BAY AREA REAL ESTATE INFORMATION SERVICES, INC. (BAREIS MLS®)

MLS RULES & REGULATIONS

BAREIS MLS RULES & REGULATIONS
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All Members hereby agree to abide by these Rules and Regulations by virtue of their application to or their use of the BAREIS Multiple Listing Service system.

NOTICE

These Rules and Regulations ("these Regulations") of the Bay Area Real Estate Information Services, Inc., a California nonprofit mutual benefit corporation ("BAREIS"), are solely for the use and benefit of BAREIS and the Members of BAREIS and licensees thereof with BAREIS' consent. These Regulations govern only the relationship among the Members and BAREIS regarding the Multiple Listing Service operated by BAREIS and used by its Members and certain licensees. These Regulations set forth, among other things, operating requirements necessary for the creation and maintenance of BAREIS' databases. Except as provided in Regulation 16.3, nothing in these Regulations is intended to confer any rights, benefits or remedies on any persons other than BAREIS itself and the Members of BAREIS, its licensees, and their respective successors and permitted assigns. These Regulations do not, are not intended to and shall not be deemed to establish professional standards or models for the conduct of the real estate brokerage business with the public by the Members of BAREIS or others.

1 AUTHORITY

BAREIS shall maintain for the use of its Members a real estate information service that shall be subject to the Amended and Restated Bylaws of Bay Area Real Estate Information Services, Inc. (the "Bylaws"), as further amended from time to time, and such rules and regulations as may be hereinafter adopted from time to time by the Board of Directors (the "Board").

These Regulations may be amended at any time and from time to time by the Board.

2 PURPOSE

BAREIS maintains a Multiple Listing Service ("MLS," or the "BAREIS MLS®"), which has been copyrighted to the extent permitted by the copyright laws of the United States and is entitled to protection thereunder, that is a means by which: (a) authorized Broker Participants establish legal relationships with other Participants by making blanket unilateral contractual offers of compensation and cooperation to other Broker Participants; (b) information is accumulated and disseminated to enable authorized Participants to prepare appraisals and other valuations of real property; (c) Participants engaging in real estate appraisal contribute to common databases; and (d) the orderly correlation and dissemination of listing information among the Participants is facilitated so that they may better serve their Clients and customers. BAREIS does not regulate commissions, commission splits, or the business models of its Members.

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4 OWNERSHIP OF MLS DATA AND COPYRIGHTS

4.1 Authority to Put Listings in the MLS Database. By filing a listing with BAREIS, the Listing Broker represents that he or she has been authorized to grant, and he or she does thereby grant, an irrevocable perpetual royalty-free license (with right to sublicense)

to BAREIS to use, copy and publish such listing and information relating to the listing in the MLS Database and to report information and other data about the sale, price, and terms of the listing in the MLS Database, as well as in other information sources.

4.2 Copyrights; Ownership of MLS Data. The license granted pursuant to Section 4.1 includes the exclusive right (i) to register the MLS Data, including such listing and information and all Media therein, with the United States Copyright Office, to the extent that it may be registered under the copyright laws of the United States; (ii) to assign or license such MLS Data, including such listing and information and all Media therein, and such copyrights to others, and (iii) to protect and defend such MLS Data and the copyrighted listing information and Media against any infringement thereof. BAREIS is the exclusive owner of the MLS Database compilation and each original aspect of the MLS Data that is or has been created, conceived or crafted by BAREIS. All right, title, and interest in such MLS Data and copyrights registered by BAREIS shall at all times be owned by and remain vested exclusively in BAREIS and its assignees and licensees.

4.3 License to Access the MLS Database. Through maintaining active membership in BAREIS, each Member is granted a non-exclusive, non-transferable license to access the MLS Database, without the right to sublicense. The license granted to an active Member provides only the right to use the MLS Database in accordance with these Regulations and the Bylaws.

5 TYPES OF MEMBERS AND MEMBERSHIP REQUIREMENTS

5.1 Member Requirements. All BAREIS Members (as defined in the Bylaws) must:

(a) Sign a written agreement to abide by the Bylaws and these Regulations in force at that time, and as amended from time to time; Members are responsible for adhering to these Regulations as a condition of their membership, and are responsible for being aware of all current Regulations;

(b) Complete any orientation program required by BAREIS within 60 days after access to the MLS Database has been provided;

(c) Pay all applicable fees;

(d) Provide full and current contact information, including a valid email address and facsimile number, to BAREIS, and agree to accept all communications by electronic means from BAREIS; and

(e) Conduct themselves in a professional manner, according to the policy of the Board that expects and requires professional behavior in dealings with the staff of BAREIS, the BAREIS service centers, and reciprocal MLSs. Abusive, threatening or harassing behavior towards administrators or employees is not acceptable.

5.2 Participant. A “Participant” is any Member that continues to meet all of the requirements of either a Broker Participant or an Appraiser Participant as defined below:

5.2.1 Broker Participant. A “Broker Participant” is a person who holds a valid California Bureau of Real Estate broker license (a “Real Estate Broker” or “Broker”) and is either a sole proprietor or is a principal,

partner, corporate officer, or branch manager acting on behalf of a business entity and is authorized to offer and accept compensation in the capacity of a Real Estate Broker.

5.2.2 Appraiser Participant. An "Appraiser Participant" is a person who is licensed as a real estate appraiser by the California Bureau of Real Estate Appraisers or certified by the California State Board of Equalization and who is either a sole proprietor or is a principal, partner, corporate officer, or branch manager acting on behalf of a business entity for or through which his or her services are provided.

5.3 Subscriber. A "Subscriber" is a person who meets the requirements of either a Real Estate Subscriber or Appraiser Subscriber as defined below:

5.3.1 Real Estate Subscriber. A "Real Estate Subscriber" is a California Bureau of Real Estate Licensee or Broker who is employed by or affiliated as an independent contractor with a Broker Participant.

5.3.2 Appraiser Subscriber. An "Appraiser Subscriber" is a person who is licensed as a real estate appraiser by the California Bureau of Real Estate Appraisers or certified by the California State Board of Equalization and who is acting for an Appraiser Participant or a Broker Participant.

5.4 Administrative User. An "Administrative User" is an individual under the direct supervision of a Participant or Subscriber who performs only administrative and clerical tasks that do not require a real estate license or an appraiser's license or certificate. Administrative Users are assigned unique and individual administrative access to the MLS Database. Each Participant shall provide BAREIS with a list of all Administrative Users employed by such Participant and his or her Subscribers and shall notify BAREIS of any changes, additions, or deletions from the list within three Business Days. Administrative Users without an active real estate license or appraiser's license or certificate are subject to a special dues rate established by the Board. Administrative Users with an active real estate license or appraiser's license or certificate are billed at the Subscriber rate. Administrative Users may not provide any MLS Data to persons other than the Participant or the Subscriber under whom the Administrative User is registered.

5.5 Limitations on Transfer of Membership. As authorized by the Board, membership in BAREIS is on an individual basis and may not be transferred or sold to any other individual, corporation, or business entity. Any reimbursement of the participation fee is a matter to be negotiated by those transferring a business, or determined as a matter of contract within the business entity. However, provided the first Participant consents, BAREIS shall allow a business entity to designate a different person within the business entity as a Participant without requiring the payment of an additional participation fee. BAREIS may charge an administrative fee for reassigning Participants within a business entity.

6 BAREIS FEES AND CHARGES

6.1 Service Fees and Charges. The Board shall set the following fees and charges, as listed in Exhibit A-1:

6.1.1 Initial Application Fee: An applicant for Participant or Subscriber shall pay an initial application fee.

6.1.2 User Fee: Each Participant and Subscriber shall pay a user fee.

6.1.3 Administrative Users: The Participant or Subscriber shall pay the applicable fees for access for his or her Administrative Users.

6.1.4 Book Subscription Fees: BAREIS does not currently publish a listing book.

6.1.5 Other Fees: Other fees that are reasonably related to the operation of the MLS may be adopted, including services requested by Members for BAREIS staff to input or modify listings and Media, co-op key programming, reinstatement of service, returned check or failed credit card charges and arbitration filing fees.

6.1.6 Certification of Non-use: Participants may be excused from paying the user fees of a Real Estate Licensee or real estate appraiser in the Participant's business entity by certifying to BAREIS in writing that a Real Estate Licensee or real estate appraiser in the business entity is engaged solely in activities that do not require a real estate license (i.e., the administrative and clerical activities performed by administrative users), and that the Real Estate Licensee or real estate appraiser will not use the MLS Database in any way ("Certification of Non-use"). In the event a Real Estate Licensee or real estate appraiser is found to be using the MLS Database in violation of Certification of Non-use, such Participant shall be subject to fees dating back to the date of the certification or affiliation of the Real Estate Licensee or real estate appraiser with the Participant's business entity.

6.2 Suspension of BAREIS Membership and MLS Privileges for Failure to Pay Service Fees, Fines, or Charges. Following 15 days' written notice of the delinquency, a Member's BAREIS membership and MLS Privileges shall be suspended, for failure to pay any amounts due within 30 days following the date due, until the amounts due are paid in full, including a delinquency fee. Failure to pay service or delinquency fees, fines or charges for one year will result in Termination of membership, and reinstatement of BAREIS membership and MLS Privileges will require application as a new Member. When any Member is suspended or terminated, including by reason of Expulsion or resignation, the Member shall immediately return all materials relating to BAREIS, including all forms and other supplies, within 48 hours after such Suspension or Termination.

6.3 Denied Application. In the event an application as a Participant on the MLS is rejected by BAREIS, the applicant shall be promptly notified in writing of the reason for the

rejection; and shall have the right to respond in writing to the Board, or to request a hearing in accordance with the *California Code of Ethics and Arbitration Manual*. In the event a Subscriber application is rejected, only the Subscriber's Participant shall have the right to respond in writing to the Board, or to request a hearing.

7 NOTIFICATION

7.1 Notice. Whenever notice of any matter is required to be given to BAREIS, it must be given in writing, within the time specified, by mail, email, or facsimile.

7.2 Notification of California Bureau of Real Estate ("BRE") or California Bureau of Real Estate Appraisers ("BREA") Action. Members against whom final action has been taken by the BRE or the BREA shall notify BAREIS within 24 hours of such action, including any final decisions restricting, suspending, or revoking the real estate license or appraiser's license or certificate of the Member, or of the business entity under which such Member acts. Participants shall notify BAREIS within 24 hours of such action by BRE or BREA with respect to any Real Estate Licensee or Appraiser affiliated with the Participant or the Participant's business entity, or any Real Estate Licensee or Appraiser who was affiliated with the Participant or the Participant's business entity at the time of the underlying act.

7.3 Supervision of Licensees. In addition to the notification requirements of Regulation 7.2, a Participant shall not allow any Subscriber who is engaged in business under the Participant's license and whose license or certificate has been revoked, suspended, or restricted by either the BRE or the BREA, to use the MLS Data in any manner while the BRE or the BREA discipline is in effect, except that the Subscriber may be able to use MLS Data under a restricted license, provided such use is consistent with and does not violate such licensing restrictions.

7.4 Notification of Licensees. On January 15th of each year, each Participant shall provide BAREIS with a list of all Real Estate Licensees, Brokers, and real estate appraisers employed by or affiliated as independent contractors with such Participant's business entity, and shall immediately notify BAREIS of any changes, additions, or deletions to the list thereafter. This list shall include any Real Estate Licensees or real estate appraisers under any broker associate affiliated with the Participant. The Participant must file a "MLS Participation Fee Waiver Request Form & Certificate of Non-use" (a "Certificate of Non-use") for any Real Estate Licensee or real estate appraiser employed by or affiliated with the Participant's firm that will not be accessing the MLS Database. The Participant is responsible for insuring that any non-Member Real Estate Licensee or real estate appraiser in any way affiliated with such Participant will not access the MLS Database.

7.5 Violation of Certificate of Non-use. In the event a Real Estate Licensee, Broker, administrative assistant or real estate appraiser employed by or affiliated with a Participant is found to be using the MLS Database in violation of the Certificate of Non-use, such Participant shall be subject to fees dating back to the date of the employment or affiliation of the Real Estate Licensee, Broker, administrative assistant or real estate appraiser with the Participant's business entity. Listings associated with such persons subject to a waiver filed with BAREIS shall not be included in the MLS Database, and references to a waived Real Estate Licensee, Broker, administrative assistant or real estate appraiser shall not be included anywhere in the MLS Data. The Participant also may be subject to any other

sanctions that can be imposed for violation of these Regulations and ultimately lose access to the MLS Data.

7.6 Violations of the Law. If a Member commits a felony or a crime involving moral turpitude or violates any real estate law, including the rules and regulations of the California Bureau of Real Estate or the laws relating to real estate appraisers, the Member shall be in violation of this Regulation 7.6. However, a Member shall not be found to have violated this Regulation 7.6 unless the Member: (a) has been convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of a felony or a crime involving moral turpitude, or (b) it is determined by any court of competent jurisdiction or an official of the State of California authorized to make the determination that the Member violated a provision of California laws governing real estate, or the regulations of the California Real Estate Commissioner.

7.7 Board-Initiated Hearing for Inappropriate Behavior toward Staff or Board. Upon receiving a complaint of abusive, threatening or harassing behavior as described in Section 5.1(e*)*, the Board, or a committee of the Board, shall cause the accusation to be investigated and conduct a hearing if necessary. The Board may levy a fine against an offending Member and may suspend or expel the Member from BAREIS membership and MLS Privileges.

8 REGIONAL AND RECIPROCAL AGREEMENTS

8.1 State and Regional Reciprocal Agreements. The Board may approve and enter into reciprocal state or regional agreements with other MLS organizations to allow their members to place a listing with BAREIS or access to BAREIS in exchange for their providing similar service to Members of BAREIS on such terms and conditions as the Board may approve. In the event agreements are entered into, the participants and subscribers of the other MLS organizations shall be bound by these Regulations, and BAREIS Members shall be bound by the rules and regulations of the reciprocating MLS database.

8.2 Special Reciprocal Agreements. BAREIS has entered into reciprocal agreements with MetroList®, The San Francisco Association of REALTORS® MLS, East Bay Regional Data, Contra Costa Association of REALTORS®, Bay East Association of REALTORS®, Nevada County Association of REALTORS®, Sutter Yuba Association of REALTORS® and MLSListings® and their affiliated lockbox-issuing entities in which the members of each organization will be granted as a professional courtesy open access to each other's MLS databases, lockbox systems and access to data from all the participating MLSs through merged aggregated databases. By utilizing one of the reciprocating MLS databases, Members agree to abide by and are bound by the respective rules and regulations of the other MLSs, including submission of listings, accuracy of information and status, offer of compensation, confidentiality, advertising, transfer of data, lockbox regulations, and the sanctions or fines for violating such rules and regulations.

9 LISTING PROCEDURES

9.1 Listings Subject to Regulations. MLS listings may be filed with BAREIS only by Broker Participants. Any listing filed with BAREIS by a Broker Participant is subject to these Regulations.

9.2 Compliance with California and Federal Law. BAREIS shall accept any listing that it is required to accept under California or federal law.

9.3 Types and Classifications of Listings. BAREIS shall accept exclusive right-to-sell, exclusive agency, open, and probate listings as defined in the California Civil Code§ 1086 et seq. Listings that contain any exceptions whereby the owner need not pay a commission if the property is sold to particular individuals or under special situations shall be classified according to their proper legal contract form. The Listing Broker shall explain all exceptions in the Confidential Remarks. It shall be the responsibility of the Listing Broker to classify each listing submitted. BAREIS shall not have an affirmative responsibility to verify such legal classifications. However, BAREIS shall have the right to make a determination as to the validity of the classification. Refusal to reclassify the listing will be considered a violation of the Regulations.

9.3.1 Auction Listings. Auctions shall be for the sale of real property. Auctions for the sale of an option or right to purchase are not permitted on the MLS. Auction Listings are subject to the same rules as other listings except as provided by this Regulation 9.3.1.

Auction listings entered into the MLS compilation shall be identified by selecting "Yes" in the "Auction Yes/No" field. Auction listings shall have a listing price of either "0" or the minimum bid, depending on the type of auction. The listing shall be clearly labeled as an Auction Listing in the first sentence of the property description/public remarks field as well as in the first sentence of the Confidential Remarks field, and shall specify that the Listing Price is a minimum bid. Auction documents shall be attached to the listing. The attached auction documents shall include:

(a) The date, time, and place of the auction;
(b) Whether the auction is being conducted with or without the Seller's right of reservation;
(c) The procedures by which Members shall register their representation of a Client potentially bidding at the auction;
(d) The compensation to be paid to the Broker representing the successful bidder;
(e) The time or manner in which potential bidders may inspect the listed property;
(f) Any other information that is material to rules or procedures by which the auction will be conducted.

The expiration date of the listing shall be the date of the auction. If reserve is not met at the auction and property is again listed as an auction on the MLS to accept offers/bids, the posted list price shall be the highest bid received at auction for the period during which the "auction is continued."

If the Seller will accept a purchase offer prior to the scheduled auction, the Auction Listing shall specify, in addition to all of the above information, a List Price, and the compensation to be paid to the

Cooperating Broker in the event of a pre-auction sale. The Listing Broker must further indicate clearly and conspicuously in the Confidential Remarks or in attached documents:

(a) The property is available for showing;
(b) Purchase offers may be submitted for acceptance prior to the scheduled auction; and
(c) Any time limitations applicable to the submission or consideration of such offers prior to the auction.

If a purchase offer is accepted on or before the date of the scheduled auction, the auction of the property shall be cancelled and the transaction reported in the MLS pursuant to Regulation 9.19.4.

9.4 Types of Properties. BAREIS shall accept listings for the following types of property:

Single-Family Homes
Condominiums/Stock Cooperatives/Tenancies in Common/PUD
Modular and Manufactured Homes
2-4 Units (Residential)
5+ Units (Residential)
Business Opportunities
Lots and Acreage
Farms and Ranches
Commercial/Industrial
Floating and Mobile Homes
Rentals

9.5 Separate and Duplicate Listings. All properties which are to be sold or which may be sold separately must be listed separately, except as otherwise approved by BAREIS. Duplicate listings shall be clearly labeled as a Duplicate Listing in the Marketing and Confidential Remarks fields and include reference to the other MLS listing number and property category. BAREIS MLS® will allow duplicate listings if the property meets at least one of the following criteria: (Rev. 09-19-16)

9.5.1 For Approval in Two Property Categories:

(a) Parcels with mixed-use zoning are being sold together; or

(b) As residential and commercial or residential and land if subdivision is pre-approved. Proof of pre-approval from municipality must be provided if requested by BAREIS; or (Rev. 09-19-16)

(c) As residential and land if lot where improvement plans are approved and the list price includes all completed improvements; or (Rev. 09-19-16)

(d) As residential and multi 2-4 if the property has a single family home and additional dwellings and would be properly classified as either property type; or (Rev. 09-19-16)

(e) As residential and land if the property has a dwelling on it and is being marketed for the land value. (Rev. 09-19-16)

9.5.2 For Approval in Multiple Counties or Areas:

(a) The property's footprint overlaps two counties; or

(b) The principal access road to the property is in a different county; or

(c) The mailing address of the property is different from the property's location.

9.5.3 For Approval Within the Same Property Type:

(a) Properties adjacent to each other that are being offered at one price individually and at another price if offered together as a combined sale. (Rev. 09-19-16)

9.6 Listing Agreement and Seller's Permission. Prior to filing a listing with BAREIS, the Listing Broker must possess a written, valid listing agreement. Listing agreements utilized by Listing Brokers must contain all of the following:

(a) The agreement must establish and define the agency relationship and grant the Listing Broker authority to act as an agent of the Seller;
(b) The agreement must grant the Listing Broker authority to enter the listing into the MLS Database;
(c) The agreement must include instructions to post or not post the listing on Internet sites, and, if permitted to post the listing to the Internet, instruction to disclose or not disclose the address of the property on Internet sites;
(d) The agreement must grant the Listing Broker authority to post sales information in the MLS Database upon sale of the property; and
(e) The agreement must grant the Listing Broker authority to make a unilateral offer of compensation to other Members through the MLS Database.

9.6.1 Obligation to Explain Regulations to Clients. A Seller's or Buyer's request of a Member not to report a sale or to violate any other Regulation does not relieve the Member from his, her or its obligations under these Regulations. It is the responsibility of the Listing Broker to explain these Regulations to the Seller.

9.7 Mandatory Inclusion. Members shall include in the MLS Database all accepted listing types located within the service area of BAREIS, within three Business Days after all necessary signatures have been obtained on the subject listing or on the effective date of the contract, whichever is later. Listings of property located outside the Primary Service Area are not required to be included. Commercial/Industrial, 5+ Units, Business Opportunities, or Rental categories are not required to be included in the MLS Database.

9.8 Excluding Listings and Listing Data from MLS and Internet Sites. Final sales data or final results of the transaction shall be reported to BAREIS MLS® for all properties listed in the MLS Database.

9.8.1 Listing Excluded from MLS Database by Seller. If the Seller does not permit the listing or final reporting of sales data to be included in the MLS Database at the time the listing is taken, the listing may not be entered into the MLS Database. The Listing Broker must provide authorization to exclude the listing to BAREIS on a BAREIS Approved SEL Form within three Business Days of the effective date of the listing agreement. The SEL Form must be complete in all respects, including necessary signatures and attachments. Listings with an accepted offer or Sold during an exclusion period or prior to the on-market date may only be entered into the database as a Comparable Listing per Regulation 9.20. Listings with an accepted offer in place may be entered into the MLS database for the purpose of seeking back-up offers. Such listings are considered Comparable Listings and must meet all Comparable Listing requirements upon the close of escrow.

9.8.2 Exclusion of Listing from the Internet. The BAREIS Approved SEL Form shall also be used to exclude a listing from the Internet, or to comply with the Seller's instructions regarding the use of the listed property's address on the Internet as described in Regulation 14.4, LISTING DATA ON THE INTERNET.

9.8.3 Exclusion Must Be in Accordance with Regulation. If the property is not properly excluded in accordance with this Regulation 9.8, it must be included in the MLS Database.

9.9 Rejection or Removal of Listings and Listing Content. BAREIS is authorized to reject or remove any listing from the BAREIS MLS® compilation where the Member has refused or failed to comply with any BAREIS Regulation or membership duty. Upon the rejection by BAREIS of any listing in the MLS Database, the Listing Broker shall so advise his or her Client(s). Prior to the removal of any listing from the MLS Database by BAREIS, the Listing Broker shall be advised of the intended removal so the Listing Broker can advise his or her Client(s). BAREIS retains the right, but not the obligation or duty, to remove listing content that it considers to be obscene, obsolete, in violation of any law or these Regulations, or otherwise objectionable. Listing Brokers remain solely responsible or liable for the content that they provide. In no case will any monitoring, rejection or removal of a Member's content by BAREIS make BAREIS responsible or liable for such content.

9.10 Written Documentation. In order to preserve and ensure the accuracy of MLS data, BAREIS shall have the right at any time and from time to time to request Documentation, including full, true and complete copies of listing and purchase and sale agreements and related authorizations. Members shall provide the requested documentation within 24 hours following the subject request by the BAREIS staff.

9.11 Accuracy of Information. By filing a listing with BAREIS, the Listing Broker shall be responsible for the truth of all representations and statements of which the Listing

Broker had knowledge or should have had knowledge, as required by California Civil Code § 1088. The Listing Broker shall immediately review the listing, verify its correctness, and correct any error. If the Listing Broker is unable to correct the error, he or she shall notify BAREIS in writing. BAREIS' sole responsibility shall be to correct the error as presented by the Listing Broker.

9.12 Detail on Listings – Listings Information. Listing information filed with BAREIS by the Listing Broker shall be complete in every detail, including property status, contract dates, the listing price, the expiration date, the compensation offered to other Broker Participants, photographs, and any other item required to be included as determined by the Board. A Listing Broker who is notified by any Third Party, including the Seller or BAREIS, that the data has an error or omission or requires a correction, must complete or correct the information within three Business Days from the date the Listing Broker is so notified.

9.13 Listing Photograph Requirements. A minimum of one photograph or graphic image best depicting the exterior of the subject property must be attached to the listing within three Business Days of entering the listing unless the Seller signs an exclusion, utilizing the BAREIS Approved SEL form, directing that the property image not appear in BAREIS MLS® compilations. Photographs are optional for Lots & Acreage, Commercial/Industrial, 5+ Units, Business Opportunities, or Rental categories.

9.14 Special Provisions. Any special circumstance, provision, contingency or condition of any type in a listing agreement that would materially affect the Buyer or the decision of the Buyer to purchase the subject property, or a condition within or outside of the listing agreement that would materially and adversely affect the compensation of a representative of any party to the transaction (such as the commission or other compensation in a probate sale, short sale, sale with a pending notice of default, or other similar circumstance) shall be specified in the Confidential Remarks.

9.15 Member as Principal. If a Listing Broker through one or more intermediaries has any interest, whether direct or indirect, in the property, other than the Listing Broker's rights under the subject listing agreement, the Listing Broker shall clearly indicate this fact in the Confidential Remarks.

9.16 Correct Use of Data Fields. Data fields may be used only for their specified purpose, including:

9.16.1 General. Members may not use the remarks section or any MLS Database field for the purpose of disparaging other Members, conveying information about other offices, or for conveying any information that does not directly relate to the marketing of the subject listing.

9.16.2 Confidential Remarks. The confidential remarks data field ("Confidential Remarks") is intended to contain agent-to-agent remarks, showing instructions, financing or escrow information, contact information, and any information deemed confidential pursuant to these Regulations.

(a) No reference may be made to Real Estate Licensees who are not Members of BAREIS or a reciprocating MLS such as defined in Regulation 8.
(b) "For Comp Purposes Only" must appear in the first line of Confidential Remarks when a listing is entered for that purpose.
(c) Caution: Title, escrow, and lender information may be entered into Confidential Remarks; however, Members should note that any verbiage that implies a requirement to use a specific title company, escrow service, or lender may be a violation of RESPA. You are advised to seek legal counsel for specific advice when using such verbiage.
(d) See Regulations 9.3, 9.14, 9.19, 9.20, 10.1, 10.3, 10.5 10.11 and 11.2 (for more Regulations regarding Confidential Remarks).

9.16.3 Marketing Remarks/Property Description Field. Information in the Marketing Remarks Field shall only relate to the marketing, description and condition of the property and its amenities. Non-branded community interest and HOA websites are permitted.

(a) No contact information is permitted, including names, phone or fax numbers, email addresses or website addresses (including virtual tours and URLs) or calling instructions.
(b) No showing or open house instructions are permitted, including references to lockbox, alarm, gate or other security codes, or the vacancy of the property.
(c) No information directed toward real estate agents or brokers is permitted, including compensation or bonuses offered to cooperating brokers.
(d) No personal information relating to the seller or occupants of the property is permitted.
(e) No information related to financing governed by truth-in-lending laws is permitted.
(f) No information is permitted that is prohibited or restricted by any federal, state, or local regulation.

9.16.4 Photograph Areas and Virtual Media. Photograph areas, including photo remarks, may be used only for their specified purpose of displaying the subject property, its amenities and areas of community interest.

(a) Photo remarks are restricted to describing the subject photograph.
(b) The first and most prominent photograph of the listing shall be of the subject property.
(c) Up to 3 community interest photographs with remarks describing the subject of the photograph may be posted in photograph areas.

(d) Virtual tours should be pointed directly to a virtual tour, and not to a company or agent's website.

(e) Photographs may not contain legible contact information, including, but not limited to, office or agent names.

9.16.5 Intellectual Property Rights. Except as provided by Regulation 14.4, Members may not use photographs or other images or virtual media, Marketing Remarks, appraisal reports, or other intellectual property (collectively, "Media") from another listing without the prior written permission of the previous Listing Broker or other party that has the legal right to reproduce and display the Media.

(a) Members shall not remove or alter any metadata, copyright or electronic management information (as defined in § 17 USC 1201(c)) or other markings indicating another person's intellectual property rights in any such Media.

(b) By submitting Media to the MLS, the Listing Broker represents and warrants that he or she either owns the right to reproduce, display, and include such Media in the BAREIS MLS® copyrighted compilation per Section 2.1(d) of the Bylaws, or has procured such rights from the appropriate party, and that such Listing Broker has the authority to grant and hereby does grant to BAREIS MLS® the irrevocable right and license (i) to reproduce, display, and include such Media in the BAREIS MLS® copyrighted compilation and (ii) to sublicense and grant the right to reproduce and display the Media to BAREIS' Participants, Subscribers and Members and to other Persons as required or permitted by the Bylaws or these Regulations.

9.16.6 HUD Discriminatory Terms. Federal and state law and Housing and Urban Development ("HUD") regulations prohibit the use of certain discriminatory terms and actions. Members are expected to be aware of these terms, and are prohibited from the use of these terms in the MLS Database.

9.16.7 Publication of Access Codes. The publication of access codes, including security alarm codes, digital deadbolt codes and gate codes, is prohibited in any MLS data field.

9.17 Change of Listing Information. Listing Brokers shall report any change in the original listing agreement to BAREIS within three Business Days. By reporting changes, the Listing Broker represents that the Seller has authorized the listing modification in writing or that the Listing Broker has obtained other legally sufficient written authorization to make the changes.

9.18 Processing of Changes in Listings. Changes in listings may be submitted to BAREIS on change forms, or directly entered by the Member into the MLS Database. Change forms must be complete. Incomplete change forms will be returned to the Listing

Broker for completion. Change forms covering listings originally loaded by BAREIS into the MLS Database are processed by BAREIS at no charge. Change forms covering listings originally loaded into the MLS Database by Members are processed by BAREIS for a fee.

9.19 Reporting of Sales. Contingent sales, pending sales, failed sales, closed sales and referred sales shall be reported to BAREIS by the Listing Broker as soon as practicable, but in no event later than three Business Days after their occurrence.

9.19.1 Contingent Sales. Listings with accepted offers by the Seller with contingencies or conditions (i.e., Buyer's or Seller's lender's approval, inspections, release clauses, etc.) shall be reported to the MLS as "Contingent" by the Listing Broker. Neither offer price nor terms shall be posted prior to the final closing.

9.19.2 Pending Sales. Listings with accepted offers without contingencies shall be reported to the MLS as "Pending" by the Listing Broker. Neither offer price nor terms shall be posted prior to the final closing.

9.19.3 Failed Sales. The Listing Broker shall report immediately to BAREIS the cancellation of any contingent or pending sale and the listing shall be reinstated immediately as long as there is still a valid listing.

9.19.4 Closed Sales. A "Closed Sale" ("Sold") is defined as a completed transaction where escrow has closed and title to the property has been transferred, or, in the case of a lease, where the lease agreement has been signed by the lessor and the lessee.

9.19.5 Referred Sales. When a listing offers referral fees instead of selling commissions, the Member that introduces the resulting Buyer to the Listing Broker shall be deemed the selling Member for reporting purposes.

9.19.6 Deed Returned to Lender. If a property listed in the Database results in a return of the deed to the lender, e.g., a deed-in-lieu of foreclosure, the listing shall be withdrawn/canceled on the date the deed-in-lieu is issued, and shall not be included in the MLS Database as "Sold" or as a "Comparable Sale." When withdrawing/cancelling the listing, the first statement in the Confidential Remarks field shall describe the type of transaction or the circumstances under which the deed was returned, e.g., "Withdrawn and cancelled. Seller issued a deed-in-lieu of foreclosure."

9.19.7 Duplicate Sales. The Listing Broker shall report as Sold the listing that best reflects the buyer's intended use of the property. The other listing shall be withdrawn/cancelled by the Listing Broker. (Rev. 09-19-16)

9.20 Comparable Listings. A listing excluded from the MLS Database under Regulation 9.8.1 or a property sold under a single-party compensation agreement may be entered for comparable purposes only. The Listing Broker or Cooperating Broker must secure written approval from the Seller and Buyer to provide the sales information in the MLS

Database. The listing must be entered into the MLS Database with the status of "Sold Off MLS" within 30 days of close of escrow. When a listing has been entered as a Comparable Listing, the on-market date entered shall be the date the listing agreement became effective. (Rev 01/01/17).

9.21 Withdrawal of Listing Prior to Expiration. Listings of property may not be withdrawn from the MLS Database by the Listing Broker before the expiration date of the listing agreement unless the listing agreement is cancelled in writing. BAREIS reserves the right to request a copy of the Seller's written authorization or cancellation from the Listing Broker.

9.22 Expiration, Extension and Renewal of Listings; Days on Market.

9.22.1 Expiration. Listings will be coded "Expired" on the MLS Database on the expiration date specified in the listing agreement unless the listing is extended or renewed by the Listing Broker in accordance with these Regulations.

9.22.2 Extensions and Renewals. The Listing Broker shall obtain written authorization from the Seller before filing any extension or renewal of a listing.

9.22.3 Days on Market. For the purpose of determining days on market, any renewal or extension filed with BAREIS fewer than 11 calendar days after the expiration date of the original listing shall be treated as an existing listing.

9.22.4 Cumulative Days on Market ("CDOM"). CDOM applies to the total length of time a property is on the market, whether pursuant to a single listing agreement or multiple listing agreements, and continues to accumulate days on market for the property until the property is sold. For the purpose of determining CDOM, if the property is withdrawn/cancelled or expired for more than 90 days, CDOM will reset to zero if replaced with a new listing.

9.23 Solicitation of Listing Filed with BAREIS. Members shall not solicit a listing with respect to properties listed in the MLS Database during the term of a valid existing listing agreement, provided that this prohibition shall in no way limit the right of any Member to solicit listings through general advertising.

9.24 Listings of Members Suspended or Terminated. When a Participant is suspended or terminated, including by reason of resignation or Expulsion, the Participant's listings in the MLS Database at the time of such Suspension or Termination shall, at BAREIS' option, be retained in the MLS Database until sold, withdrawn, or expired, but shall not be renewed or extended by BAREIS beyond the expiration date of the listing agreement in effect when the Suspension or Termination became effective. All change orders for pre-existing listings shall be in writing and mailed, sent by facsimile, emailed or hand-carried to the appropriate BAREIS service center to be sent to BAREIS for input into the MLS Database. Suspension of MLS Privileges of a Participant extends to all Subscribers affiliated with that Participant. It shall be the responsibility of the Listing Broker to notify any Client that the listings are no longer in the MLS Database.

10 SELLING PROCEDURES AND PRESENTATION OF OFFERS

10.1 Showings and Negotiations.

10.1.1 Appointments. Appointments for showings and negotiations with the Seller for the purchase of listed property filed in the MLS Database shall be conducted through the Listing Broker except under the following circumstances:

(a) The Listing Broker gives the Cooperating Broker specific authority to show or negotiate directly, or, if the Listing Broker is having all showings and negotiations conducted solely by the Seller, the Listing Broker shall clearly set forth such fact in the Confidential Remarks filed with BAREIS; or

(b) After reasonable effort and for no less than 24 hours the Cooperating Broker cannot contact the Listing Broker or his or her representative. However, the Listing Broker, at his or her option, may preclude such direct negotiations by the Cooperating Broker by giving notice to all Members through the MLS Database.

10.1.2 Notification of Sale. The Cooperating Broker shall notify the Listing Broker of the sale as soon as possible, and shall mail or deliver a copy of the sale contract to the Listing Broker within three Business Days after the contract has been fully signed.

10.2 Disclosing the Existence of Offers. Listing Brokers, in response to inquiries from Buyers or Cooperating Brokers, shall disclose the existence of offers on the property unless instructed otherwise by the Seller in writing. The Listing Broker shall also disclose if asked whether offers were obtained by the Listing Broker, or by a Cooperating Broker.

10.3 Listings with Instructions “Do Not Show” or “Not Accepting Offers.” A Listing Broker may instruct Cooperating Brokers not to show a property, or not to submit offers, under the following provisions:

10.3.1 Submitted Listings with “Do Not Show” Instructions. If a property is listed in the MLS Database with an Active status containing information that instructs Cooperating Brokers not to show the property, the Confidential Remarks must indicate the process for presentation of offers during the “do not show” period.

10.3.2 Submitted Listings with Instructions To Not Submit Offers. If a property is listed in the MLS Database with an Active status containing information that instructs Cooperating Brokers to not submit offers, the Listing Broker shall change the status of the property to “Temporarily Off-Market” until offers may be submitted; however, the Listing Broker may, with written authorization from the Seller, withdraw a listing from the MLS Database at any time.

10.4 Listing Broker's Permission. No Member may physically enter a property, with or without a lockbox, without the Listing Broker's permission and without following the Listing Broker's instructions. A Member must be physically present on the property at all times when providing access to a listed property unless the Seller has consented otherwise in writing. Permission to use the lockbox may be granted by the Listing Broker through the MLS Database. Appraisers are prohibited from entering a property without either the Seller's or the Listing Broker's permission. Showing instructions contained in the MLS Database do not satisfy the appraiser-permission requirement.

10.5 Procedures for Presentation of Offers. The Listing Broker must make arrangements to present an offer as soon as possible, or give the Cooperating Broker a satisfactory reason for not doing so. In the event a Listing Broker will not be participating in the presentation of offers, the Listing Broker shall clearly indicate this fact in the Confidential Remarks in the listing information filed with BAREIS.

10.6 Submission of Offers. Unless precluded by law, governmental regulation, or written instruction by the Seller, the Listing Broker shall submit all offers to purchase to the Seller until the closing of the sale, or the expiration or termination of the listing agreement.

10.7 Right of Cooperating Broker in Presentation of Offer. The Cooperating Broker has the right to participate in the presentation of any offer to purchase that he or she secures, but does not have the right to be present at any discussion or evaluation of that offer by the Seller and the Listing Broker. The Cooperating Broker shall convey the offer to the Listing Broker for presentation if the Seller gives written instructions to the Listing Broker requesting that the Cooperating Broker not be present during offer presentation. The Cooperating Broker has the right to receive a copy of the Seller's written instructions from the Listing Broker in that regard. Nothing in this Regulation 10.7 shall diminish or restrict the Listing Broker's right to control the establishment of appointments for offer presentations.

10.8 Right of Listing Broker and Presentation of Counteroffers. The Listing Broker has the right to participate in the presentation of any counteroffer made by the Seller. The Listing Broker does not have the right to be present at any discussion or evaluation of a counteroffer by the Buyer. However, if the Buyer gives written instructions to the Cooperating Broker that the Listing Broker not be present when a counteroffer is presented, the Listing Broker has the right to a copy of the Buyer's written instructions in that regard.

10.9 Delayed Offer Presentation. A Listing Broker at the direction of the Seller may establish a date for presentation and review of all offers. The Listing Broker must accept/receive all offers for presentation up to and on the specified date. If an offer is presented and accepted prior to the date, the Listing Broker must notify, in writing, all Brokers submitting offers, and may be subject to disciplinary action.

10.10 Member as a Buyer. If a Member wishes to acquire through one or more intermediaries an interest, direct or indirect, in a property listed with another Listing Broker, such contemplated interest shall be disclosed by such Member to the Listing Broker in writing prior to the time an offer to purchase is submitted to the Listing Broker.

10.11 Refusal to Sell. If the Seller of any listed property in the MLS Database refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be disclosed in the Confidential Remarks section of the listing within 24 hours.

11 COMPENSATION

11.1 No Control of Commission Rates or Fees Charged by Participants. BAREIS shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, BAREIS shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between Cooperating Participants or between Participants and non-Participants. BAREIS shall not be a party to the settlement of any dispute over compensation.

11.2 Unconditional Unilateral Contractual Offer. By making a compensation offer in the MLS Database, the Listing Broker is making a blanket, unconditional, unilateral contractual offer of compensation to the other Participants and, through the Participants, other Members for their service in selling the property. A Listing Broker must specify, in either a dollar amount or as a percentage of the sales price, the compensation to be paid. Any offer of a referral fee in addition to or in lieu of a commission, and any requirements, limitations, or restrictions to receive or to qualify for the unilateral contractual offer of compensation (for example, estate sale, probate, bankruptcy, or lender approval listings), must be specified clearly in the Confidential Remarks in the listing. All offers of compensation are unconditional, except that entitlement to compensation is determined (a) by the Cooperating Broker's performance as the procuring cause of a ready, able and willing Buyer of the listed property on terms acceptable to the Seller, as evidenced by the execution and delivery of a binding contract of sale between the Buyer and the Seller, (b) by the Cooperating Broker's introducing the Buyer to the Seller within the terms of a listing that offers a referral fee, as evidenced by the execution and delivery of a binding contract of sale between the Buyer and the Seller, or (c) as otherwise provided for in these Regulations. The Listing Broker's obligation to compensate any Cooperating Broker as the Broker procuring the sale may be excused if it is determined through arbitration or other proceeding 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.

11.3 Acceptance of Contractual Offer. The Listing Broker's blanket, unconditional, unilateral contractual offer pursuant to Regulation 11.2 is accepted by the Cooperating Broker when he or she procures a Buyer, lessee or exchangee and a sale contract or lease agreement is entered into. Payment of compensation by the Listing Broker to the Cooperating Broker under this Regulation 11.3 is contingent upon either (a) the final closing or (b) the Listing Broker's receipt of monies resulting from the Seller's or Buyer's default under the underlying sale contract or lease agreement. Notwithstanding this Regulation 11.3, the Listing Broker or Cooperating Broker shall still retain any remedies they may have against either the Buyer or the Seller due to a default under the terms of the sale contract, listing agreement, or other specific contract. Any dispute between Broker Participants arising out of this Regulation 11.3 shall be arbitrated under applicable Regulations, CAR interboard arbitration rules, or Regulation 16.5, and shall not be considered a Regulations violation.

11.4 Changes to Unilateral Offer of Compensation to All Participants. The Listing Broker may, from time to time, adjust the published compensation offered on the MLS Database. Any change in compensation shall be effective immediately upon publication in the MLS Database. The Listing Broker may revoke or modify the offer of compensation in advance to any individual Broker Participant in accordance with general contract principles, but in no event shall the Listing Broker revoke or modify the offer of compensation without the Cooperating Broker's consent after the Cooperating Broker (a) physically delivers or transmits by fax or email to the Listing Broker a signed offer from a prospective Buyer to purchase the property for which the compensation has been offered through the MLS Database, or (b) notifies the Listing Broker in person or by telephone, facsimile or email that the Cooperating Broker is in possession of a signed offer from a prospective Buyer to purchase the property for which the compensation has been offered through the MLS Database and is awaiting instructions from the Listing Broker as to the manner of presentation or delivery of that offer. Any independent advance revocations, modifications of the offer, or agreements between Broker Participants are solely the responsibility of such Broker Participants, and shall not be filed with, published by, or governed in any way by, BAREIS MLS®.

11.5 No Change of Compensation as a Condition of Offer. Neither the Listing Broker nor the Cooperating Broker shall use the terms of an offer to purchase to attempt to modify the unilateral offer of compensation or the Cooperating Broker's right to receive such compensation, nor make the submission of an executed offer to purchase contingent on an agreement to modify the offer of, or the right to receive, such compensation. Failure of a Listing or Cooperating Broker to comply with this Regulation 11.5 shall not relieve a Listing Broker of the obligation to submit all offers to the Seller as required by California law. BAREIS MLS® shall not be a party to the settlement of any dispute over compensation.

11.6 Dual- or Variable-Rate Commission Arrangements. The existence of a dual- or variable-rate commission arrangement in the listing agreement shall be disclosed by the Listing Broker by a key, code or symbol, as required by BAREIS MLS®. A dual- or variable-rate commission arrangement is one in which, for example, (a) the Seller agrees in writing to pay a specified commission if the property is sold by the Listing Broker without assistance and a different commission if the sale results through the efforts of a Cooperating Broker, or (b) a different commission if the sale results through the efforts of the Seller. If the Cooperating Broker is representing a Buyer, the Cooperating Broker must then disclose such information to his or her Client before the Client makes an offer to purchase. The Listing Broker shall, in response to inquiries from potential Cooperating Brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale that results through the efforts of the Seller.

12 PRESERVATION, CONFIDENTIALITY, DISPLAY, USE, AND DOWNLOADING OF MLS DATA

12.1 Database Preservation. No data may be removed from the MLS Database other than by BAREIS MLS®. Although a listing may be removed from display in the BAREIS MLS® compilation of current listing information, all data submitted to BAREIS MLS® shall remain in the MLS Database archives for historical and other purposes approved by the Board.

12.2 Confidentiality of MLS Data.

12.2.1 Confidential Information. As used in these Regulations, "Confidential Information" (a) means the MLS Data, including the MLS Database (regardless of how accessed, whether by computer, computer tablet, cellphone, lockbox keypads or any other device whatsoever) and all compilations of information, correspondence, documents and agreements, keypad and lockbox access and cooperating codes, and designs, drawings, files, formulae, lists, maps, methods, models, notes or other writings, plans, records, regulatory compliance procedures, reports, schematics, specialized or technical data, source code, object code, documentation, and software used in connection with the Multiple Listing Service operated by BAREIS, including the roster of BAREIS Members and the identity of licensees or licensors of all or part of the MLS Data, (b) is to be broadly defined, and (c) includes all information that has or could have commercial value or other utility in the conduct of the MLS, and all information of which the unauthorized disclosure could be detrimental to BAREIS' economic and business interests, whether or not such information is identified as "Confidential Information" by BAREIS. Members (i) shall protect the confidentiality of such Confidential Information, (ii) shall not disclose or provide such Confidential Information to others, or facilitate the access by others of such Confidential Information, unless authorized to do so by BAREIS and these Regulations, (iii) shall use such Confidential Information only for the purposes set forth in these Regulations, and (iv) shall, at all times, maintain control over and responsibility for any Confidential Information provided to them by BAREIS. The Confidential Information contains BAREIS trade secrets under the California Uniform Trade Secrets Act and a misappropriation thereof shall be subject to sanctions under that Act.

12.2.2 Login Security Codes, Etc. Members are responsible for the security of their BAREIS login security codes or passwords, and Members shall not give or allow use of or make their login security codes or passwords available to anyone. Members are expected to keep the contact information of other Members confidential. Any communication with other Members must be within the guidelines and opt-out provisions of the legislation governing email, facsimile, and telephone solicitation. Selling, transmitting or providing non-Members with the contact information, login security codes or passwords of other Members is a violation of these Regulations and may result in Termination from the MLS.

12.3 Display and Use of MLS Data. Members are hereby granted a limited non-exclusive terminable license to use and copy the MLS Database and display the MLS Database only in conjunction with their ordinary business activities. See Regulations 13 and 14 for advertising and Internet advertising limitations.

12.4 Presentation of the MLS Database. Presentation of the MLS Database to a Member's Client shall be only in the immediate presence or "virtual" presence (by electronic

means) of the Member with his, her or its Client. Members are prohibited from using the MLS Database for any purpose other than to market property or to support a sales presentation or a written appraisal or estimate of value on a particular property to a Client, and in no event may Confidential Information be presented to a Client to support an estimate of value.

12.5 Use of Listing Broker's Data. Nothing in these Regulations prohibits a Broker Participant from transmitting, or re-transmitting electronically, or by any other means, his, her or its own listing data to any person.

12.6 Confidential Listing Data. Members shall not provide the following information from the MLS Database to a Member's Client or to the general public unless the Member obtains prior written consent from the Listing Broker:

(a) Property owner's name, phone number, or address (if different from the listed property);
(b) Instructions or remarks intended for Cooperating Brokers, including showing instructions, including any references to a lockbox, burglar alarm or any security system, or to the vacancy of the property;
(c) Type of listing agreement and expiration date;
(d) Compensation or bonuses offered to Cooperating Brokers; and
(e) Any other information that goes beyond a description of the property.

12.7 Downloading MLS Data. Participants may download the MLS Database into a computer as long as:

(a) Access to the computer receiving the data is strictly limited to authorized Members and Administrative Users as defined in these Regulations;
(b) The data is re-transmitted only to the Member authorized to access the system by these Regulations; and
(c) The data is not reformatted or used to create another product except as may be used by the Member who downloaded the data and such use strictly complies with Regulations 12.3, 13 and 14.

13 USE OF MLS DATA IN ADVERTISING

13.1 "For Sale" Signs. Only the "For Sale" signs of the Listing Broker may be placed on the property.

13.2 "Sold" Signs and Use of the Term "Sold." Prior to closing, only the "Sold" or "In Escrow" signs of the Listing Broker may be placed on a property, unless the Listing Broker authorizes the Cooperating Broker in writing to post such signs. After closing, and only with the written permission of the buyer, "Sold" signs of the Listing Broker or the Cooperating Broker may be placed on a property.

13.3 Use of MLS Data in Advertising. Except as provided in Regulations 13.4, 13.5, and without the prior written consent or consent granted under Regulation 14 of the Listing Broker, any advertising MLS Data is prohibited by any Member other than the Listing

Broker. Only Members who participated in the transaction as the Listing Broker or Cooperating Broker may claim to have "Sold" the property.

13.4 Use of Comparable MLS Data in Advertising. Except as provided in Regulations 12.3, 13.3, and Regulation 14, any advertising of Comparable MLS Data is prohibited except for use in a Member's marketing materials that are designed to promote the Member's services as a Real Estate Broker, agent or Appraiser, generally. Comparable MLS Data obtained from BAREIS and used in such marketing materials must contain the following disclaimer:

This information is based on sales reported in Bay Area Real Estate Information Services, Inc. (BAREIS) and is not verified and is subject to change. Listings represented may not have been listed or sold by (agent/firm name).

13.5 Use of MLS Data in Market Share Advertising. Advertising of statistical data for the purpose of demonstrating market share is permitted; provided, however, that any use of MLS Data for demonstrating market share must include the following notice:

Based on information from Bay Area Real Estate Information Services, Inc. (BAREIS) for the period [date] through [date]. Information has not been verified, is not guaranteed, and is subject to change.

13.6 False or Misleading Advertising and Representations; Unfair Competition. Members may not engage in false or misleading advertising or any other conduct that violates the provisions of California Business and Professions Code, § 17200, et seq., including advertisements or representations regarding the Member's relationship to BAREIS, BAREIS itself, or any property listed in the MLS Database. It shall not be BAREIS' responsibility to mediate or resolve conflicts between or among Members with respect to false or misleading advertising or other unfair business practices.

13.7 Use of the Terms "MLS" and "Multiple Listing Service." California Civil Code § 1087 defines a multiple listing service as: "… a facility of cooperation of agents and appraisers, operating through an intermediary which does not itself act as an agent or appraiser, through which agents establish express or implied legal relationships with respect to listed properties, or which may be used by agents and appraisers, pursuant to the rules of the service, to prepare market evaluations and appraisals of real property."

13.7.1 No Misrepresentation of MLS. No Member affiliated with any Broker Participant shall, through the name of such Member's firm, URLs, e-mail addresses, website addresses, or in any other way, represent, suggest or imply that the individual or firm is a Multiple Listing Service, an "MLS," or that he, she or it operates a Multiple Listing Service. Members shall not represent, suggest or imply that consumers or others have direct access to the BAREIS MLS® databases, or that consumers or others are able to search BAREIS Databases available only to Members. This does not prohibit Members from representing that any information they are authorized under these Regulations to provide to Clients or consumers is available on their websites or otherwise.

13.7.2 Governing BRE Provisions. Provisions in the Bureau of Real Estate Regulations, Article Five, § 2731, govern fictitious business names and prohibit the use of any names that are misleading or would constitute false advertisement.

14 LISTING DATA ON THE INTERNET

14.1 Broker's Usage of Proprietary Data. Brokers are not restricted from downloading, displaying, or reproducing their own listing information on any Internet site. BAREIS does not prohibit Members from linking their own Internet sites to other Internet sites where other Brokers' listings may be advertised.

14.2 Use of Internet Search Criteria. MLS Members shall present a true picture in Internet representations to the public, including the URLs and domain names they use; and Members may not:

(a) Engage in deceptive or unauthorized framing of real estate brokerage websites;
(b) Manipulate (e.g., presenting content developed by others) listing content in any way that produces a deceptive or misleading result; or
(c) Deceptively use meta tags, keywords or other devices/methods to direct, drive, or divert Internet traffic, or to otherwise mislead consumers.

14.3 Member Linking Websites. Members may link or "frame" from their public-access website, any public-access website owned and operated by BAREIS (currently GreatHomes.org), provided the BAREIS website and data is displayed in its entirety. Display of the BAREIS public website in its entirety shall not be considered a violation of Regulation 13. Members may not frame the MLS system website (currently Rapattoni).

14.4 Internet Data Exchange (IDX) Listing Data for the General Public Access – Member Websites. Members may not download, display or reproduce listings in the MLS Database of other Members on the Internet without the prior written consent of the Listing Broker, or through both Broker Participants' enrollment in the IDX program.

A Member/Subscriber that is employed or affiliated with a Broker Participant may, with the consent of the Broker Participant with which the Member/Subscriber is employed or is affiliated as an independent contractor, establish and operate an IDX website. Such authorization is presumed for IDX websites provided to members by BAREIS. Broker Participants shall provide oversight and supervision of IDX websites built and maintained by their Members/Subscribers or their vendors, and shall be accountable for compliance of such websites with MLS Rules, policies, procedures and guidelines.

(a) Subject to paragraphs (b) through (m) below, and notwithstanding anything in these Regulations to the contrary, Members may display on their public websites IDX Internet Data and IDX Enhanced Internet Data identified through the listing process by the Listing Broker as "permitted to be advertised by other Brokers" and identified as

permissible to “pass to Internet.” There is no “presumed consent” for such Internet display, and both of the permissions above are granted through listing input.

(b) A Member may not advertise IDX Listings of other Broker Participants granting permission to do so on the Internet until the Broker Participant has signed and agreed to the terms of an IDX license agreement provided by BAREIS. As a part of that agreement, the Broker Participant must commit to making all of his, her or its listings available for transmission through the MLS Database to other Broker Participants participating in IDX license agreements for display on the Internet.

(c) A Broker Participant that is not advertising on the Internet the listings of other Broker Participants, but wishes to grant permission to other Broker Participants to advertise his, her or its listings on the Internet, is required to sign a BAREIS IDX license agreement.

(d) Members may not advertise IDX Internet Data of other Members on the Internet unless their Broker Participant has signed a BAREIS IDX license agreement.

(e) Members may not display on their websites Confidential Information fields that, as determined by BAREIS in BAREIS’ sole discretion, would normally be information for Cooperating Brokers rather than consumers.

(f) All listings on a Member’s IDX website shall identify the firm name of the listing brokerage and listing agent in a manner designed to easily identify such listing brokerage or agent.

(g) Members shall not modify the information displayed pursuant to these Regulations.

(h) IDX Internet Data displayed shall indicate the source of the information being displayed, and the most recent date the data was updated. Members shall update all downloads and refresh all data at least once every 12 hours.

(i) Sharing of the MLS Database with any Third Party, or permitting a Third-Party vendor not authorized by a BAREIS IDX license agreement to access the MLS Database, is prohibited.

(j) Members shall indicate on their websites that the information being provided is for the consumer’s personal, non-commercial use, and may not be used for any purpose other than to identify prospective properties that consumers may be interested in purchasing.

(k) Members displaying IDX Listings on their websites must adhere to the Listing Broker’s and Seller’s written instructions regarding use of “address on Internet (full/partial)” flags in the BAREIS MLS® compilation.

(l) A Member may exclude a previously approved listing at any time up to and including the date of sale, regardless of status, from being transmitted to public and IDX websites by marking the listing "do not pass to the Internet."

(m) IDX Enhanced Data includes certain Off-Market MLS Data that is restricted for use on member IDX sites and BAREIS MLS®-approved public sites. Members are permitted to transmit the Member’s own

listings and listings data to any person of the Member's choice. A Member's transmission of IDX Internet Data and IDX Enhanced Internet Data through a Syndicator shall be limited solely to the Member's own listings and listings data.

14.5 Virtual Office – for the Member's Client Access. A Participant may do in the virtual presence of his, her or its Client anything permitted under these Regulations that is allowed in their physical presence. A virtual office website (a "VOW") is defined as a Member's Internet office website (other than a public-access IDX site through which members of the general public receive certain real estate listing information) that includes the opportunity for a Member's Clients to search for MLS Data, conditional on the Participant's oversight, supervision and responsibility. In order to have a VOW, a Participant must obtain a separate license agreement with BAREIS to establish a VOW, and must also have its VOW vendor obtain a separate license agreement from BAREIS pursuant to Regulation 14.4. A VOW must operate in a manner consistent with the following guidelines:

(a) Confirmation and Verification. Members can provide access to a Client only after (i) obtaining the name and valid email address of such Client, and (ii) sending an email to such Client in order to confirm that the Client has a valid address and has received and agreed to the VOW's terms of use.

(b) Terms of Use. Terms of use shall include the following: (i) that the Client acknowledges entering into a Client-Broker relationship with the Participant; (ii) that all data obtained from the VOW is only for the Client's personal, non-commercial use; (iii) that the Client has a bona fide interest in the purchase, sale or lease of real estate of the type being offered through the VOW; (iv) that the Client will not copy, redistribute or retransmit any of the MLS Data or information provided; and (v) that the Client acknowledges BAREIS' ownership of and the validity of the copyright in the MLS Data.

(c) User Name and Password. Members must obtain from or supply to each Client a user name and a password, the combination of which must be different from those of all other Clients on the VOW, before being permitted to search and retrieve information from the MLS Database using the VOW.

(d) Protection for Misappropriation. Members' VOWs must protect MLS Data from misappropriation by employing reasonable efforts to monitor for and prevent "scraping" and other unauthorized accessing, reproduction or use of the MLS Database.

(e) Seller Withholding. Listings or property addresses of Sellers who have directed their Listing Brokers in writing to withhold their listing or their property address from display on the Internet shall not be accessible in any display directed to the general public. This does not preclude listing Participants from displaying the listings or property address to their Clients on their VOW site.

(f) Distribution of Database. No portion of the MLS Database shall be distributed to, provided to or made accessible to any person, except as provided for in these Regulations.

(g) Privacy Policy. All VOWs must display the Members' privacy policies informing Clients how information they provide may be used.

14.6 Third-Party Access. Each Member is responsible for all actions of each vendor, consultant, agent, or other third party (each a "Third Party") employed or engaged by such Member who gains access to any data from the MLS Database, regardless of whether the MLS Database is displayed on a free-standing Internet site or through a link to the Member's Internet site. Each such Third Party is required to sign an agreement with BAREIS prior to any access to or transmission of such MLS Data. Per Section 4.2 of these Regulations, all right, title, and interest in the MLS Data created and copyrighted by BAREIS shall at all times remain vested exclusively in BAREIS. BAREIS may accept or deny any application for third-party access to the MLS Data in its sole discretion, or may impose additional conditions or requirements for any application for access. BAREIS reserves the right to terminate access if it concludes that the agreement has been breached in any way. The agreement shall restrict the Third Party's use of the MLS Database; and each such Third Party is required to acknowledge and adhere to these Regulations. No Third Party employed or engaged to develop or operate any Internet site for a Member, or utilizing a Member's site through a link, may utilize the MLS Database in any manner, including capturing names and personal information of visitors to the site for any other purpose than that permitted in such agreement with BAREIS. Links to the Member's Internet site by unrelated Internet sites may be established with the permission of the Member. The host sites of links to a Member's Internet site shall be considered Third Parties of such Member and are subject to these Regulations. Failure to adhere to these Regulations by a Member's Third Parties shall be considered prohibited access to or transmission of the MLS Database in violation of these Regulations, and may result in sanctions against such Third Parties or such Member.

15 ELECTRONIC LOCKBOX AND KEYPAD REGULATIONS

15.1 Eligibility for Lockboxes. Lockboxes and keypads are administered by an Administrator in the BAREIS Primary Service Area. Members in good standing with BAREIS or a reciprocal entity as defined in Section 8 are eligible for lockbox privileges. Administrative Users are not eligible for lockbox privileges. BAREIS Members shall be eligible to hold an electronic lockbox and keypad provided:

(a) The keypad holder signs a lease agreement with his/her local keypad administrator.
(b) The Broker Participant to which the keypad holder is licensed cosigns the lease agreement (if necessary under the lease agreement).
(c) The keypad holder continues to comply with all BAREIS Regulations relating to lockboxes and keypads and all terms of the lease agreement and user's guide provided by the issuing entity.
(d) The Member remains eligible for BAREIS MLS services.

15.2 Keypad Use. Keypads may not be used under any circumstances by anyone other than the keypad holder. Permitting the unauthorized use of a keypad is subject to the fine listed in EXHIBIT A-2. All Confidential Information accessed by or through a lockbox keypad shall be subject to Section 12.2.1 of these Regulations. If a keypad user loses a keypad, or the keypad is stolen and the access codes are stored with a keypad, this shall be considered permitting unauthorized use. Keypads may only be used for the purpose of facilitating the sale or lease of a listed property.

15.3 Accountability. Keypad holders must account for keypads at the time of any inventory conducted by the issuing keypad administrator, or its designated representative. Keypad holders who voluntarily or involuntarily cease to subscribe to the MLS shall promptly return all keypads in their possession to the MLS.

15.4 Deemed Unaccountable. Keypads shall be deemed unaccounted for if a keypad holder refuses or is unable to demonstrate that the keypad is within the keypad holder's physical control.

15.5 Written Authority for Placement and Removal of Lockbox. Members shall not place a lockbox on a property without written authorization from the Seller and without advising the Seller of the Seller's duty to secure permission for Broker access from the occupant, if the occupant is not the Seller. The Listing Broker must remove the lockbox from the property within one day after close of escrow, termination, or unless instructed otherwise in writing by the Buyer or the Buyer's agent.

15.6 Listing Broker's Permission. No Member may enter a property with or without a lockbox without the Listing Broker's permission. Permission may be granted by the Listing Broker to use the lockbox through the MLS Database. Appraisers are prohibited from using keypads to enter a property without either the Seller's or Listing Broker's permission. Showing instructions contained in the database do not satisfy the appraiser-permission requirement.

15.7 Unaccounted for Keypads. Keypad holders and Broker Participants cosigning with a keypad holder shall immediately report lost, stolen, or otherwise unaccounted for keypads to its local keypad administrator or its designated representative in accordance with the lease agreement.

15.8 Failure to Abide by Regulations. Failure to abide by these Regulations and the usage requirements of the entity issuing the lockbox and keypad may result in disciplinary sanctions as provided within these Regulations, in addition to loss of or restriction on all lockbox and keypad privileges.

15.9 Right to Limit Access. BAREIS reserves the right to refuse or limit access to lockboxes if, in its sole discretion, it determines the security of the system would be compromised by granting access to lockboxes.

15.10 Protection of Property. Extreme care shall be used by a Member to ensure that all doors and access points to the listed property to which the Member has had access and the lockboxes thereon are locked. A Member must be physically present on the property at all times when providing access to a listed property unless the Seller has consented otherwise in writing.

15.10.1 Use of Lockbox Contents. Keys or devices used to access the property may only be used to enter the property for the purpose of showing or selling the property unless permission otherwise is granted in writing by the Listing Broker or Seller. Members shall at all times follow the showing instructions published in the MLS Database. Members shall not remove contents of the lockbox for purposes other than

facilitating the sale or lease of the property. While at the property, Members shall keep lockbox contents in their possession at all times after removal from the lockbox. The lockbox or contents shall not be removed from the property without prior consent from the Listing Broker. Members shall return key or device to access property to the lockbox upon exiting the property.

15.11 Compatible Lockboxes; Multiple Lockboxes. If a lockbox or keyless access device is present on a property that is located in the Primary Service Area (Sonoma, Marin, Napa, Solano or Mendocino) and listed for sale or lease in the MLS Database, a BAREIS-approved electronic lockbox must be present, or a lockbox that is compatible with the BAREIS-approved system or has been otherwise approved in writing by BAREIS. The BAREIS-approved lockbox must include a key, device, combination, or code to access property. This Regulation 15.11 does not prohibit the placement of additional lockboxes. Commercial, Multi-Unit 5+, and Business Opportunity listings are excluded from this Regulation 15.11.

16 VIOLATIONS OF REGULATIONS, AND DISPUTES

16.1 Citations. The Board may impose fines or sanctions for violation of any Bylaw or Regulation. Additionally, the Board may implement a schedule of fines and other sanctions (see Exhibit A-2) for certain violations of these Regulations. The Board may direct staff to issue citations for the specified violations and implement a procedure for payment. Any Member receiving a citation must pay the amount specified on the citation and complete the BAREIS Online Orientation class within 14 days of receiving the citation.

16.1.1 Citation Notice. The citation, also referred to as a "fine letter," shall be in writing, may be given as follows, and shall be deemed to have been received by the Member when:

(a) Hand-delivered to the Member; or
(b) Sent by email or facsimile at the address or number on record for the Member, provided:
(i) A copy of the notice is promptly mailed with first-class postage prepaid to the Member; or
(ii) BAREIS receives a written confirmation of receipt either by email, facsimile or any other method permitted under this Regulation 16.1.1*;* or
(c) Three Business Days after the notice has been deposited in a United States post office with first-class, postage prepaid and addressed to the Member; or
(d) The next Business Day after the notice has been deposited with a national overnight delivery service, delivery fees prepaid, addressed to the Member with next Business-Day delivery guaranteed, provided that BAREIS receives a confirmation of the delivery from the delivery-service provider.

16.1.2 Appealing the Citation. A Member receiving a citation may request an appeal according to the policy as set forth in Exhibit B. The purpose of the appeal shall be limited to explaining why the fine was incorrectly

levied, and not to discuss any other item, including the intent or integrity of the Regulation or fine, or to propose Regulation changes.

16.1.3 Board-Initiated Hearing. If any Member commits three violations within a 12-month period that result in either fines or warnings requiring corrections, the Board may, at its discretion, direct the Grievance Committee to review the Member's record of fines and warnings, which may result in a disciplinary hearing for further action. If a Subscriber, who is under the supervision of a single Participant, commits four violations within a 12-month period that results in either fines or warnings requiring corrections, the Board may, at its discretion, direct the Grievance Committee to initiate a review of the Participant's record of fines and warnings, which may result in a disciplinary hearing for further action. (See Regulations 16.4.2(b) and 16.4.2(c).)

16.2 Grounds for Disciplinary Action and Sanctions. After a hearing by a hearing panel as provided in the *California Code of Ethics and Arbitration Manual*, the Board may take disciplinary action and impose sanctions against any BAREIS Participant or Subscriber:

(a) For violation of any Regulation;
(b) Upon the Member being convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of a felony or a crime involving moral turpitude;
(c) Upon a determination by any court of competent jurisdiction or an official of the State of California authorized to make the determination that the Member violated a provision of the California real estate law or a regulation of the California Real Estate Commissioner or laws or regulations relating to real estate appraisers or, with respect to the conduct of business as a Real Estate Broker or real estate appraiser, has engaged in unfair business practices, including false or misleading advertising, in violation of California Business and Professions Code, § 17200 through § 17210;
(d) For any violation of Regulation 16.2(a) by a non-Member Administrative User, Real Estate Licensee, real estate appraiser or Broker who is affiliated with the Participant;
(e) For any violation of Regulation 16.2(a) by an Administrative User who is registered under a Member;

16.3 Sanctions. Sanctions or disciplinary action for violation of a Regulation may consist of one or more of those specified in the *California Code of Ethics and Arbitration Manual.* Anyone may file a disciplinary complaint against a Member or reciprocating Member for any Regulation violation.

16.4 Procedures for Disciplinary Hearings, Expulsion and Suspension.

16.4.1 Procedures for Disciplinary Hearings. All Regulations disciplinary hearings shall be processed in accordance with the *California Code of Ethics and Arbitration Manual*, as from time to time amended, which

is hereby incorporated by reference. Failure to abide by the procedures shall be a violation of these Regulations.

16.4.2 Procedures for Expulsion and Suspension. If grounds appear to exist for Expulsion or Suspension of a Member under Section 3.6 of the Bylaws, the procedure set forth below shall be followed:

(a) The Member shall be given 15 days' prior notice of the proposed Expulsion or Suspension and the reasons for the proposed Expulsion or Suspension. Notice shall be given by any method reasonably calculated to provide actual notice in any manner permitted by Regulation 16.1.1.
(b) The Member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed Expulsion or Suspension. The Member shall be heard orally, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the Expulsion or Suspension should take place.
(c) The Board, or the committee or person authorized by the Board to make such a determination, shall decide whether or not the Member should be expelled or suspended. The decision of the Board, or the committee or person authorized by the Board to make such a determination, shall be final.

16.4.3 Limitations on Challenges. Any action challenging a Termination or Suspension of Membership, including Termination by reason of Expulsion, or a claim alleging defective notice, must be commenced within one year after the date of the Suspension or Termination.

16.5 Mandatory Arbitration. By becoming and remaining a Member in BAREIS, each Member agrees to submit to binding arbitration disputes arising out of real estate business, or in conjunction with any listing set forth in the MLS Database, or any appraisal, with (a) any other Participant or Subscriber of BAREIS, or (b) participants and subscribers of any other MLS who are authorized to have access to the MLS Database under Regulation 8, or (c) a Client arising out of an agency relationship with the Member, if the Client elects to arbitrate the dispute and agrees to be bound by the arbitration award. Such arbitrations shall be governed by the *California Code of Ethics and Arbitration Manual,* as from time to time amended, which is hereby incorporated by reference. This shall be deemed an arbitration agreement within the meaning of Part 3, Title 9, of the California Code of Civil Procedure. Failure to submit to arbitration as provided herein shall be a violation of these Regulations.

16.5.1 Other Arbitration Agreements. Notwithstanding any other provision of these Regulations, if any Participant or Subscriber enters into an agreement (either before or after a dispute arises) with another Participant or Subscriber to arbitrate a dispute utilizing non-BAREIS facilities, such persons are not bound to arbitrate the dispute covered by such agreement under these Regulations utilizing BAREIS facilities.

16.5.2 Arbitration between Class B (Association) Members. Notwithstanding any other provision of these Regulations;

(a) If all disputants are Members of the same Class B Association, they shall arbitrate under that Class B Association in accordance with its rules.

(b) If the disputants are Members of different Class B Associations, they remain obligated to arbitrate in accordance with the CAR interboard arbitration rules or under a regional or shared professional standards agreement.

(c) Arbitration between Members affiliated with the same firm is not mandated by these Regulations and will not be accepted unless there is a written agreement to submit such disputes to the Class B Association for arbitration.

16.5.3 Timing. For purposes of this Regulation 16.5, the duty to arbitrate shall be determined according to when facts giving rise to the dispute occurred. Therefore, a Participant or Subscriber shall have a duty to arbitrate if such person was a BAREIS Participant or Subscriber while facts giving rise to the dispute occurred. Termination of BAREIS participation or subscription shall not relieve the arbitration duty under this Regulation 16.5.3 for disputes that arose when the person was a BAREIS Participant or Subscriber. Requests for arbitration must be filed within 180 days after the closing of the transaction, or after the facts constituting the matters in dispute could have been known in the exercise of reasonable diligence, whichever is later.

16.6 Breach of Contract. A failure of a Member to abide by the Bylaws or these Regulations, including Section 12.2 hereof, may constitute a breach of contract for which the Member may be liable for BAREIS' damages, costs, losses or expenses (including BAREIS' attorneys' fees) incurred directly or indirectly in connection with or as a result of such breach. In the event a breach of contract proceeding is brought by BAREIS under this Section 16.6, the prevailing party shall be entitled to recover its reasonable attorneys' fees and expenses as well as its costs related to such proceeding.

17 INDEMNIFICATION

In connection with, conditioned upon and in consideration of BAREIS' granting of rights to use the MLS Database pursuant to these Regulations, each Participant, Listing Broker, and Subscriber (each an "Indemnifying Party") shall, and does hereby agree to, indemnify, defend and hold BAREIS and its service center operators and all officers, directors, employees and agents thereof (collectively, the "Indemnified Parties," and, individually without distinction, an "Indemnified Party"), harmless from and against and in respect of any and all damages, losses, deficiencies, liabilities, fines, judgments, assessments, costs and expenses, including reasonable legal fees, and costs and expenses incurred by BAREIS in administering any mediation or arbitration involving such Indemnifying Party, incurred or suffered by an Indemnified Party as a result of, relating to or arising out of any and all actions, suits, claims, proceedings, investigations, demands, assessments and audits incidental to or in any way connected to (a) the use or publication by BAREIS (including electronic publication) of any listing information or Media, or any part thereof, submitted by or through such Indemnifying Party, or (b) any one or more breaches by the Indemnifying Party of (i) any representation or warranty made by such Indemnifying Party to BAREIS, whether express or implied by these Regulations or the Bylaws, or (ii) any intellectual property rights of others in or to such listing information or Media, or (c) any one or more failures by the Indemnifying Party to abide by the Bylaws and these Regulations, as the same may be amended from time to time, in all respects, including any failure to provide full, true, complete and accurate listing information and Media for inclusion in the MLS Database or BAREIS's use or publication of, or BAREIS's licensing of others to use or publish, any such listing information or Media. If any action is brought to enforce the terms of this indemnity clause, the prevailing party shall be entitled to recover its reasonable attorneys' fees.

BAREIS EXHIBIT A-1

FEES AND CHARGES

Regulation No(s).	Description	Fee Amount
6.1	Quarterly Billing Cycle: 45 days prior to the start of the quarter, due 15 days prior to the start of the quarter. Fees are nonrefundable after the start of the quarter.	
6.1.1	Application Fee (Participant) Application Fee (Subscriber)	$300.00 $50.00
6.1.2	Quarterly User Fee	$114.00
6.1.3	Quarterly Administrative User Fee	$69.00
6.2	Late Fee per Member Reinstatement Fee – if within one year of Suspension of MLS Privileges	$25.00 $25.00
6.1.5 6.1.5	Return from Leave of Absence--Participant Return from Leave of Absence--Subscriber	$50.00 $15.00
6.1.5 9.18 6.1.5 6.1.5	Staff Loaded Listing (non-reciprocal) Status/Listing Change Listing Photos (first photo free) Reciprocal Listing (for input into BAREIS only)	$25.00 $5.00 $3.50 each $50.00
9.5	Duplicate Listing (must obtain prior approval from BAREIS staff)	$30.00
6.1.5 6.1.5	Co-op Key Programming Fee Annual Co-op Fee	$20.00 $132.00
6.1.5 6.1.5	Returned Check Fee Failed Credit Card Fee	$25.00 $25.00
16.5	Arbitration Filing Fee	$250.00
16.1.2	Appeal Administration Fee (initial appeal of citation) Appeal Administration Fee (appeal of decision of Rules Committee)	$50.00 $200.00

BAREIS EXHIBIT A-2
CITATIONS FOR REGULATIONS VIOLATIONS

Regulation No(s).	Violation Summary	Amount First Offense	Amount Second Offense or Failing to Correct the Initial Offense	Amount Third Offense Or Failing to Correct Initial Offense
5.1(d)	Failure to keep contact information current.	$100	$250	$500
9.3.1	Failure to comply with Regulations for Auction Listings.	$100	$250	$500
9.5	Filing a listing in more than one category or in more than one Primary Service Area without obtaining pre-approval from BAREIS.	$100	$250	$500
9.3, 9.11, 9.12, 9.13, 9.15	Failure to file accurate or complete information on a listing, including Media and copyrights relating to Media.	$100	$250	$500
9.16	Incorrect use of data fields & remarks.	$100	$250	$500
12.3, 12.4, 12.7 13.4, 13.5	Unauthorized display, use or downloading of MLS Data.	$100 per listing	Suspension with right to appeal	Expulsion with right to appeal
13.1-13.3	Advertising the listing of another Broker without permission.	$100 per listing	$100 per listing	$100 per listing
13.7	Misuse of the terms “MLS” and “Multiple Listing Service.”	$100 per incident	$100 per incident	$100 per incident
14.1-14.6	Failure to follow internet advertising Regulations.	$100 per listing	$100 per listing	$100 per listing
15.11	Lockbox on the property without a BAREIS Supra iBox present; no key in lockbox.	$100	$250	$500
9.7	Failure to enter a listing within three Business Days.	$250	$500	$750
9.8	Failure to file a BAREIS Approved SEL Form for an excluded listing within three Business Days.	$250	$500	$750
9.20	Failure to obtain authorization to enter a Comparable Listing in the MLS Database.	$250	$500	$1,000
10.11	Failure to disclose Seller’s refusal to sell within 24 hours.	$250	$500	$1,000
11.6	Failure to disclose dual- or variable- rate commission.	$250	$500	$1,000
7.2, 7.4	Failure to notify BAREIS of regulatory action or change of licensee status.	$500	$750	$1,000
9.6, 9.17, 9.21, 9.22	Failure to obtain written authorization for a listing entry, withdrawal, or extension.	$500	$750	$1,000
9.10	Failure to supply listing documentation to BAREIS within 24 hours of a request by BAREIS.	$500	$750	$1,000
9.14, 11.2	Failure to specify any special condition of any term in a listing in the Confidential Remarks.	$500	$750	$1,000

9.17	Failure to file a change of listing information within three Business Days.	$500	$750	$1,000
9.19	Failure to report sales within three Business Days.	$500	$750	$1,000
9.21	Improper withdrawal of a listing.	$500	$750	$1,000
10.3	Failure of Listing Broker to follow "Do Not Show" procedures.	$500	$750	$1,000
10.10	Failure to disclose interest in transaction.	$500	$750	$1,000
11.2	Failure to post the compensation correctly.	$500	$750	$1,000
11.5	Use of terms of offer to attempt to modify offer of compensation.	$500	$750	$1,000
12.1	Unauthorized removal of data from the MLS Database.	$500	$750	$1,000
15.5	Unauthorized placement or non-removal of a lockbox.	$500	$750	$1,000
15.7	Failure to immediately report lost or stolen keypad.	$500	$750	$1,000
15.2	Permitting unauthorized use of keypad; storing access codes with a keypad.	$1,000	Suspension with right to appeal	Expulsion with right to appeal
15.6	Unauthorized entry to a property without Seller's or Listing Broker's permission.	$1,000	Suspension with right to appeal	Expulsion with right to appeal
15.10	Permitting unauthorized entry to a property without a Member being present.	$1,000	Suspension with right to appeal	Expulsion with right to appeal
15.10.1	Wrongful use or removal of lockbox contents.	$1,000	Suspension with right to appeal	Expulsion with right to appeal
16.5	Failure to submit to arbitration.	$1,000	Suspension with right to appeal	Expulsion with right to appeal
7.3, 7.4, 7.5, 12.2, 12.6, 2.7, 14.4	Permitting unauthorized use of login, security codes, passwords, or MLS Data.	$1,000	Suspension with right to appeal	Expulsion with right to appeal
9.23	Solicitation of a listing currently under a listing contract.	****	****	****
10.1, 10.4	Failure to follow showing instructions; failure to obtain listing broker's permission before entering a property.	****	****	****
10.2	Failure to disclose existence of offer.	****	****	****
10.5	Failure to comply with procedures for presentation of offers.	****	****	****
10.6	Failure of Listing Broker to submit all offers to Seller.	****	****	****
10.9	Failure to follow delayed-offer instructions.	****	****	****
13.6	Engaging in false or misleading advertising.	****	****	****

****Subject to disciplinary complaint process as provided in *California Code of Ethics and Arbitration Manual*.

BAREIS EXHIBIT B
WARNINGS, CITATION AND APPEALS POLICY

This "Citation and Appeals Policy" is implemented pursuant to the Bay Area Real Estate Information Services, Inc. ("BAREIS"), MLS Regulations, Regulation 16, "Violations of Regulations and Disputes," and covers the violations outlined in Exhibit A-2, "Citations for Regulations Violations." The Citations may be amended at any time and from time to time by the Board. The Listing Broker and any Co-Listing Broker are equally responsible for violations of these Regulations.

Process

1. Warnings
Certain violations or repeat violations are not subject to a warning or may be subject to immediate citation, as set forth in EXHIBIT A2. For violations of Regulations that are subject to a warning, the Member will be given the warning to correct the violation by phone call or email contact. If a Subscriber has repeat violations of Regulations that are subject to a warning, the Subscriber's supervising Participant will receive notice of the third repeat violation by phone call or email contact. Any member who, within a 12-month period, has been warned four times with the opportunity to correct for violations of Regulations that are subject to a warning, will receive an automatic fine for the fifth and subsequent violations within such 12-month period.

2. Citations
If a Member fails to correct a violation of these Regulations that is subject to a warning within the time allotted in the warning, the citation for the offense will be issued and will become due and payable.

3. Citation Payment
If the Member fails to pay the citation (fine) within a 30-day period of invoice, a delinquency fee will be assessed and a delinquent notice will be sent. If the total balance is not paid within 15 days of the delinquent notice, BAREIS membership and MLS Privileges will be suspended for that Member, in accordance with Regulation 6.2.

4. Member Request for Appeal
Pursuant to Regulation 16.1, "Citations," a BAREIS Member may request an appeal for a Regulations violation citation to the Regulations Committee of the BAREIS Board of Directors (the "Board"). If the Member desires to appeal the citation, the Member must pay the citation and administration fee, complete the BAREIS MLS® Rules Tutorial Course and Quiz and provide documentation together with a letter explaining why the fine was incorrectly levied. The request for appeal must be received by BAREIS within 14 days of the notice of citation letter date (date postmarked or date of notification by electronic mail, facsimile transmission, or agent notice).

5. Member-Requested Appeal Hearing
If a Member timely makes a complete request, including payment of any required administration fees, to appeal the decision of the Rules and Regulations Committee, as provided by Paragraph 4 of this Exhibit B, the Member shall be entitled to a final hearing by an Appeals Panel of the Board, which Appeals Panel shall consist of three Members of the Board, who shall be appointed by and who shall serve at the pleasure of the Chair of the Board. At the sole discretion of the Appeals Panel, the Appeals Panel may either hear the appeal by reviewing documentation only, or request the personal appearance of the appealing Member. The decision of any two Members of the Appeals Panel shall be final.

6. Board-Initiated Hearing
If any Member commits three violations within a 12-month period that result in either fines or warnings requiring corrections, the Board may, at its discretion, direct the Grievance Committee to review the Member's record of fines and warnings, which may result in a disciplinary hearing for further action. If a Subscriber who is under the supervision of a single Participant commits four violations within a 12-month period that results in either fines or warnings requiring corrections, the Board may, at its discretion, direct the Grievance Committee to review the Participant's record of fines and warnings, which may result in a disciplinary hearing for further action (See Regulation 16.4.2(b) and 16.4.2 (c)).

Definitions of the terms, "Suspension," "Termination," "MLS Privileges," and "Expulsion" are provided in EXHIBIT C "Definitions."

BAREIS EXHIBIT C
DEFINITIONS

"Active" means a listing status in which a valid listing contract exists and the Seller is accepting offers to Sell, Lease, or Exchange the property.

"Administrative User" has the meaning set forth in Regulation 5.4

"Affiliate Member" means an individual or business entity who or which is neither a Real Estate Licensee nor a real estate appraiser, who or which can demonstrate a legitimate need for the information, and who or which may qualify, upon approval of the Board, to receive MLS Data, on such terms and conditions as may be determined by the Board.

"Appraiser" means a Member who is an Appraiser Participant or Appraiser Subscriber, without distinction.

"Appraiser Participant" has the meaning set forth in Regulation 5.2.2.

"Appraiser Subscriber" has the meaning set forth in Regulation 5.3.2.

"Auction Listing" means a listing in which the list price may or may not represent the price that the Seller is willing to accept even if an offer at the price submitted to the Seller satisfies all other terms of the listing; and if the listed property is not sold by the expiration date specified in the listing, the property will be offered for sale by the Seller at an auction pursuant to a bidding procedure specified by the Seller.

"BAREIS" has the meaning set forth in the Notice.

"BAREIS MLS®" has the meaning set forth in Regulation 2.

"Board" has the meaning set forth in Regulation 1.

"BRE" means the California Bureau of Real Estate as set forth in Regulation 7.2.

"BREA" means the California Bureau of Real Estate Appraisers as set forth in Regulation 7.2.

"Broker Participant" has the meaning set forth in Regulation 5.2.1.

"Business Day" means Monday through Friday, excepting California and federal holidays.

"Buyer" means a purchaser, lessee, or exchangee of real property.

"Bylaws" has the meaning set forth in Regulation 1.

"CDOM" has the meaning set forth in Regulation 9.22.4.

"Certificate of Non-use" has the meaning set forth in Regulation 7.4.

“Certification of Non-use” has the meaning set forth in Regulation 6.1.6.

“Client” refers to a “Buyer” or a “Seller” in a real property transaction.

“Closed Sale” has the meaning set forth in Regulation 9.19.4.

“Co-Listing Broker” means a Broker Participant who, in conjunction with another Listing Broker, has obtained a written listing agreement by which such Broker has been authorized to act as an agent to sell, lease or exchange real property or to find or obtain a Buyer, lessee or exchangee pursuant to California Civil Code § 1086. Whenever these Regulations refer to a “Co-Listing Broker,” the term shall include any Subscriber acting for the Co-Listing Broker, but the Co-Listing Broker shall be responsible for such Subscriber’s acts or such Subscriber’s conforming to these Regulations.

“Comparable MLS Data” means that portion of the MLS Database that includes the Off-Market MLS Data and “Sold” information regarding properties that are not currently for sale, as well as all indexes and other information relating to “Sold” listings.

“Comparable Sale” and “Comparable Listing” mean a listing with an accepted offer or Sold during an exclusion period or prior to the on-market date.

“Confidential Information” has the meaning set forth in Regulation 12.2.1.

“Confidential Remarks” has the meaning set forth in Regulation 9.16.2.

“Contingent” has the meaning set forth in Regulation 9.19.1.

“Cooperating Broker or Selling Broker” means a Broker Participant who acts in cooperation with a Listing Broker to accept an offer of compensation to find or obtain a Buyer, lessee or exchangee for property pursuant to California Civil Code § 1086. Whenever these Regulations refer to a “Cooperating Broker” or “Selling Broker,” the term shall include the Subscriber acting for such Cooperating Broker or Selling Broker, but shall not relieve such Cooperating Broker or Selling Broker of responsibility for the act or Regulation specified.

“Duplicate Listings” are MLS listings for the same property with the same broker in an additional property category, area or list price. (Rev. 09-19-16)

“Expulsion” means Termination of (i) BAREIS membership rights, preferences and privileges, including voting rights, and (ii) MLS Privileges, for a period of not less than one, but not more than three years, with reinstatement to membership only by application as a new member after the end of the period of Expulsion, with the application considered by BAREIS on its merits.

“Filed with BAREIS” means any listing, change to a listing, information entered directly into the MLS Database by the Listing Broker, or listing information submitted for input to the MLS Database on a listing input form (or listing change form) to be input by BAREIS staff if directed to do so by the Listing Broker. BAREIS does not retain a hard copy of the listing input form.

“IDX” means “Internet Data Exchange,” which is a Broker-to-Broker cooperative Internet advertising agreement that includes IDX Internet Data and IDX Enhanced Internet Data as referenced in Regulation 14.4.

"IDX Internet Data" and "IDX Listings" mean Active and Contingent listing data approved under Section 14.4 of the Regulations for Internet Data Exchange (IDX) in which the "Pass to the Internet" flag is set to “Yes

"IDX Enhanced Internet Data" and "IDX Enhanced Listings" means IDX Internet Data plus Pending, certain other approved Off-Market MLS Data, and 180 days of Sold listing data approved under Section 14.4 of the Regulations for Internet Data Exchange (IDX) in which the "Pass to the Internet" flag is set to “Yes.”

“Keypad” means either an electronic device or software provided through BAREIS that functions with the lockbox system as an electronic key.

“Listing Broker” means a Broker Participant who has obtained a written listing agreement by which such Broker has been authorized to act as an agent to sell, lease or exchange real property or to find or obtain a Buyer, lessee or exchangee pursuant to California Civil Code § 1086. Whenever these Regulations refer to a “Listing Broker,” the term shall include any Subscriber acting for the Listing Broker, but shall not relieve the Listing Broker of responsibility for the act or for conforming to the Regulation specified.

“Media” has the meaning set forth in Regulation 9.16.4(d).

“Member” means a Member, as defined in the Bylaws, and, for purposes of these Regulations, includes a Broker Participant, an Appraiser Participant, a Real Estate Subscriber, an Appraiser Subscriber or Affiliate Member, if any.

“MLS” has the meaning set forth in Regulation 2.

“MLS Data” includes the MLS Database, all data and Media submitted by Members to BAREIS, all membership contact information, and all copyrighted BAREIS publications, instructions, training materials and similar matter, whether in print or electronic form.

“MLS Database” means BAREIS’ copyrighted BAREIS MLS® database and computer software, whether in tangible or electronic form, in whole or in part, including all copyrighted Media in such database.

“MLS Privileges” means all privileges and services provided by the MLS to any of its Participants or Subscribers, including access to the MLS Database, lockbox privileges and technical support, and the ability to submit new listings or extensions of current listings.

“Multiple Listing Service” has the meaning set forth in Regulation 13.7.

“Off-Market MLS Data” means that section of the MLS Database that includes listings of real property that are not currently listed for sale, as well as all indexes and other information relating to the historical listing inventory.

“On-Market MLS Data” means that section of the MLS Database that includes listings of real property that are currently for sale, as well as all indexes and other information relating to the current listing inventory.

“Participant” has the meaning set forth in Regulation 5.2.

“Pending” has the meaning set forth in Regulation 9.19.2.

“Person” or “person” means any individual, partnership, corporation, association, joint stock company, limited liability company, trust, joint venture, unincorporated organization or governmental entity (or any department, agency, or political subdivision thereof).

“Primary Service Area” refers to the following counties: Marin, Mendocino, Napa, Solano and Sonoma. BAREIS accepts listings from all counties in the State of California.

“Real Estate Broker” or “Broker” has the meaning set forth in Regulation 5.2.1.

“Real Estate Licensee” means an individual who holds a valid California Bureau of Real Estate salesperson’s license.

“Real Estate Subscriber” has the meaning set forth in Regulation 5.3.1.

“Regulations” has the meaning set forth in the Notice.

“Remediable Violation” means a violation that can be corrected by the Member, such as completion of mandatory training, nonpayment of fees, or other curable violations.

“Sale” shall also refer to a lease or exchange of real property.

“Seller” means a principal or owner, lessor, or exchanger of real property.

“Selling Broker” see definition for “Cooperating Broker.”

“Sold” has the meaning set forth in Regulation 9.19.4.

“Sold off MLS” a Sold listing entered to the MLS as a Comparable Sale.

“Subscriber” has the meaning set forth in Regulation 5.3.

“Suspension of Membership” or “Suspension” means suspension of (i) BAREIS membership rights, preferences and privileges, including voting rights, and (ii) MLS Privileges, on terms and conditions stated for a period of time of not more than one year as determined by the applicable committee or person authorized by the Board. In the event the Suspension is for a Remediable Violation, the Suspension shall be in effect for the period that the violation remains uncorrected. At the end of the applicable Suspension period, reinstatement of a suspended Member’s membership and MLS Privileges shall be automatic, provided that the Member is current on all amounts owed to BAREIS and has kept all fees current during the period of Suspension.

"Syndication" means a process by which a Member hires a vendor (the "Syndicator") to transmit the Member's listings only to various internet sites approved by the Member to receive the Member's data pursuant to rule 14.1.

"Temporarily Off-Market" has the meaning set forth in Regulation 10.3.

"Termination" means termination of (i) BAREIS membership rights, preferences and privileges, including voting rights, and (ii) MLS Privileges, for an indefinite period of time without reinstatement to membership except by application as a new Member, with the application considered by BAREIS on its merits.

"Third Party" has the meaning set forth in Regulation 14.6.

"VOW" has the meaning set forth in Regulation 14.5.

CERTAIN TERMS:

Unless the context otherwise requires, in these Regulations: (i) words importing the singular number only shall include the plural and vice versa, and words importing the masculine gender shall include the feminine and neuter genders and vice versa; and (ii) the word "or" may be conjunctive or disjunctive similar to the term "and/or." The use herein of the word "including," "include" or "includes," when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such as "without limitation," or "but not limited to," or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter. Reference to any agreement, indenture or other instrument in writing, including these Regulations, means such agreement, indenture or other instrument in writing as amended, modified, replaced or supplemented from time to time. Reference to any statute shall be deemed to be a reference to such statute as amended, reenacted or replaced from time to time. Time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends, and whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a business day, such payment shall be made or action taken on the next following business day. The words "hereof," "herein," "hereunder" and similar terms in these Regulations refer to these Regulations as a whole and not to any particular provision of these Regulations. Unless otherwise stated, any reference contained in these Regulations to a "Section" refers to the provisions of these Regulations and any reference contained in these Regulations to an "Exhibit" refers to an exhibit hereto that is hereby incorporated into these Regulations.