice.

### Section 3: Standards of Business Conduct

**3.1 Compliance.** Each Participant and User must comply with these Rules and all Realtracs' policies and may not encourage or facilitate another subscriber to violate these Rules and Realtracs' policies.

**3.2 One Exclusive Listing Accepted.** Participants shall not knowingly obligate sellers/landlords to pay more than one commission except with their informed consent. Realtracs will only accept one exclusive listing for a particular property at a time.

- a) It will be the responsibility of the Participants to determine, among themselves, which firm is the exclusive agent.
- b) Upon submitting proof to Realtracs that the seller has acknowledged the potential existence of a current, exclusive listing agreement with another Participant and their potential obligation to pay two commissions on the sale of the property, the second listing may be resubmitted to Realtracs.

**3.3 Expiration of Listings.** Any extension or renewal of a listing must be signed by the seller(s) and listing broker.

**3.4 Required Compensation Disclosures.** Participants and Users may not submit in any manner to Realtracs the amount paid to the listing broker, the total amount paid by the seller towards broker fees, or any amount offered to be paid to a cooperating/buyer broker. All Participants and Users must:

- a) Disclose to prospective sellers and buyers that broker compensation is not set by law and is fully negotiable. This must be included in conspicuous language as part of any listing agreement, buyer written agreement, and pre-closing disclosure documents (if any).
- b) Conspicuously disclose in writing to sellers, and obtain the seller's authority, for any payments or offer of payment that the listing Participant or seller will make to another broker, agent, or other representative (e.g. real estate attorney) acting for buyers. This disclosure must include the amount or rate of any such payment and be made in writing in advance of any payment or agreement to pay.

**3.5 Buyer Agreements Required.** All Participants working with a buyer must enter into a written agreement with the buyer prior to touring a home. The written agreement must include:

- a) a specific and conspicuous disclosure of the amount or rate of compensation the Participant will receive or how this amount will be determined, to the extent that the Participant will receive compensation from any source.
- b) the amount of compensation in a manner that is objectively ascertainable and not open-ended.
- c) a term that prohibits the Participant from receiving compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer; and
- d) a conspicuous statement that broker fees and commissions are not set by law and are fully negotiable.

**3.6 No Filtering of Listings.** No Participant or User may filter or otherwise restrict listing information communicated to a client based on the amount offered by the seller or seller's broker to pay the buyer broker. Participants and Users must impartially share information about listed properties and arrange for

showings, in the best interest of each client and regardless of any financial arrangement offered by, or agreed with, another broker.

**3.7 Listings of Suspended or Expelled Participants.** When a Participant is suspended or expelled from Realtracs for failing to abide by an association membership duty, such as violation of the Code of Ethics, association Bylaws, or other membership obligations, or failing to abide by the Bylaws and Rules of Realtracs, except failure to pay dues, fees or charges, all listings currently filed with Realtracs by the suspended or expelled Participant shall, at the Participant's option, be retained in Realtracs until sold, cancelled, or expired, and will not be renewed or extended by the Realtracs beyond the termination date of the listing agreement in effect when the suspension or expulsion became effective.

If a Participant has been suspended or expelled from Realtracs for failure to pay dues, fees, or charges, Realtracs will terminate services to the Participant, including continued inclusion of the suspended or expelled Participant's listings in the Listing Compilation of Listing Content with the Statuses of Active, Coming Soon/Hold, Under Contract-Showing, or Under Contract-Not Showing. Prior to the removal of a suspended or expelled Participant's listings from Realtracs, the suspended or expelled Participant will be advised in writing of the intended removal so that the suspended or expelled Participant may advise their clients or customers.

**3.8 Listings of Resigned Participants.** When a Participant cancels their Realtracs Participation, Realtracs will terminate services to the Participant, including continued inclusion of the resigned Participant's listings in the Listing Compilation of certain Listing Content. This paragraph shall serve as official notification that all Active, Coming Soon/Hold, Under Contract-Showing, or Under Contract-Not Showing listings of a resigned Participant shall be removed from the Listing Compilation.

**3.9 Status Changes of Listings of Suspended or Expelled Participants.** Notwithstanding the suspension or expulsion of the Participant, corrections or additions to the Listing Content or changes in status shall be accepted during the term of the original listing agreement.

**3.10 Participant as Principal.** If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant has any ownership interest in a property, the listing of which is to be disseminated through Realtracs, the Participant shall disclose that interest when the listing is filed with Realtracs, and such information shall be disseminated to all Participants.

**3.11 Participant as Purchaser.** If a Participant or any licensee (or licensed or certified appraiser) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed in writing to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

**3.12 Exempt Listings.** A Participant's use of exempt listings to circumvent cooperation with other Participants is prohibited.

**3.13 Complaints of Unethical Conduct.** All other complaints of unethical conduct shall be referred by the Board of Directors to the appropriate Association for action in accordance with the usual procedure under the terms of their Bylaws.

## **Section 4: Internet Data Exchange Program; Virtual Office Websites**

**4.1 Authorization.** Realtracs has granted MLS Technology Platform, LLC d/b/a MLS Grid ("MLS Grid") the authority to manage the Realtracs Internet Data Exchange and Virtual Office Websites programs. MLS Grid shall adopt, implement, and maintain procedures necessary for the operation of the Realtracs Internet Data

Exchange and Virtual Office Websites programs. MLS Grid shall enforce its rules, policies, and procedures, and Participant agrees to comply with and be subject to MLS Grid's authority as delegated by Realtracs.

**4.2 Internet Data Exchange Program.** The current documentation for the Realtracs Internet Data Exchange program as managed by MLS Grid is located at:

<https://www.mlsgrid.com/s/MLS-Grid-IDX-Rules.pdf>

**4.3 Virtual Office Websites Program.** The current documentation for the Realtracs Virtual Office Websites program as managed by MLS Grid is located at:

<https://www.mlsgrid.com/s/MLS-Grid-VOW-Rules.pdf>

## **Section 5: Electronic Lockbox System**

**5.1 Seller Permission.** Lockboxes may not be placed on a property without written authority from the seller.

**5.2 SentiKey Eligibility.** Realtracs Participants and every non-principal broker, affiliate broker and licensed or certified appraiser who is affiliated with a Realtracs Participant shall be eligible to obtain access to the SentiKey Real Estate application. Affiliate members of a local Association of REALTORS® may obtain affiliate access to the SentiKey Real Estate application, provided they meet and maintain the requirements established by the Board of Directors. Realtracs Users who are unlicensed personal assistants may obtain assistant access to the SentiKey Real Estate application. Approved User fee waivers are not eligible to obtain access to the SentiKey Real Estate application.

**5.3 Lockboxes.** SentiLock lockboxes are purchased, NOT LEASED.

**5.4 Transfer of SentiLock Lockboxes.** Agents may sell or give locks to other qualified associates.

**5.5 Removal of Lockbox.** A SentiLock lockbox shall be removed from a property within 72 hours of the closing or removal of the listing from the market. Should a seller request Realtracs to remove a SentiLock lockbox from a property, Realtracs will contact the listing agent or broker to request they remove the lockbox. If the lockbox remains on the property and the 72-hour time frame has passed, Realtracs may take possession of the SentiLock lockbox and remove it from the property. If Realtracs removes a SentiLock lockbox under these circumstances, the purchaser of the lockbox automatically transfers ownership and all claims to Realtracs.

## EXHIBIT A: SERVICE AND LISTING AREAS

**Realtracs' Mandatory Listing Area:** Any county in the Realtracs Service Area where Participants' listings represent 75% or more of the properties listed for sale by real estate brokers. The Mandatory Listing Area currently includes the following counties:

County	State	County	State	County	State
Bedford	TN	Jackson	TN	Robertson	TN
Cannon	TN	Lawrence	TN	Rutherford	TN
Cheatham	TN	Lewis	TN	Sequatchie	TN
Clay	TN	Lincoln	TN	Smith	TN
Coffee	TN	Macon	TN	Stewart	TN
Davidson	TN	Marion	TN	Sumner	TN
Dekalb	TN	Marshall	TN	Trousdale	TN
Dickson	TN	Maury	TN	Van Buren	TN
Franklin	TN	Montgomery	TN	Warren	TN
Giles	TN	Moore	TN	Wayne	TN
Grundy	TN	Overton	TN	White	TN
Hickman	TN	Perry	TN	Williamson	TN
Houston	TN	Pickett	TN	Wilson	TN
Humphreys	TN	Putnam	TN		

**Realtracs' Service Area:** Any state or area enabled for use in the Realtracs System. The Service Area currently includes the following states:

Alabama, Georgia, Kentucky, North Carolina, South Carolina, and Tennessee.