

MLS Rules and Regulations of Roatán Island Multiple Listing Service (RIMLS)

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- 1. Overview/Preface:** RealtyPro Solutions, LLC (hereafter referred to as the MLS Provider) shall maintain for the use of the MLS Participants in the Roatán Island Multiple Listing Service (hereafter referred to as **RIMLS**), a centralized listing database and multiple listing service (hereafter referred to as **the MLS Service**). The MLS Service is a means by which MLS Participants can make blanket unilateral offers of compensation to the other MLS Participants who act as buyer agents, sub agents, or other agency or non-agency capacities as defined by law; and is a facility for the orderly correlation and dissemination of listing information among Participants so that they may better serve their clients and the public and prepare appraisals and other valuations of real property subject to the services they are authorized to provide to the public under the real estate or appraisal license(s) they hold. As a condition of access to and use of the MLS Service, all MLS Participants agree to abide by the policies and rules set forth in both the MLS Bylaws and the MLS Rules of the MLS Service as they are now or as they may be amended in the future. Following is a list of rules and regulations that govern the use of the MLS Service:
- 2. Listing Agreements:** The listing agent must have a legal listing contract signed by the legal owner(s) of the property or by an authorized representative of the owner of the property (such as an REO management company or Bank) before submitting any listing to the MLS. Only Exclusive Right To Sell, Exclusive Agency, and/or Rental listings may be submitted to the MLS. Open and Net Listings may not be submitted to the MLS. Listings taken by brokers or agents that are not MLS Participants of RIMLS are not allowed in the MLS unless the Sellers of the property sign a listing or co-listing agreement with RIMLS Participant broker/agent. All Listings located on Roatán Island and surrounding areas by MLS Participants must be submitted to the MLS within two (2) business days of obtaining all signatures unless the agent has obtained written authorization from the Seller to withhold the listing from the MLS. The listing agreement must authorize the listing (including sales price) to be placed on the MLS, and if the agent selects [Yes] for Internet Advertising, the listing contract must also authorize the listing to be advertised on the Internet.
- 3. Listing Limitations:** The MLS allows listings that are offered "For Rent" (rentals), "Time Shares", and mobile homes on rented lots (MHR), but such listings and property types may only be submitted to the MLS by listing agents who are properly licensed to provide these services. The listing agent should disclose in the Private Remarks any limitations on compensation or agency to other MLS participants on these types of listings.
- 4. Verification of Listings:** MLS Provider may request a copy of the listing contract and/or other supporting documents (change forms etc.) from any MLS Participant for any listing in order to verify that any specific listing meets the requirements set forth in item 2 above, and to ensure that the data entered into the MLS system (including the expiration date) is correct and in compliance with all MLS Rules. The requested documents must be faxed to MLS Provider within 24 hours of the request. Failure to fax the information as requested (or proof of violation of the MLS Rules after review of the listing agreement) is grounds for suspension and/or termination from the MLS Service.
- 5. Required Data:** Voting Brokers of the MLS Service may recommend changes to MLS Provider as to which listing fields are (or are not) required and any conditions upon those requirements. The listing agent is required to enter all data required by the MLS system and should not intentionally enter false or erroneous data in order to submit the listing without the required information. A valid expiration date is required on all listings. The BOC (Buyer Office Commission) must be entered as either a flat fee or a percentage amount on all listings. This is the amount that the listing office/broker is willing to pay a cooperating office/agent as the procuring cause of any offer that leads to a successful sale of the property. The listing broker is not required to disclose the total negotiated commission or the listing side (LOC).
- 6. Data Content:** The listing agent and principal broker are responsible for all data content entered into the MLS for each listing including the accuracy of the data and compliance with all advertising, federal, fair housing, and anti-discrimination laws. The information published and disseminated by the MLS is communicated, verbatim, without change by the MLS, as submitted to the MLS by the MLS Participant. MLS Provider does not verify such information provided and disclaims any responsibility for its accuracy and content. Each Participant agrees to hold RIMLS and MLS Provider harmless against any liability arising from any inaccuracy, illegality, or inadequacy of the information such Participant provides. The principal broker is encouraged to review each new listing before it is submitted to the MLS by the agents and to carry Professional Liability (E&O) insurance to cover any mistakes or omissions in data entry. Because the Public Remarks may be displayed on some public Internet Sites, agents

should be very careful what is entered in this field. No contact or confidential information should be entered in the Public Remarks field including: names, phone numbers, e-mail addresses, lock box codes, etc. The Private Remarks field may contain contact and confidential info. intended for use by MLS Participants only. Photos and unbranded virtual tours submitted to the MLS may NOT contain branding of any kind including: yard signs, names, urls, or contact numbers.

7. **Reporting Changes:** It is the responsibility of the listing agent to update all changes for each listing in the MLS (including status changes). Any changes in listed price, expiration date, commission, or other changes from the original Listing Agreement shall be made only when authorized in writing by the Seller and shall be posted to the MLS Service within two (2) business days after obtaining all signatures.
8. **Listing Status:** MLS participants shall promptly update the true status of all listings in the MLS per the following definitions:
 - **Active:** Listings that are available and have a valid listing contract per MLS rules.
 - **Pending-Show:** Listings with an accepted purchase offer that have not yet Closed (Under Contract). The seller has requested that the property continue to be shown and is willing to consider backup offers. See Status Remarks for details of accepted offer.
 - **Pending-No Show:** Listings with an accepted offer that seller no longer wants shown. Contact listing agent if you have a client that wants to make a backup offer.
 - **Expired:** The MLS requires the listing agent to enter the Expiration date for each listing. Expiration dates are confidential while the listing is Active, Pending, or Withdrawn and can only be seen by agents who have permission to edit the listing. If an Active listing is not renewed, it is automatically Expired in the MLS when it reaches the Expiration Date. Pending listings do not expire.
 - **Withdrawn-Temporary:** Listings that are being taken "Off Market" - but the seller is still under contract with the listing office. If the seller accepts an offer, the seller is still under contractual obligation to pay a commission to the listing agent. The status of Withdrawn listings is automatically changed to Expired in the MLS when the property reaches the expiration date.
 - **Canceled-Permanent:** Listings where the Seller has been released from the listing contract (or the listing contract was Canceled). The seller is free to sell on their own or relist with another office.
 - **Sold/Closed:** Listings that have closed escrow. The listing agent is responsible to report all sold listings in a timely manner and give proper credit to the buyer office and buyer agent. If you are the buyer agent and the listing agent is not a Participant of the MLS, you can enter the listing as a pre-sold comp once it closes. Choose "Other-Non MLS" as the listing agent.
 - **Rented/Leased:** Listings that have been rented or leased and are no longer available.

If a Participant is suspended or terminated from the MLS for non payment of dues or fees, for violation of MLS Rules, or for any other reason, the status of that Participant's Active and Pending listings will be changed to Withdrawn.

9. **Commissions & Compensation:** The listing broker shall specify, on each listing submitted to the MLS, the compensation offered to other MLS Participants (BOC) and Non-Participants (NOC) for their services in the sale of the listing. The listing broker is not required to disclose the total negotiated commission or the listing side (LOC).

Such offers of compensation are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through the MLS Service would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established.

If a Seller wishes to exclude a specific MLS Participant from compensation, he/she may do so in writing to his listing agent as long as it is done prior to any offer being submitted by such Participant. The listing agent shall notify in writing said excluded MLS Participant immediately upon receipt of the letter. Such information will remain confidential and shall not be disseminated outside the parties directly involved.

No MLS Participant of the MLS Service shall fix, control, recommend, suggest or maintain commission rates or fees (or the division of rates or fees) for services to be rendered by Participants.

- 10. Showings and Negotiations:** Appointments for showings and negotiations with the Seller(s) for the purchase of listed property on the MLS Service shall be conducted through the listing broker except under the following circumstances:
- The listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
 - After reasonable effort, the cooperating broker cannot contact the listing agent, the principal broker, or his or her representative. However, the listing broker, at his or her option, may preclude such direct negotiations by cooperating brokers by so stating in the private remarks of the listing in the MLS.

- 11. Presentation of Offers:** The listing broker must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so. All offers must be presented to the Seller(s) in the order of date and time they were received. The listing broker shall submit to the Seller(s) all written offers until closing unless precluded by law, government rule, and regulation or agreed otherwise in writing between the Seller(s) and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the Seller(s) obtain the advice of legal counsel prior to acceptance of any subsequent offers. The listing office must present all offers as soon as possible, after all signatures are obtained.

The cooperating broker or his or her representative has the right to participate in the presentation to the Seller(s) of any purchase offer he or she secures. The cooperating broker does not have the right to be present at any discussion or evaluation of that offer by the Seller(s) and the listing broker. However, if the Seller(s) gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the Seller(s) written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

The listing broker or his or her representative has the right to participate in the presentation of any counter-offer made by the Seller(s) to the purchaser. The listing broker does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser. However, if the purchaser gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's written instructions.

- 12. Listing Syndication:** Each listing that is entered into the MLS has a Yes or No option for "Internet Advertising". If the listing agent chooses No, the listing will not be exported or made available by the MLS to any third party for Internet Advertising or for IDX Display. If the listing agent chooses Yes, there are additional choices which allow the display of the listing by the applicable third party websites. RIMLS and MLS Provider are not responsible to monitor listings on syndication websites. MLS Participants should carefully review the policies and practices of each third party syndication vendor in order to determine whether or not to allow syndication of listings to each entity. RIMLS reserves the right to designate any syndication website as an IDX privileged site, and any office who has opted out of IDX will not have the option of syndicating to that syndication entity through the MLS.
- 13. Internet Data Exchange (IDX):** IDX is the term used by RIMLS to describe the process of displaying the listings of other MLS Participant's by MLS participants on their own company and/or agent websites. IDX may also include mobile apps or any other public display of MLS listings where the intent is to direct the leads to anyone other than the listing office or listing agent. The right to display listings of other offices and agents is subject to each offices decision to OPT IN or OPT OUT of IDX and to each MLS participants compliance with all IDX Rules.

OPT IN: By default all real estate office MLS participants are considered to have "opted in" to IDX. This means they have the right to display Active MLS listings marked as YES for Internet Advertising subject to the IDX rules. All MLS Participants are required to disclose to the MLS all locations (app names, URL's, etc.) where IDX is being displayed and/or made available to the public, and each use of IDX must be approved by the MLS or MLS Provider before IDX listings are made available to the public. Please refer to the directions and instructions in the MLS for details.

OPT Out: Any office may "opt out" of IDX by providing written notice to MLS Provider and the EMMLS President. Offices who have "opted out" of IDX may not display the listings of other MLS participants on their own company or agent websites, mobile apps, etc. and may not display other MLS participants listings to the public on websites or in any other advertising without a client/agent relationship. All listings in the MLS of any office who have "opted out" of IDX will be withheld from IDX feeds and are not allowed to be displayed by offices who have "opted in" to IDX.

IDX Rules: Following is list of IDX rules that govern how MLS Participants may display the listings of other offices using IDX:

1. The following information must be displayed with all IDX listings either directly or with a prominent link to a "Detail View" where the following information is displayed:
 - a. Listing Office
 - b. Listing Agent Name
 - c. Listing ID (MLS#)
 - d. Source: Listing data provided by Roatan Island MLS.
 - e. Disclaimer: Listing data is deemed to be reliable, but it is not guaranteed to be accurate and should not be relied upon without independent verification.
2. The name and license number of the MLS Participant must be displayed on any page where listings are displayed.
3. Only Active and Pending listings of other offices may be displayed.
4. Listing Data must be updated (current) at least every 3 days.
5. IDX sources should not mislead the public to intentionally make listings appear to be listed by anyone other than the listing office or listing agent.
6. All uses of IDX (location, URL, and IDX Provider) must be disclosed in the MLS: (Login and click: "MLS Area" > "Internet Data Exchange (IDX)") for more details and instructions.

14. Yard Signs: A "For Sale" sign of the listing broker may only be placed on properties for which the Participant has obtained a listing contract. Yard signs on Expired and Canceled listings should be removed in a timely manner. Prior to closing, only the "Sold" sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

15. MLS Access and Listing Data: Each MLS Participant will have a unique login (username and password) to access the MLS. No Participant may give out his or her username and password to anyone. Violation of this rule may result in a fine of up to \$1,000 per occurrence and suspension and/or termination from the MLS Service.

Listing data should only be given out to prospective clients and customers for the purpose of helping them buy or sell real estate or for the preparation of real estate appraisals. Listing data should not be given out to licensed real estate agents or appraisers who are not Participants of the MLS Service without prior approval from the listing agent on each listing.

16. Miscellaneous: All Participants are required to abide by Honduran law in the performance of their duties as real estate professionals. Participants shall not solicit listings of properties that are Actively listed by other offices.

17. Compliance: Failure to abide by MLS Bylaws and MLS Rules of the MLS Service or to pay MLS fees (including penalties and/or fines) may result in suspension and/or termination from the MLS. It is the desire and intent of the RIMLS that all Participants will cooperate with each other in good faith, and that all MLS Participants will be aware of the MLS Rules and abide by them. If however; this does not happen, the following process allows for enforcement of the MLS Rules by the Voting Brokers of the MLS Service subject to the approval of MLS Provider:

1. Obtain a written complaint or allegation from an MLS Participant stating the violation.
2. Investigate the complaint and obtain evidence to substantiate the claim.
3. Notify the Participant accused of the violation of the complaint in writing and give them an opportunity to respond in writing. The notification should also contain a warning of suspension or termination from the MLS Service for failure to respond or for failure to comply with the MLS Rules in the future.
4. If any Participant is found to blatantly disregard the MLS Rules or to be in repeated violation of the MLS Rules, the Voting Brokers of the MLS Service may vote to suspend or terminate MLS access for such Participants subject to the voting procedures outlined in the MLS Bylaws.
5. If the vote to suspend or terminate MLS access passes, the Voting Brokers may recommend to MLS Provider the terms and conditions of the suspension or termination, and MLS Provider shall carry out the termination or suspension from MLS access.

MLS Provider may suspend or terminate MLS access to any MLS Participant (including all Participants associated with the Primary Participant's office) without a recommendation from RIMLS for non payment of dues or for a violation of the Terms of Service or Service Agreement required by MLS Provider.