



CAPE COD & ISLANDS
MULTIPLE LISTING SERVICE, INC.

MLS CITATION POLICY

Revised November 2015

The purpose of this citation policy is to ensure the integrity of the MLS including the currency and accuracy of its information. Fines will be issued and processed in accordance with this Citation Policy. The citable offenses and fines are subject to change upon approval of the CCIMLS Board of Directors. The Citation Policy is in addition to and does not replace the provisions of Section 9 of the CCIMLS Rules and Regulations.

Issuance of Citations

I. Violation notices will be sent to Respondents. A copy of the notice shall also be sent to the Designated REALTOR® of Respondents' office. If the respondent changes firms before or after the violation is filed but before the notice is issued, both the former and current REALTOR® principal will receive a copy of the notice.

Reporting of violations is confidential.

II. A violation must be corrected within two (2) business days of notice of violations sent to the Respondent and/or Designated REALTOR®. Receipt of notice is presumed to be the sooner of three (3) business days after mailing or one (1) business day after email transmission. Failure to correct a noted violation within the two (2) day time period allotted will result in a new violation for the uncorrected violation with the associated fine for that level of violation. Failure to correct a violation within the two (2) day correction period may also subject a non-conforming listing to removal by the MLS from active display. New violations may be issued for any remaining uncorrected violations until the violations are corrected or the maximum fine is reached as set forth below.

Level I and Level II violations and fines will be waived if notice of the violation occurs more than 180 days after the listing has been sold, withdrawn or expired.

III. Fines are due within twenty (20) business days of receipt of a violation notice. Receipt of notice is presumed to be the sooner of three (3) business days after mailing or one (1) business day after email transmission.

IV. Failure to pay assessed fines may result in suspension of MLS privileges as detailed in Article 7 of the MLS Rules and Regulations.

V. Violations are tracked on a calendar year basis. On the first day of each calendar year the violation count for each MLS member will be reset to zero (0). A Violator shall be entitled to receive two Warning Letters per calendar year. Upon the third violation in a calendar year the Violator will receive a fine.

A listing containing multiple violations is considered a singular violation event. A listing containing more than one violation on the same day will be treated as a single violation event, whether reported separately or together.

VI. Fine amounts are determined by the total number of violations accumulated by each MLS member during a calendar year.

VII. If a Violator believes that a violation notice and fine was issued in error, the Violator may request a hearing in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual. Prior to requesting a hearing, the violation must be corrected.

VIII. The MLS Board of Directors reserves the right, at their discretion, to charge a Participant or Subscriber with rules violations by virtue of the hearing process, including the possibility of additional fees or fines, suspension or expulsion, rather than utilizing the citation process. Thus, the below fines may not be all inclusive. Any Participant or Subscriber who accumulates in excess of five (5) violations in one calendar year, unless otherwise specified, may be referred to the Board of Directors for a review to determine whether or not further discipline and possible suspension of MLS service is warranted.

IX. The violation fine schedule is set forth in the following three levels:

Level One:

First Violation: Warning letter

Second Violation: \$50 fine assessed

Third Violation: \$100 fine assessed

Fourth and Subsequent Violations: \$300 fine assessed

Violations must be corrected within two (2) business days of notice. Violations which remain uncorrected subject the violator to the imposition of new penalties and removal of the listing from active display.

The maximum accumulated fine for a single violation may not exceed the top amount of \$15,000 permitted by NAR for assessment of financial penalty. If the maximum accumulated fine amount has been assessed and the violation has not been corrected, the Violator's MLS privileges may be suspended until all accumulated fines have been paid and the noted violation has been corrected.

Offenses:

- Failure to input complete and accurate information – Article 1
- Failure to properly specify listing type or class – Section 1.1
- Failure to provide complete listing information – Section 1.4
- Failure to update/change listing information – Section 1.8
- Failure to timely report listing status changes and sales – Sections 1.8 and 2.5
- Unauthorized withdrawal of listing – Section 1.9
- Unauthorized advertisement of listing of another agent – Section 2.7
- Failure to timely report cancellation of pending sale – Section 2.8
- Unauthorized use of term “sold” – Section 4.3
- Misuse of public remarks; failure to limit public remarks to marketing, description and condition of the property – Section 4.6
- Failure to offer unconditional compensation – Section 5.1
- Failure to disclose a potential short sale or foreclosure – Section 5.2
- Failure of Participant or Subscriber to notify the MLS of termination, transfer, or addition of any clerical users affiliated with Participant or Subscriber – Section 6.4
- Failure of Participant to notify the MLS of termination, transfer or addition of any licensees under Participant's license – Section 6.5
- Wrongful use of photographs/use of photographs on a listing without proper authorization – Article 11
- Unauthorized use of statistical reports, sold data or comparable reports in advertising – Section 13.1
- Failure to provide adequate informational notice on print or non-print forms of advertising or other forms of public representation – Section 13.1
- Non-completion of Required MLS Orientation within set time allowed – Article 15

Level Two:

First Violation: Warning letter

Second Violation: \$100 fine assessed

Third Violation: \$250 fine assessed

Fourth and Subsequent Violations: \$500 fine assessed

Violations must be corrected within two (2) business days of notice. Violations which remain uncorrected subject the violator to the imposition of new penalties and removal of the listing from active display.

The maximum accumulated fine for a single violation may not exceed the top amount of \$15,000 permitted by NAR for assessment of financial penalty. If the maximum accumulated fine amount has been assessed and the violation has not been corrected, the Violator's MLS privileges may be suspended until all accumulated fines have been paid and the noted violation has been corrected.

Offenses:

- Failure to input a required listing – Sections 1.1 and 1.3
- Failure to provide signed seller exemption; failure to submit compliant signed seller exemption – Sections 1.1, 1.7
- Failure to provide appropriate written documentation of listing – Section 1.4
- Entry of a listing as new after withdrawn without a new or amended listing contract – Section 1.9
- Failure to remove expired listing; failure to obtain Seller's written authorization before extension or renewal – Section 1.14
- False representations; failure to abide by true picture standard of conduct – 4.7
- Failure to disclose interest by a Participant or Subscriber – Sections 5.3 and 5.4
- Failure to disclose dual variable commission – Section 5.5
- Failure to correct incomplete or inaccurate information after notification by MLS – Article 9

Level Three:

First Violation: \$1,000 fine assessed

Second and Subsequent Violations: \$2,500 fine assessed

Violations must be corrected within two (2) business days of notice. Violations which remain uncorrected subject the violator to the imposition of new penalties and removal of the listing from active display.

The maximum accumulated fine for a single violation may not exceed the top amount of \$15,000 permitted by NAR for assessment of financial penalty. If the maximum accumulated fine amount has been assessed and the violation has not been corrected, the Violator's MLS privileges may be suspended until all accumulated fines have been paid and the noted violation has been corrected.

Offenses:

- Failure to obtain seller's authority to list in MLS – Article 1
- Unauthorized use of MLS Information – Article 10
- Unauthorized sharing of MLS information and pass codes; use of MLS by unauthorized party – Section 10.2
- Unauthorized clerical user access and use of MLS information – Section 10.2.1
- Misuse of reproduction of MLS information – Section 12
- Sharing the MLS compilation or any portion thereof with any third party vendor not authorized by the MLS – Articles 13, 16 and 17
- Misuse of MLS data on public website; violation of IDX rules – Article 16
- Misuse of MLS data on public website; violation of VOW rules – Article 17