

**Omaha Area Board of REALTORS®  
(OABR)**

and

**Great Plains REALTORS®  
Multiple Listing Service Inc.  
(MLS)**

**2015 Director's Guide**

OABR Director Roster .....	1
MLS Director Roster .....	2
OABR/MLS Committee Chair/Vice Chair Roster .....	3
OABR Articles of Incorporation.....	4
MLS Articles of Incorporation .....	5
OABR Bylaws .....	6
MLS Bylaws.....	7
MLS Operating Rules & Regulations .....	8
OABR Code of Ethics .....	9



**OABR Director Roster ..... 1**

**OMAHA**  
AREA BOARD OF  
**REALTORS®**



## Omaha Area Board of REALTORS

# 2015 Board of Directors

### Board of Directors

**Wehner, Mark T** ABRM ABR CRB GRI **402-333-5008**

Home.....402-691-0101  
Fax.....402-333-1914  
Contact.....402-676-0101  
Mobile.....402-676-0101

President  
Omaha Area Board of REALTORS®  
NP Dodge RE Sales Inc Lakeside  
16909 Lakeside Hills Plz #119  
Omaha, NE 68130-4653

**Alloway, Steven A** **402-491-0100**

Home.....402-884-6334  
Fax.....402-491-0144  
Contact.....402-960-2180  
Mobile.....402-960-2180

President Elect  
Omaha Area Board of REALTORS®  
DEEB Realty 117th  
2611 S 117th St  
Omaha, NE 68144-2921

**Lang, Monica M** **402-896-3100**

Home.....402-891-6290  
Fax.....402-896-6734  
Contact.....402-689-3315  
Mobile.....402-689-3315  
Direct.....402-895-4466

Secretary/Treasurer  
Omaha Area Board of REALTORS®  
Celebrity Homes Inc  
14002 L St  
Omaha, NE 68137-1575

**Bengtson, Megan D** CRS GRI **402-491-0100**

Fax.....402-491-0144  
Contact.....402-740-5519  
Mobile.....402-740-5519

Director  
Omaha Area Board of REALTORS®  
DEEB Realty 117th  
2611 S 117th St  
Omaha, NE 68144-2921

**Bierman, Nancy J** GRI **402-951-5008**

Fax.....402-951-5007  
Contact.....402-968-6226  
Mobile.....402-968-6226

Director  
Omaha Area Board of REALTORS®  
NP Dodge RE Sales Inc 204Dodge  
613 N 204th Ave Cir  
Elkhorn, NE 68022

**Dohse, Douglas R** CRS **402-493-4663**

Fax.....402-493-4805  
Contact.....402-598-0420  
Mobile.....402-598-0420

Director  
Omaha Area Board of REALTORS®  
BHHS Ambassador Real Estate  
13340 California St #101  
Omaha, NE 68154-5255

**Fraser, Bryan D** **402-292-2200**

Fax.....402-697-4445  
Contact.....402-690-7653  
Mobile.....402-690-7653

Director  
Omaha Area Board of REALTORS®  
CBSHOME Real Estate Bellevue  
11511 S 42nd St Ste106  
Bellevue, NE 68123-1089

**Freeman, Herbert L** CRB GRI **402-951-5000**

Home.....402-238-3095  
Fax.....402-951-5006  
Contact.....402-689-4000  
Mobile.....402-689-4000

Director.....402-397-4900  
Fax.....402-398-5232

**Krenk, Lindsey L** **402-884-7707**  
Director  
Omaha Area Board of REALTORS®  
RE/MAX Results  
444 Regency Pkwy Ste 109  
Omaha, NE 68114

**Leaders, Mark A** CRS **402-333-0555**  
Director  
Omaha Area Board of REALTORS®  
CBSHOME Real Estate 147th  
3506 N 147th St #200  
Omaha, NE 68116-8142

**Bonnstetter, Lori** **402-536-0234**  
Ex-Officio  
Omaha Area Board of REALTORS®  
2-10 Home Buyers Warranty  
13928 Shirley St  
Omaha, NE 68144

**Bredemeyer, John** **402-330-3626**  
Ex-Officio  
Omaha Area Board of REALTORS®  
Realcorp  
268 N 115th St Ste 7  
Omaha, NE 68154-2502

**Myhre, Deda M** **402-334-5500**  
Ex-Officio  
Omaha Area Board of REALTORS®  
CBSHOME Real Estate Davenport  
11213 Davenport St  
Omaha, NE 68154-2604

**Sawyer, Jessica N** **402-491-0100**  
Ex-Officio  
Omaha Area Board of REALTORS®  
DEEB Realty 117th  
2611 S 117th St  
Omaha, NE 68144-2921

**MLS Director Roster .....2**

**GREAT PLAINS  
REALTORS® MLS**



**Great Plains REALTORS MLS**  
**2015 Board of Directors**

**MLS Board of Directors**

**Leisey, Vincent W** **402-493-4663**  
 Fax.....402-493-4805  
 Contact.....402-598-7299  
 Mobile.....402-598-7299

Secretary/Treasurer  
 Omaha Area Board of REALTORS®  
 BHHS Ambassador Real Estate  
 13340 California St #101  
 Omaha, NE 68154-5255

**Alloway, Steven A** **402-491-0100**  
 Home.....402-884-6334  
 Fax.....402-491-0144  
 Contact.....402-960-2180  
 Mobile.....402-960-2180

Director  
 Omaha Area Board of REALTORS®  
 DEEB Realty 117th  
 2611 S 117th St  
 Omaha, NE 68144-2921

**Boyer, Mark A** **402-884-4800**  
 Fax.....402-596-2811  
 Contact.....402-630-5008  
 Mobile.....402-630-5008

Director  
 Omaha Area Board of REALTORS®  
 Keller Williams Greater Omaha  
 9719 Giles Rd  
 LaVista, NE 68128-3167

**Clark, Susan M** CRS **402-397-7775**  
 Home.....402-934-4200  
 Fax.....402-397-6065  
 Contact.....402-305-4335  
 Mobile.....402-305-4335

Director  
 Omaha Area Board of REALTORS®  
 P J Morgan Real Estate  
 7801 Wakeley Plz  
 Omaha, NE 68114-3650

**Freeman, Herbert L** CRB GRI **402-951-5000**  
 Home.....402-238-3095  
 Fax.....402-951-5006  
 Contact.....402-689-4000  
 Mobile.....402-689-4000  
 Direct.....402-397-4900  
 Fax.....402-398-5232

Director  
 Omaha Area Board of REALTORS®  
 NP Dodge RE Sales Inc Bld Svcs  
 613 N 204th Ave Cir Ste B  
 Elkhorn, NE 68022

**Ritter, Lisa** CRS **402-884-7707**  
 Fax.....402-884-7708  
 Contact.....402-612-2413  
 Mobile.....402-612-2413

Director  
 Omaha Area Board of REALTORS®  
 RE/MAX Results  
 444 Regency Pkwy Ste 109  
 Omaha, NE 68114

**Wehner, Mark T** ABRM ABR CRB GRI **402-333-5008**  
 Home.....402-691-0101  
 Fax.....402-333-1914  
 Contact.....402-676-0101  
 Mobile.....402-676-0101

Ex-Officio  
 Omaha Area Board of REALTORS®  
 NP Dodge RE Sales Inc Lakeside  
 16909 Lakeside Hills Plz #119  
 Omaha, NE 68130-4653

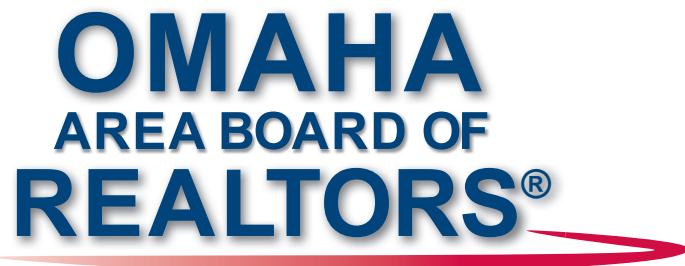
**Bredemeyer, John** **402-330-3626**  
 Fax.....402-330-9717  
 Contact.....402-334-9045  
 Mobile.....402-334-9045

Chairman  
 Omaha Area Board of REALTORS®  
 Realcorp  
 268 N 115th St Ste 7  
 Omaha, NE 68154-2502

**Kammandel Jr., Henry** **402-964-4600**  
 Fax.....402-964-4640  
 Contact.....402-639-7100  
 Mobile.....402-639-7100  
 Direct.....402-697-4540

Vice Chairman  
 Omaha Area Board of REALTORS®  
 CBSHOME Real Estate Corp  
 15950 W Dodge Rd Ste 300  
 Omaha, NE 68118-4030

**OABR/MLS**  
**Committee Chair/**  
**Vice Chair Roster..... 3**



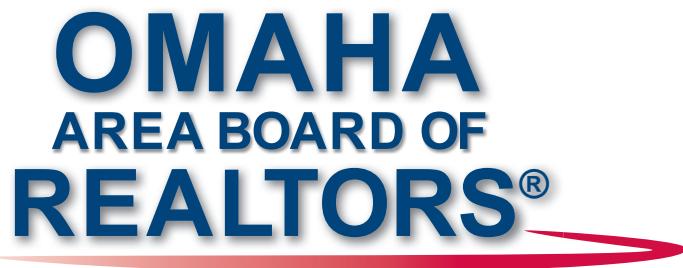
## 2015 Committee Chairs/Vice Chairs

	<u>CHAIR/PRES:</u>	<u>STAFF LIAISON:</u>
OABR Executive Committee		Donna Shipley
President	Mark Wehner	
President-Elect	Andy Alloway	
Secretary/Treasurer	Monica Lang	
MLS Executive Committee		
Chair	John Bredemeyer	Denise Mecseji
Vice Chair	Henry Kammandel Jr	
Secretary/Treasurer	Vince Leisey	
WCR (Omaha Chapter)	President: Jessica Sawyer President Elect: Crystal Archer Secretary: Megan Owens Treasurer: Becky Sandiland Past President: Missy Turner (fiscal year Jan-Dec)	Debbie Peterson
OABR Affiliate Council (local)	President: Lori Bonnstetter Vice President: Brent Rasmussen Secretary: Erin Trescott Treasurer: Brenda Stuart Past President: Mary Sladek	Debbie Peterson
Young Professionals Network	Chair: Lindsey Krenk Vice-Chair: Justin Lorimer Treasurer: Bryan Kays Events Coordinator: Katrina Fosmer	Denise Mecseji
Governmental Affairs Committee	Megan Owens	Joni Craighead-Hoback
Vice Chair	Dick Hoback	
RPAC Fundraising Task Force	Bill Swanson	Donna Shipley
Co-Chair	Doug Dohse	
Issues Mobilization Fund Task Force	Andy Alloway	Donna Shipley
Vice Chair	Monica Lang	
Past Presidents Advisory Committee	Mike Riedmann	Donna Shipley
Diversity Committee	Mary Sindelar	Donna Shipley
Vice Chair	Trudy Ahlstrom	

Education Forum Vice Chair	Trudy Meyer Sharon Rich	Donna Shipley
Social Events Forum Vice-Chair	Susan Clark Bill Swanson	Donna Shipley
Owners and Managers Forum Vice-Chair	Mark Wehner John Bredemeyer	Donna Shipley
Nominating Task Force Vice Chair	Andy Alloway Mark Wehner	Donna Shipley
Safety Committee	Sam Mandolfo	Lisa Welch
MLS Users Group Vice Chair	David Faulkner Mark Bresley	Denise Mecseji

# **OABR / MLS**

## **Directors Roles and Responsibilities..... 4**



## Director's Roles and Responsibilities

### Introduction

Members of the Omaha Area Board of REALTORS® and the Great Plains REALTORS® Multiple Listing Service, Inc. Board of Directors carry certain duties and responsibilities for the well being of the association. The Code of Conduct outlines some of those duties and responsibilities in accordance with governing documents.

#### 1. Confidentiality

Directors will have access to information, that if revealed to outsiders, could be damaging or sensitive to other members, harmful to the best interests of the association, or even create legal liability. Information provided to the association may concern personnel, financial, contractual, membership or legal matters. It will often be confidential and is intended for use in decision making and governance.

Information shall be held in the strictest of confidence and shall not be divulged to any outside party, including other members, without authorization of the President or the Chief Executive Officer.

#### 2. Conflicts of Interest

Directors owe a high fiduciary duty to the association. Thus, no director shall maintain any business enterprise or other activity that directly conflicts with the interests of the association.

#### 3. Violations

Violations of the Code of Conduct may result in disciplinary action in accordance with the governing documents. Discipline may include removal of a director from office.

### Code of Ethics for the Director

**Rationale:** Principles and practices of the Omaha Area Board of REALTORS® and the Great Plains REALTORS® Multiple Listing Service, Inc. Board of Directors to provide guidance and direction for effective governance.

**Code:** Members of the Board of Directors are committed to observing and promoting the highest standards of ethical conduct in the performance of their responsibilities on the Omaha Area Board of REALTORS®. Board members pledge to accept this code as a minimum guideline for ethical conduct and shall:

#### Accountability

1. Faithfully abide by the articles of incorporation, bylaws, and policies of the association.
2. Exercise reasonable care, good faith and due diligence in governing and managing affairs. (Principles of Duty of Care, Loyalty and Obedience.)

3. Fully disclose, at the earliest opportunity, information that may result in a perceived for actual conflict interest.
4. Fully disclose, at the earliest opportunity, information of fact that would have significance in board decision-making.
5. Remain accountable for prudent fiscal management to association members, the association, and nonprofit sector, and where applicable, to the government and funding bodies.
  - a. Maintain a professional level of courtesy, respect, and objectively in all matters and activities.
  - b. Strive to uphold those practices and assist other members of the board in upholding the highest standards of conduct.

#### Personal Gain- Self-Dealing

- c. Exercise the powers invested for the good of all members of the association rather than for personal benefit.

#### Equal Opportunity- Diversity- Inclusivity

- d. Ensure the right of all members to access benefits and services without discrimination on the basis of culture, geography, political, religious, or socio-economic aspects.
- e. Ensure the right of all members to access benefits and services without discrimination on the basis of the association's volunteer or staff make-up in respect to gender, sexual orientation, national origin, race, religion, age, political affiliation or disability, in accordance with all applicable legal and regulatory requirements.

#### Confidential Information

- f. Respect the confidentiality of sensitive information known to board service and used for the purposes of governance and management.

#### Collaboration and cooperation

- g. Respect the diversity of opinions as expressed or acted upon by the association board, committees and membership, and formally dissent as appropriate.
- h. Promote collaboration, cooperation, and partnership among association members.

**OABR Articles of  
Incorporation ..... 5**

**OMAHA  
AREA BOARD OF  
REALTORS®**

# **ARTICLES OF INCORPORATION OF OMAHA AREA BOARD OF REALTORS®**

## **ARTICLE I**

The name of the corporation shall be OMAHA AREA BOARD OF REALTORS® (hereinafter referred to as Board).

## **ARTICLE II**

The objectives of the Board are:

SECTION 1. To unite those engaged in the recognized branches of the real estate business in this community for the purpose of exerting a beneficial influence upon the real estate business and related interests.

SECTION 2. To promote and maintain high standards of conduct in the real estate business as expressed in the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®.

SECTION 3. To provide a unified medium for real estate owners and those engaged in the real estate business whereby their interests may be safeguarded and advanced.

SECTION 4. To further the interest of home and other real property ownership.

SECTION 5. To unite those engaged in the real estate business in this community with the Nebraska REALTORS® Association and the NATIONAL ASSOCIATION OF REALTORS®, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein.

SECTION 6. To designate, for the benefit of the public, those individuals authorized to use the term "REALTOR®" and "REALTORS®" as licensed, prescribed and controlled by the NATIONAL ASSOCIATION OF REALTORS®.

## **ARTICLE III**

SECTION 1. This organization is a non-profit corporation, not organized for profit or gain, shall have no capital stock and shall declare no dividends, and no person solely by reason of membership or office shall become entitled to any of the funds of the corporation.

SECTION 2. The corporation shall have perpetual existence.

SECTION 3. Subject to the express limitation that the corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity that shall

invalidate its status (a) as a corporation that is exempt from federal income taxation as an organization described in § 501(c)(6) of the Internal Revenue Code, or corresponding section of any future Federal Tax Code, or (b) as a corporation to which contributions are deductible under § 170(c)(6) of the Internal Revenue Code, or corresponding section of any future Federal Tax Code, the corporation shall have and possess all powers and rights conferred upon corporations by the Nebraska Nonprofit Corporation Act and any enlargement of such powers conferred by subsequent legislative acts; and, in addition, the corporation shall have and exercise all powers and rights, not otherwise denied nonprofit corporations by the laws of the State of Nebraska, as are necessary, suitable, proper, convenient, or expedient to the attainment of the purposes set forth in Article II hereof.

SECTION 4. In the furtherance of its purposes and objects, it shall have power and authority to acquire, own, improve, hold, use, lease, mortgage, assign and convey or otherwise dispose of, any real estate or any interests therein; to make notes or other obligations and to execute mortgages, assignments and pledges of its property as security; to take, own, hold, pledge, hypothecate, sell, assign and transfer notes, bonds and all kinds of obligations of others, and to do and perform all things necessary or expedient in carrying out the purpose for which said corporation is formed.

SECTION 5. The principal place for transacting the business of the corporation and its headquarters for the holding of the corporate meetings shall be in the City of Omaha, Douglas County, Nebraska. The street address of the registered office of the corporation is 11404 West Dodge Road, Suite 700, Omaha, NE 68154, and the name of its registered agent at such address is Richard D. Myers.

SECTION 6. The fiscal year of the corporation shall be September 1 through August 31.

## **ARTICLE IV**

SECTION 1. The territorial jurisdiction of the Board as a Member Board of the NATIONAL ASSOCIATION OF REALTORS® is Douglas, Sarpy and Washington Counties and that part of Cass County east of State Highway 50 and including the town of Louisville in the State of Nebraska.

SECTION 2. Within its territory the Board shall have the right and duty to control the use of the terms REALTOR® and REALTORS®, subject to the conditions set forth in the Board Bylaws and those of the NATIONAL ASSOCIATION OF REALTORS® in return for which the Board agrees to protect and safeguard the right of the NATIONAL ASSOCIATION OF REALTORS® in the terms.

## **ARTICLE V**

The corporation shall have a Board of Directors of not less than three (3) members as its governing body, the exact number as provided in the Bylaws. The Board of Directors shall have general control of all business of the corporation and shall have authority to adopt rules and bylaws for the management of its affairs. The Board of Directors shall also have the power to levy dues and shall have the power to forfeit and cancel the membership of any member as provided for in the Bylaws.

## **ARTICLE VI**

To carry out more effectively the purpose and objects of the Board it shall be permissible to form Divisions of particular interest to the members. Such Divisions may make rules for the conduct of its affairs, subject to approval of the Board of Directors. All such Divisions shall be subject to the Articles of Incorporation of the Board and all such rules and regulations may be changed or repealed by action of the voting members of the Board.

## **ARTICLE VII**

These articles may be amended or repealed by a vote of two-thirds (2/3) majority of the voting members present and voting at a special meeting called for that purpose provided written notice of such proposed changes has been given to all voting members not less than ten (10) days before the date of said meeting.

## **ARTICLE VIII**

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Articles. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any activities not permitted to be carried on, (a) by a corporation exempt from Federal Income Tax under § 501(c)(6) of the Internal Revenue Code, or corresponding section of any future Federal Tax Law, or (b) by a corporation, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code or corresponding section of a future Internal Revenue Code.

## **ARTICLE IX**

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation, exclusively to organizations which qualify under provisions of § 501(c)(6) of the Internal Revenue Code and its regulations, or to any other nonprofit and tax exempt organization, for a public purpose.

#63112.5  
(4/99)

**MLS Articles of  
Incorporation.....6**

**GREAT PLAINS  
REALTORS® MLS**



# **ARTICLES OF INCORPORATION of the GREAT PLAINS REALTORS® MULTIPLE LISTING SERVICE, INC.**

## **ARTICLE I - Name**

The name of this corporation shall be the GREAT PLAINS REALTORS® MULTIPLE LISTING SERVICE, INC., all shares of stock of which are solely and wholly-owned by the Omaha Area Board of REALTORS®.

## **ARTICLE II - Term**

The corporation commenced business on January 1, 1969, and shall have perpetual existence.

## **ARTICLE III - Purpose**

A Multiple Listing Service is a facility for the orderly correlation and dissemination of listing information among Participants so that they may better serve their clients and customers and the public; is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or nonagency capacities defined by law); is a means by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals and other valuations of real property and is a means by which Participants engaging in real estate appraisal contribute to common databases.

No part of the net earnings of MLS shall inure to the benefit of any Participant.

## **ARTICLE IV - Capital Stock**

1. Stock. The amount of authorized capital stock of this corporation shall be Twenty-Five Thousand (\$25,000.00) Dollars consisting of Two Hundred Fifty (250) shares of common stock with a par value of One Hundred (\$100.00) Dollars per share.

2. Authority. The authority to issue shares of stock of the corporation is delegated to the Board of Directors of the corporation, only if such shares are issued to the Omaha Area Board of REALTORS®, provided the consideration for such shares is equal to the par value of the shares to be issued.

3. Certificates. Certificates of stock shall be in a form adopted by the Board of Directors of the corporation and shall be signed by the President and Secretary of the corporation.

4. Dividends. Cash dividends may be paid to the Omaha Area Board of REALTORS®.

## **ARTICLE V - Registered Office**

The street address of the registered office of the corporation is 11404 West Dodge Road, Suite 700, Omaha, Douglas County, Nebraska, 68154 and the name of its registered agent at such address is Richard D. Myers.

## **ARTICLE VI - Directors**

The corporation shall have a Board of Directors of not less than three (3) members as its governing body, the exact number to be fixed by the bylaws. The Directors of the corporation shall have the power to make, alter and amend the bylaws as they shall deem proper for the management of the business affairs of said corporation; to establish fees and charges to defray costs of the operation of the corporation, and authority to discipline Participants as set forth in the bylaws.

## **ARTICLE VII - Service Area**

The area in which the corporation shall function shall at all times be co-extensive with the Market Area of the Omaha Area Board of REALTORS®.

## **ARTICLE VIII - Amendments**

These Articles of Incorporation may be amended by a majority of the Stockholders of the corporation at a regular or special meeting called for that purpose.

## **ARTICLE IX - Dissolution**

In the event this corporation shall at any time terminate its' activities, the Board of Directors shall consider and adopt a plan of liquidation and dissolution with the approval of the Participants thereof and of the Board of Directors of the Omaha Area Board of REALTORS®. Said plan shall provide for the collection of all assets, the payment of all liabilities and the remaining assets shall be assigned to the Omaha Area Board of REALTORS® or its successors.

**OABR Bylaws ..... 7**

**OMAHA  
AREA BOARD OF  
REALTORS®**



## BYLAWS OF THE OMAHA AREA BOARD OF REALTORS<sup>®</sup>

### ARTICLE I - Name

Section 1. Name. The name of this organization shall be OMAHA AREA BOARD OF REALTORS<sup>®</sup> (hereinafter referred to as Board). 2/97

Section 2. REALTORS<sup>®</sup>. Inclusion and retention of the Registered Collective Membership Mark REALTORS<sup>®</sup> in the name of the Board shall be governed by the Constitution and Bylaws of the NATIONAL ASSOCIATION OF REALTORS<sup>®</sup>, hereinafter referred to as NAR, as from time to time amended. 11/95

### ARTICLE II - Objectives

The objectives of the Board are:

Section 1. To unite those engaged in the recognized branches of the real estate profession for the purpose of exerting a beneficial influence upon the profession and related interests. 11/95

Section 2. To promote and maintain high standards of conduct in the real estate profession as expressed in the Code of Ethics of the NAR. 11/95

Section 3. To provide a unified medium for real estate owners and those engaged in the real estate profession whereby their interests may be safeguarded and advanced. 11/95

Section 4. To further the interest of home and other real property ownership. 11/95

Section 5. To unite those engaged in the real estate profession in this area with the Nebraska REALTORS<sup>®</sup> Association, hereinafter referred to as NRA, and the NAR, thereby furthering their own objectives throughout the state and nation, and obtaining the benefits and privileges of membership therein. 11/95

Section 6. To designate, for the benefit of the public, those individuals authorized to use the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup> as licensed, prescribed and controlled by the NAR. 11/95

### ARTICLE III - Jurisdiction

Section 1. The territorial jurisdiction of the Board as a member of the NAR is: Douglas, Sarpy and Washington Counties and that part of Cass County east of State Highway 50 and including the town of Louisville. 2/97

Section 2. Territorial Jurisdiction is defined to mean:

The right and duty to control the use of the terms REALTOR<sup>®</sup> and REALTORS<sup>®</sup>, subject to the conditions set forth in these Bylaws and those of the NAR, in return for which the Board agrees to protect and safeguard the property rights of the NAR in the terms. 2/97

### ARTICLE IV - Membership

There shall be eight classes of Members as follows: 11/95

Section 1. REALTOR<sup>®</sup> Members. REALTOR<sup>®</sup> members whether primary or secondary shall be:

(a) Individuals who, as sole proprietors, partners, or corporate officers, or branch office managers, are engaged actively in the real estate profession, including buying, selling, exchanging, renting or leasing, managing, appraising for others for compensation, counseling, building, developing or subdividing real estate, and who maintain or are associated with an established real estate office in the State of Nebraska or a state contiguous thereto. All persons who are partners in a partnership, or all officers in a corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto shall qualify for REALTOR<sup>®</sup> Membership only, and each is required to hold REALTOR<sup>®</sup> Membership (except as provided in the following paragraph) in a Board of REALTORS<sup>®</sup> within the state or a state contiguous thereto unless otherwise qualified for Institute Affiliate Membership as described in Section 1(b) of Article IV. 7/05

In the case of a real estate firm, partnership, or corporation, whose business activity is substantially all commercial, only those principals actively engaged in the real estate business in connection with the same office, or any other offices within the jurisdiction of the board in which one of the firm's principals holds REALTOR<sup>®</sup> membership, shall be required

to hold REALTOR® membership unless otherwise qualified for Institute Affiliate Membership as described in Section 1 (b) of Article IV. 5/03

REALTOR® members may obtain membership in a “secondary” Board in another state. 11/95

(b) Individuals who are engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers and are associated with a REALTOR® Member and meet the qualifications set out in Article V. 2/97

(c) Franchise REALTOR® Membership. Corporate officers (who may be licensed or unlicensed) of a real estate brokerage franchise organization with at least one hundred fifty (150) franchisees located within the United States, its insular possessions and the Commonwealth of Puerto Rico, elected to membership pursuant to the provisions in the NAR Constitution and Bylaws. Such individuals shall enjoy all of the rights, privileges and obligations of REALTOR® membership (including compliance with the Code of Ethics) EXCEPT: obligations related to Board mandated education, meeting attendance, or indoctrination classes or other similar requirements; the right to use the term REALTOR® in connection with their franchise organization’s name; the right to hold elective office in the Board, NRA and NAR. 5/03

(d) Primary and secondary REALTOR® Members. An individual is a primary member if the Board pays state and National dues based on such member. An individual is a secondary member if state and National dues are remitted through another board of REALTORS®. One of the principals in a real estate firm must be a Designated REALTOR® member of the Board in order for licensees affiliated with the firm to select the Board as their “primary” board. 2/97

(e) Designated REALTOR® Members. Each firm (or office in the case of firms with multiple office locations) shall designate in writing one REALTOR® member who shall be responsible for all duties and obligations of Membership including the obligation to arbitrate pursuant to Article 17 of the Code of Ethics and the payment of Board dues as established in Article X of these Bylaws. The “Designated REALTOR®” must be a sole proprietor, partner, corporate officer or branch office manager acting on behalf of the firm’s principal(s) and must meet all other qualifications for REALTOR® Membership established in Article V, Section 2, of these Bylaws. 5/03

Section 2. Institute Affiliate Members. Institute Affiliate Members shall be individuals who hold a professional designation award by an Institute, Society, or Council affiliated with the NAR that addresses a specialty area other than residential brokerage or individuals who otherwise hold a class of membership in such Institute, Society or Council that confers the right to hold office. Any such individual, if otherwise eligible, may elect to hold REALTOR® membership, subject to payment of applicable dues for such membership. 5/03

Section 3. Affiliate Members. Affiliate Members shall be real estate owners and other individuals or firms who, while not engaged in the real estate profession as defined in paragraphs (a) or (b), of this Section, have interests requiring information concerning real estate, and are in sympathy with the objectives of the Board. 2/97

Section 4. Public Service Members. Public Service Members shall be individuals who are interested in the real estate profession as employees of or affiliated with educational, public utility, governmental or other similar organizations, but are not engaged in the real estate profession on their own account or in association with an established real estate business. 11/95

Section 5. Honorary Members. Honorary Members shall be individuals not engaged in the real estate profession who have performed notable service for the real estate profession, for the Board, or for the public. 11/95

Section 6. Student Members. Student Members shall be individuals who are seeking an undergraduate or graduate degree with a specialization or major in real estate at institutions of higher learning, and who have completed at least two years of college and at least one college level course in real estate, but are not engaged in the real estate profession on their own account or not associated with an established real estate office. 11/95

Section 7. REALTOR® Emeritus. REALTOR® Emeritus shall be individuals who have given significant leadership and service to the Board and meet the qualifications of the NAR. 5/03

Section 8. Retired REALTOR® Members. Retired REALTOR® Members shall be individuals who have been REALTORS® for at least 20 years but who no longer have an active real estate license. 5/03

## **ARTICLE V - Qualification and Election**

### Section 1. Application.

(a) An Application for membership shall be made in such manner and form as may be prescribed by the Board of Directors and made available to anyone requesting it. The application form shall contain among the statements to be signed by the applicant (1) that applicant agrees as a condition to membership to thoroughly familiarize himself/herself with the Code of Ethics of the NAR, the Constitutions, Bylaws, and Rules and Regulations of the Board, the NRA, and NAR, and if elected a Member, will abide by the Constitutions and Bylaws and Rules and Regulations of the Board, NRA, and NAR, and, if a REALTOR® Member, will abide by the Code of Ethics of the NAR including any obligation to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics and as further specified in the Code of Ethics and Arbitration Manual of the NAR, as from time to time amended, and (2) that applicant consents that the Board, through its member services forum or otherwise, may invite and receive information and comment about applicant from any member or other persons, and that applicant agrees that any information and comment furnished to the Board by any person in response to the invitation shall be conclusively deemed to be privileged and not form the basis of any action for slander, libel, or defamation of character. The applicant shall, with the form of application, have access to a copy of the Bylaws, Constitution, Rules, Regulations, and Code of Ethics referred to above. 2/97

### Section 2. Qualification.

(a) An applicant for REALTOR® Membership who is a sole proprietor, partner, corporate officer, or branch office manager of a real estate firm shall supply evidence satisfactory to the Board that the applicant is actively engaged in the real estate profession, and maintains a current, valid real estate broker's or salesperson's license or is registered, licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, has a place of business within the state or a state contiguous thereto (unless a secondary member), has no record of recent or pending bankruptcy and has no record of official sanctions involving unprofessional conduct, (as defined in subparagraphs (1) and (2)), agrees to complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the NRA, and the Constitution and Bylaws and Code of Ethics of the NAR, and shall pass such reasonable and non-discriminatory written examination thereon as may be required by the Board, and shall agree that if elected to membership, applicant will abide by such Constitution, Bylaws, Rules and Regulations, and Code of Ethics 5/03

(1) No recent or pending bankruptcy shall mean that the applicant or any real estate firm in which the applicant is a sole proprietor, partner, corporate officer, or branch office manager is not involved in any pending bankruptcy or insolvency proceedings or, has not been adjudged bankrupt in the past three (3) years. If a bankruptcy proceeding as described above exists, membership may not be rejected unless the Board establishes that its interests and those of its members and the public could not be adequately protected by requiring that the applicant pay cash in advance for Board required fees for up to (1) year from the date that membership is approved or from the date that the bankruptcy case is concluded (whichever is later). In the event that an existing member of any type is a debtor in any bankruptcy proceedings, the member may be placed on a "cash basis" from the date the bankruptcy is initiated until (1) year from the date that the member has been discharged from bankruptcy. 2/97

(2) No record of official sanctions involving unprofessional conduct shall mean that the Board may only consider judgments within the past three (3) years of violations of (a) civil rights laws; (b) real estate license laws; (c) or other laws prohibiting unprofessional conduct against the applicant rendered by the courts or other lawful authorities. 4/04

(3) Article IV, Section 2, of the NAR Bylaws prohibits Member Boards from knowingly granting REALTOR® or REALTOR-ASSOCIATE® membership to any applicant who has an unfulfilled sanction pending which was imposed by another Board or Association of REALTORS® for violation of the Code of Ethics. 7/05

(b) Individuals who are actively engaged in the real estate profession other than as sole proprietors, partners, corporate officers, or branch office managers in order to qualify for REALTOR® Membership, shall at the time of application, be associated either as an employee or as an independent contractor with a Designated REALTOR® member of the Board or a Designated REALTOR® member of another board (if a secondary member) and must maintain a current, valid real estate broker's or salesperson's license or be registered, licensed or certified by an appropriate state regulatory agency

to engage in the appraisal of real property, shall complete a course of instruction covering the Bylaws and Rules and Regulations of the Board, the Bylaws of the NRA, and the Constitution and Bylaws and Code of Ethics of the NAR and shall pass such reasonable and nondiscriminatory written examinations thereon as may be required by the Board and shall agree in writing that if elected to membership the applicant will abide by the Code of Ethics of the NAR, and by the Constitution, Bylaws, and Rules and Regulations of the Board, NRA, and the NAR. 5/03

(c) The Board will also consider the following in determining an applicant's qualifications for REALTOR® membership:

- (1) All final findings of Code of Ethics violations and violations of other membership duties in any other association within the past three (3) years; 4/04
- (2) Pending ethics complaints (or hearings); 4/04
- (3) Unsatisfied discipline pending; 4/04
- (4) Pending arbitration requests (or hearings); 4/04
- (5) Unpaid arbitration awards or unpaid financial obligations to any other association or association MLS; 4/04
- (6) Any misuse of the term REALTOR® or REALTORS® in the name of the applicant's firm. 2/07

"Provisional" membership may be granted in instances where ethics complaints or arbitration requests (or hearings) are pending in other associations or where the applicant for membership has unsatisfied discipline pending in another association (except for violations of the Code of Ethics) provided all other qualifications for membership have been satisfied. Associations may reconsider the membership status of such individuals when all pending ethics and arbitration matters (and related discipline) have been resolved or if such matters are not resolved within six months from the date that provisional membership is approved. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of REALTOR® membership. If a member resigns from another association with an ethics complaint or arbitration request pending, the association may condition membership on the applicant's certification that he/she will submit to the pending ethics or arbitration proceeding (in accordance with the established procedures of the association to which the applicant has made application) and will abide by the decision of the hearing panel. 4/04

(d) An applicant for Affiliate, Public Service, Honorary, Student, Emeritus, or Retired Membership shall supply evidence satisfactory to the Board that the applicant meets the requirements for the respective classifications set forth in these bylaws. 2/97

### Section 3. Election.

The procedure for election to membership shall be as follows:

(a) Applicants for REALTOR® membership shall be granted provisional membership immediately upon submission of a completed application form and remittance of applicable association dues and any application fee. Provisional members shall be considered REALTORS® and shall be subject to all of the same privileges and obligations of membership. Provisional membership is granted subject to subsequent review of the application by the Board of Directors. If the Board of Directors determines that the individual does not meet all of the qualifications for membership as established in the associations' bylaws, or, if the individual does not satisfy all of the requirements of membership within 60 days from the association's receipt of their application, membership may, at the discretion of the Board of Directors, be terminated. 2/07

(b) Dues shall be computed from the date of application and shall be non-refundable unless the association's Board of Directors terminates the individual's membership in accordance with subsection (a) above. In such instances, dues shall be returned to the individual less a prorated amount to cover the number of days that the individual received association services and any application fee. 5/03

(c) The Board of Directors may not terminate any provisional membership without providing the provisional member with advance notice, an opportunity to appear before the Board of Directors, to call witnesses on his behalf, to be represented by counsel, and to make such statements as he deems relevant. The Board of Directors may also have counsel present. The Board of Directors shall require that written minutes be made of any hearing before it or may electronically or mechanically record the proceedings. 5/03

(d) If the Board of Directors determines that provisional membership should be terminated, it shall record its reasons with the Secretary. If the Board of Directors believes that termination of provisional membership may become the basis of litigation and a claim of damage by a provisional member, it may specify that termination shall become effective upon entry in a suit by the Board for a declaratory judgment by a court of competent jurisdiction of a final judgment declaring that the termination violates no rights of the individual. 5/03

#### Section 4. New Member Code of Ethics Orientation

Applicants for REALTOR® membership and provisional REALTOR® members shall complete an orientation program on the Code of Ethics of not less than two hours and thirty minutes of instructional time. This requirement does not apply to applicants for REALTOR® membership or provisional members who have completed comparable orientation in another association, provided that REALTOR® membership has been continuous, or that any break in membership of for one year or less. 2/07

Failure to satisfy this requirement within 60 days of the date of application will result in denial of the membership application or termination of provisional membership. 5/03.

Note: Orientation programs must meet the learning objectives and minimum criteria established from time to time by the NAR 5/03.

#### Section 5. Continuing Member Code of Ethics Training

Effective January 1, 2001, through December 31, 2004, and for successive four year periods thereafter, each REALTOR® member of the association shall be required to complete quadrennial ethics training of not less than two hours and thirty minutes of instructional time. This requirement will be satisfied upon presentation of documentation that the member has completed a course of instruction conducted by this or another association, NRA, NAR, or any other recognized educational institution or provider which meets the learning objectives and minimum criteria established by NAR from time to time. REALTOR® members who have completed training as a requirement of membership in another association and REALTOR® members who have completed the New Member Code of Ethics Orientation during any four year cycle shall not be required to complete additional ethics training until a new four year cycle commences. 5/03

Failure to satisfy this requirement shall be considered a violation of a membership duty for which REALTOR® membership shall be suspended until such time as the training is completed. 5/03.

Members suspended for failing to meet the requirement for the first four (4) year cycle (2001 – 2004) will have until December 31, 2005 to meet the requirement. Failure to meet the requirement by that time will result in automatic termination of membership. 7/05

Failure to meet the requirement for the second (2005 – 2008) cycle and subsequent four (4) year cycles will result in suspension of membership for the first two months (January and February) of the year following the end of any four (4) year cycle or until the requirement is met, whichever occurs sooner. On March 1 of that year, the membership of member who is still suspended as of that date will be automatically terminated. 7/05

#### Section 6 Status Changes

(a) A REALTOR® who changes the conditions under which he holds membership shall be required to provide written notification to the Board within 30 days. A REALTOR® (non-principal) who becomes a principal in the firm with which he has been licensed, or, alternatively, becomes a principal in a new firm which will be comprised of REALTOR® principals is required to satisfy any previously unsatisfied membership requirements applicable to REALTOR® (principal) Members but shall, during the period of transition from one status of membership to another, be subject to all of the privileges and obligations of a REALTOR® (principal). If the REALTOR® (non-principal) does not satisfy the requirements established

in these Bylaws for the category of membership to which they have transferred within 30 days of the date they advised the Board of their change in status, their new membership application, will terminate automatically unless otherwise so directed by the Board of Directors. 5/03

A REALTOR® who is transferring their license from one firm comprised of REALTOR® principals to another firm comprised of REALTOR® principals shall be subject to all of the privileges and obligations of membership during the period of transition. If the transfer is not completed within 30 days of the date the board is advised of the disaffiliation with the current firm, membership will terminate automatically unless otherwise so directed by the Board of Directors. 5/03

(b) Any application fee related to a change in membership status shall be reduced by an amount equal to any application fee previously paid by the applicant. 7/05

(c) Dues shall be prorated from the first day of the month in which the member is notified by election by the Board of Directors and shall be based on the new membership status for the remainder of the year. 2/07

## **ARTICLE VI - Privileges and Obligations**

Section 1. The privileges and obligations of members, in addition to those otherwise provided in these Bylaws, shall be as specified in this Article. 11/95

Section 2. Any Member of the Board may be reprimanded, fined, placed on probation, suspended, or expelled by the Board of Directors for a violation of these Bylaws and Board Rules and Regulations consistent with these Bylaws, after a hearing as provided in the Code of Ethics and Arbitration Manual of the Board. Although Members other than REALTORS® are not subject to the Code of Ethics nor its enforcement by the Board, such Members are encouraged to abide by the principles established in the Code of Ethics of the NAR and conduct their business and professional practices accordingly. Further, Members other than REALTORS® may, upon recommendation by a hearing panel of the Professional Standards Committee, be subject to discipline as described above, for any conduct, which in the opinion of the Board of Directors, applied on a nondiscriminatory basis, reflects adversely on the terms REALTOR® or REALTORS®, and the real estate industry, or for conduct that is inconsistent with or adverse to the objectives and purposes of the local Board, NRA, and NAR. 5/03

Section 3. Any REALTOR® Member of the Board may be disciplined by the Board of Directors for violations of the Code of Ethics or other duties of membership, after a hearing as described in the Code of Ethics and Arbitration Manual of the Board, provided that the discipline imposed is consistent with the discipline authorized by the Professional Standards Committee of NAR as set forth in the Code of Ethics and Arbitration Manual of NAR. 2/97

Section 4. Resignations of Members shall become effective when received in writing by the Board of Directors, provided, however, that if any Member submitting the resignation is indebted to the Board for dues, fees, fines, or other assessments of the Board or any of its services, departments, divisions, or subsidiaries, the Board may condition the right of the resigning Member to reapply for membership upon payment in full of all such monies owed. 11/95

Section 5. If a Member resigns from the Board or otherwise causes membership to terminate with an ethics complaint pending, that Board of Directors may condition the right of the resigning Member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel. 6/00

(a) If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®. 6/00

Section 6. REALTOR® Members. REALTOR® members, whether primary or secondary, in good standing, whose financial obligations to the Board are paid timely shall be entitled to vote and to hold elective office in the Board; may use the terms REALTOR® and REALTORS®, which use shall be subject to the provisions of Article VIII; and have the primary responsibility to safeguard and promote the standards, interests, and welfare of the Board and the real estate profession. 5/03

(a) If a REALTOR® Member is a sole proprietor in a firm, a partner in a partnership or an officer in a corporation and is suspended or expelled, the firm, partnership, or corporation shall not use the terms REALTOR® or REALTORS® in connection with its business during the period of suspension, or until readmission to REALTOR® Membership, or unless connection with the firm, partnership, or corporation is severed, whichever may apply. The membership of all other principals, partners, or corporate officers shall suspend or terminate during the period of suspension of the disciplined Member, or until readmission of the disciplined Member, or unless connection of the disciplined Member with the firm, partnership, or corporation is severed, whichever may apply. Further, the membership of REALTORS® other than principals who are employed by or affiliated as independent contractors with the disciplined Member shall suspend or terminate during the period of suspension of the disciplined Member or until readmission of the disciplined Member or until connection of the disciplined Member with the firm, partnership, or corporation is severed, or unless the REALTOR® Member (non-principal) elects to sever his connection with the REALTOR® and affiliate with another REALTOR® Member in good standing in the Board, whichever may apply. If a REALTOR® Member who is other than a principal in a firm, partnership, or corporation is suspended or expelled, the use of the terms REALTOR® or REALTORS® by the firm, partnership, or corporation shall not be affected. 5/03

(b) In any action taken against a REALTOR® Member for suspension or expulsion under Section 6(a) hereof, notice of such action shall be given to all REALTORS® employed by or affiliated as independent contractors with such REALTOR® Member and they shall be advised that the provisions in Article VI, Section 6(a) shall apply. 5/03

Section 7. Institute Affiliate Members. Institute Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors consistent with the Constitution and Bylaws of the NAR. 11/95

Note: Local associations establish the rights and privileges to be conferred on Institute Affiliate Members except that no Institute Affiliate Member may be granted the right to use the term REALTOR®, REALTOR-ASSOCIATE®, or the REALTOR® logo; to serve as President of the local association; or to be a participant in the local association's Multiple Listing Serve. 7/03

Section 8. Affiliate Members. Affiliate Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors. 11/95

Section 9. Public Service Members. Public Service Members shall have rights and privileges and be subject to obligations prescribed by the Board of Directors. 11/95

Section 10. Honorary, Student, Emeritus and Retired Members. Honorary, Student, Emeritus and Retired Memberships shall confer only the right to attend meetings and participate in discussions. 11/95

Section 11. Certification by REALTOR®. Designated REALTOR® Members shall certify to the Board at the beginning of the first month of the Board's fiscal year, on a form provided by the Board, a complete listing of all individuals licensed, registered or certified in such REALTOR®'s office(s) and shall designate a primary board for each individual who holds membership. Designated REALTORS® shall also identify any non-member licensees in the REALTOR®'s office(s) and if Designated REALTOR® dues have been paid to another board based on said non-member licensees, the Designated REALTOR® shall identify the board to which dues have been remitted. These declarations shall be used for purposes of calculating dues under these bylaws. Designated REALTOR® Members shall also notify the Board of any additional individual(s) licensed, registered or certified with them within 30 days of the date of affiliation or severance of the individual. 5/03

Section 12. Harassment. Any member of the association may be reprimanded, placed on probation, suspended or expelled for harassment of an association or MLS employee or Association Officer or Director after an investigation in accordance with the procedures of the association. As used in this Section, harassment means any verbal or physical conduct including threatening or obscene language, unwelcome sexual advances, stalking, actions including strikes, shoves, kicks, or other similar physical contact, or threats to do the same, or any other conduct with the purpose or effect of unreasonably interfering with an individual's work performance by creating a hostile, intimidating or offensive work environment. The decision of the appropriate disciplinary action to be taken shall be made by the investigatory team comprised of the President, and President-elect and/or Vice President and one member of the Board of Directors selected by the highest ranking officer not named in the complaint, upon consultation with legal counsel for the

association. Disciplinary action may include any sanction authorized in the association's Code of Ethics and Arbitration Manual. If the complaint names the President, President-Elect or Vice President, they may not participate in the proceedings and shall be replaced by the Immediate Past President or, alternatively, by another member of the Board of Directors selected by the highest ranking officer not named in the complaint. 2/09

## **ARTICLE VII - Professional Standards and Arbitration**

Section 1. The Board does not maintain a Professional Standards or Grievance Committee. All ethics and arbitration complaints are forwarded to NRA as per the NRA Regional Agreement. 7/05

The responsibility of the Board and of its Members relating to the enforcement of the Code of Ethics, the disciplining of members and the arbitration of disputes and the organization and procedures incident thereto shall be governed by the Code of Ethics and Arbitration Manual of the NAR, as from time to time amended, which is by this reference incorporated into these Bylaws, provided however, that any provision deemed inconsistent with state law shall be deleted or amended to comply with state law; and specifically, any provision in the Code of Ethics and Arbitration Manual requiring or seeking to enforce mandatory arbitration or imposing sanctions for failure to arbitrate shall be disregarded for so long as the same may be prohibited by Nebraska law. 2/97

Section 2. It shall be the duty and responsibility of every REALTOR® Member of this Board to abide by the Constitution and Bylaws and the Rules and Regulations of the Board, the Constitution and Bylaws of the NRA, the Constitution and Bylaws of the NAR, and to abide by the Code of Ethics of the NAR, excluding the mandatory duty to arbitrate controversies arising out of real estate transactions as specified by Article 17 of the Code of Ethics, for so long as the same may be prohibited by Nebraska law, and as further defined and in accordance with the procedures set forth in the Code of Ethics and Arbitration Manual of this Board as from time to time amended. 2/97

## **ARTICLE VIII - Use of the Terms REALTOR® and REALTORS®**

Section 1. Use of the terms REALTOR® and REALTORS® by Members shall, at all times, be subject to the provisions of the Constitution and Bylaws of NAR and the Rules and Regulations prescribed by its Board of Directors. The Board shall have the authority to control, jointly and in full cooperation with NAR, use of the terms within its jurisdiction. Any misuse of the terms by members is a violation of a membership duty and may subject members to disciplinary action by the Board of Directors after a hearing as provided for in the NAR's Code of Ethics and Arbitration Manual. 2/07

Section 2. REALTOR® Members of the Board shall have the privilege of using the terms REALTOR® and REALTORS® in connection with their places of business within the state or a state contiguous thereto so long as they remain REALTOR® Members in good standing. No other class of Members shall have this privilege. 2/97

Section 3. A REALTOR® Member who is a principal of a real estate firm, partnership, or corporation may use the terms REALTOR® and REALTORS® only if all the principals of such firm, partnership, or corporation who are actively engaged in the real estate profession within the state or a state contiguous thereto are REALTOR® Members of the Board or Institute Affiliate Members as described in Section 1(b) of Article IV. 5/03

(a) In the case of a REALTOR® member who is a principal of a real estate firm, partnership, or corporation whose business activity is substantially all commercial, the right to use the term REALTOR® or REALTORS® shall be limited to office locations in which a principal, partner, corporate officer, or branch office manager of the firm, partnership, or corporation holds REALTOR® membership. If a firm, partnership, or corporation operates additional places of business in which no principal, partner, corporate officer, or branch office manager holds REALTOR® membership, the term REALTOR® may not be used in any reference to those additional places of business. 5/03

Section 4. Institute Affiliate Members shall not use the terms REALTOR® or REALTORS®, nor the imprint of the emblem seal of the NAR. 11/95

## **ARTICLE IX - State and National Memberships**

Section 1. The Board shall be a member of NRA and the NAR. By reason of the Board's membership, each REALTOR® Member of the Board shall be entitled to membership in NRA and NAR without further payment of dues. The Board shall continue as a Member of NRA and NAR, unless by a majority vote of all of its REALTOR® Members, a decision is

made to withdraw, in which case NRA and NAR shall be notified at least one month in advance of the date designated for termination of such membership. 2/97

Section 2. The Board recognizes the exclusive property rights of NAR in the terms REALTOR® and REALTORS®. The Board shall discontinue use of the terms in any form in its name, upon ceasing to be a member of NAR, or upon a determination by the Board of Directors of NAR that it has violated the conditions imposed upon the terms. 2/97

Section 3. The Board adopts the Code of Ethics of NAR and agrees to enforce the Code among its REALTOR® Members. The Board and all of its Members agree to abide by the Constitution, Bylaws, Rules and Regulations, and policies of NAR and NRA. 2/97

#### **ARTICLE X - Dues and Assessments**

Section 1. Application Fee. The Board of Directors may adopt an application fee for REALTOR® Membership in reasonable amount, not exceeding three times the amount of the annual dues for REALTOR® Membership, which shall be required to accompany each application for REALTOR® Membership and which shall become the property of the Board upon final approval of the application. 5/03

Section 2. Dues. The annual dues of members shall be as follows:

(a) REALTOR® Members. The annual dues of each Designated REALTOR® Member shall be in such amount as established annually by the Board of Directors, plus an additional amount to be established annually by the Board of Directors times the number of real estate salespersons and registered, licensed or certified appraisers who (1) are employed by or affiliated as independent contractors, or who are otherwise directly or indirectly licensed with such REALTOR® Member, and (2) are not REALTOR® Members of any Board in the state or a state contiguous thereto or Institute Affiliate members of the Board. In calculating the dues payable to the Board by a designated REALTOR® Member, non-member licensees as defined in Section 2(a) (1) and (2) of this Article shall not be included in the computation of dues if the Designated REALTOR® has paid dues based on said non-member licensees in another Board in the state or a state contiguous thereto, provided the Designated REALTOR® notifies the Board in writing of the identity of the Board to which dues have been remitted. In the case of a Designated REALTOR® Member in a firm, partnership, or corporation whose business activity is substantially all commercial, any assessments for non-member licensees shall be limited to licensees affiliated with the Designated REALTOR® in the office where the Designated REALTOR® holds membership, and any other offices of the firm located within the jurisdiction of this board. 7/05

(1) For the purpose of this Section, a REALTOR® Member of a Member Board shall be held to be any Member who has a place or places of business within the state or a state contiguous thereto and who, as a principal, partner, corporate officer, or branch office manager of a real estate firm, partnership, or corporation, is actively engaged in the real estate profession as defined in Article III, Section 1, of the Constitution of NRA. An individual shall be deemed to be licensed with a REALTOR® if the license of the individual is held by the REALTOR®, or by any broker who is licensed with the REALTOR®, or by any entity in which the REALTOR® has a direct or indirect ownership interest and which is engaged in other aspects of the real estate business (except as provided for in Section 2(a)(1) hereof) provided that such licensee is not otherwise included in the computation of dues payable by the principal partner, corporate officer, or branch officer manager of the entity. 3/04

A REALTOR with a direct or indirect ownership interest in an entity engaged exclusively in soliciting and/or referring clients and customers to the REALTOR for consideration on a substantially exclusive basis shall annually file with the association on a form approved by the association a list of the licensees affiliated with that entity and shall certify that all of the licensees affiliated with the entity are solely engaged in referring clients and customers and are not engaged in listing, selling, leasing, managing, counseling or appraising real property. The individuals disclosed on such form shall not be deemed to be licensed with the REALTOR filing the form for purposes of this Section and shall not be included in calculating the annual dues of the Designated REALTOR. 3/04

Membership dues shall be prorated for any licensee included on a certification form submitted to the association who during the same calendar year applies for REALTOR membership in the association. However, membership dues shall not be prorated if the licensee held REALTOR membership during the preceding calendar year. 3/04

(2) REALTOR® Members. The annual dues of REALTOR® members other than the Designated REALTOR® shall be in such amount as established annually by the Board of Directors 7/05

(b) Institute Affiliate Members. The annual dues of each Institute Affiliate Member shall be as established in Article II, of the NAR Bylaws. 5/03

Note: The Institutes, Societies and Councils of NAR shall be responsible for collecting and remitting dues to NAR for Institute Affiliate Members (\$75.00). NAR shall credit \$25.00 to the account of a local association for each Institute Affiliate Member whose office address is within the assigned territorial jurisdiction of that association, provided, however, if the office location is also within the territorial jurisdiction of a Commercial Overlay Board (COB), the \$25.00 amount will be credited to the COB, unless the Institute Affiliate Member directs that the dues be distributed to the other board. NAR shall also credit \$25.00 to the account of the state associations for each Institute Affiliate Member whose office address is located within the territorial jurisdiction of the state association. Local and state associations may not establish any additional entrance, initiation fees or dues for Institute Affiliate Members, but may provide service packages to which Institute Affiliate Members may voluntarily subscribe.

7/03

(c) Affiliate Members. The annual dues of each Affiliate Member shall be in such amount as established annually by the Board of Directors. 11/95

(d) Public Service Members. The annual dues of each Public Service Member shall be in such amount as established annually by the Board of Directors. 11/95

(e) Honorary Members. Dues of Honorary Members, if any, shall be at the discretion of the Board of Directors. 2/97

(f) Student Members. Dues of Student Members, if any, shall be at the discretion of the Board of Directors. 2/97

(g) REALTOR® Emeritus. The annual dues of each REALTOR® Emeritus (as recognized by NAR), Past Presidents of NAR or recipients of NAR's Distinguished Service Award shall be as determined by the Board of Directors. 5/03

(h) Retired Members. Dues of Retired Members, if any, shall be at the discretion of the Board of Directors. 2/97

Section 3. Dues Payments. Dues for all Members shall be payable annually as described in this section. Dues for new members shall be computed from the date of application and granting of provisional membership. 11/11

In the event a real estate licensee or registered, licensed or certified appraiser who holds REALTOR® membership is terminated for nonpayment of Board dues, and the individual remains with the Designated REALTOR®'s firm, the dues obligation of the "Designated" REALTOR® (as set forth in Article X, Section 2(a)) will be increased to reflect the addition of a non-member licensee. Dues shall be calculated from the first day of the current fiscal year and are payable within 30 days of the notice of termination. 5/03

Annual board dues shall be paid in full by August 15. If unpaid the member shall be automatically assessed a late payment fee of 10%. On September 15, membership shall automatically terminate unless all amounts due are paid, including any late payment fee. 11/11

Section 4. Other Payments.

All amounts due the Board from a Member, for any reason other than the payment of dues, are due and payable within thirty days of invoice. If not timely paid, such amounts are subject to a 1% late charge, per month. Any Member delinquent in paying amounts due the Board including applicable late charges, is subject to suspension of Membership by the Board of Directors. Any Member whose account is unpaid sixty days after invoice is subject to termination at the option of the Board of Directors, and such termination is automatic if such account is unpaid ninety days after invoice. 11/11

Section 5. Deposits and Expenditures. Deposits and expenditures of funds shall be in accordance with policies established by the Board of Directors. 7/05

Section 6. Assessments. Assessments may be levied when 1) recommended by the Board of Directors, and 2) notice of the intent to levy an assessment along with the date, time and location of the meeting, at which the assessment is to be considered, is given to all voting members of the Board no less than ten (10) days prior to the date of said meeting and 3) approved by an affirmative vote of two-thirds (2/3) of all members of the Board of Directors eligible to vote. 2/97

Section 7. Notice of Dues, Fees, Fines, Assessments, and Other Financial Obligations of Members. All financial obligations due to the Board or the Board's Multiple Listing Service shall be billed to the Member in writing, setting forth the amount owed and due date. 5/03

## **ARTICLE XI - Officers and Directors**

Section 1. Officers. The elected officers of the Board shall be: a President, a President-Elect, and a Secretary/Treasurer. They shall be elected for terms of one year except that the President-elect shall become President at the end of his/her term as President-elect. The Board of Directors may employ a Chief Executive Officer and prescribe the duties, title, compensation and terms of employment for such officer. 2/97

To become an Officer of the Board, other than Chief Executive Officer, the person must have served not less than two years as a member of the Board of Directors; should have served on at least two of the following: NRA/Board Grievance Committee or NRA/Board Professional Standards Committee, MLS Board of Directors, or the Board's Governmental Affairs Committee. 2/97

All officers of the Board other than Chief Executive Officer shall be from different companies at the time of their initial election. Terms of elected officers coincide with the Board's fiscal year. 2/97

Section 2. Duties of Officers. The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Board of Directors. It shall be the particular duty of the Secretary to keep the records of the Board and to carry on all necessary correspondence with NAR and NRA. 11/95

### Section 3. Board of Directors.

(a) The governing body of the Board shall be a Board of Directors consisting of the Elected Officers, seven elected REALTOR® Members of the Board, the immediate Past President of the Board, Chairman of the MLS, , Chairman of the Affiliate Council, and the current President of each of the local chapters of the Institutes, Societies and Councils of NAR, who shall serve as Ex-officio members of the Board of Directors, if not already serving as a Director. 5/03

(b) The seven (7) elected REALTOR® Members shall be elected to serve for terms of three years. As many Directors shall be elected each year as are required to fill vacancies. 2/97

(c) To become a Director of the Board other than an Ex-officio member, the person shall have been a REALTOR® member of the Board for at least four years. Consideration of service will be given to members who have transferred from another comparable board. The person's activity should include: service on at least three committees, councils, forums or task forces including the Board Multiple Listing Service Board of Directors. 5/03

(d) No more than two of the elected Directors shall be from one company at the time of their election. 11/95

(e) Terms of Directors commence on the first day of the Board's fiscal year. 2/97

### Section 4. Directors Meetings.

(a) The Board of Directors shall designate a regular time and place for its meetings. Directors shall be subject to loss of membership on the Board of Directors if absence occurs from two (2) consecutive regular Directors' meetings or for more than three (3) regular Directors' meetings in any one elective year. Such loss of membership shall occur upon recommendation of the Board of Directors and approval of a two-thirds (2/3) majority of the Directors present. 2/97

(b) Special meetings of the Board of Directors shall be held at the call of the President or at the request of three (3) members of the Board of Directors. Special meetings of the Board must be preceded by at least two days notice to each director of the date, time, and place, but not necessarily the purpose, of the meeting. 5/03

(c) A quorum for the transaction of business at any regular or special meeting of the Board of Directors shall consist of seven (7) elected Directors, including at least one elected officer of the Board. 2/97

(d) The Board of Directors may, on the written consent of a majority of the Board of Directors holding such office, conduct business by mail, facsimile transmission, electronic mail or other electronic media. At the next regular meeting of the Board of Directors the record of such consents and the business so conducted shall be included in the minutes of said regular meeting. 5/03

Section 5. Election of Officers and Directors.

(a) At least four (4) months before the annual election, a Nominating Task Force of seven (7) REALTOR® Members shall be appointed by the President-elect, consisting of the President-elect as Chairman, the President, one Director, 2 Past Presidents and 2 other REALTOR® Members. The Nominating Task Force is to be approved by the Board of Directors. The Nominating Task Force shall select one or more candidates for each office, except that of President and one or more candidates for each Directorship to be elected. The Nominating Task Force report shall be published in the Board publication at least 60 days preceding the election. Additional candidates for the offices to be filled may be placed in nomination by a petition signed by at least ten percent of the REALTOR® Members. Such petition shall be filed with the Secretary/Treasurer at least four weeks before the election. The Secretary/Treasurer shall send notice of such additional nominations to all REALTOR® Members before the election. 2/97

(b) The election of Officers and Directors shall take place at location(s) designated by the Board of Directors. Election shall be by ballot and all votes shall be cast in person with the exception of absentee ballots. The ballot shall contain the names of all candidates and the offices for which they are nominated. Absentee ballots may be cast at the Board Office prior to election day; a statement will be provided and must be signed by each person applying for the absentee ballot attesting to the fact that they will be unable to vote on the day of the election. If the ballot is uncontested and only one candidate appears on the ballot for each open position, the balloting shall be deemed unnecessary and the slate of candidates shall be automatically elected with no further action required. New Officers and Directors commence office on September 1st following their election. 8/11

(c) The President, with the approval of the Board of Directors shall appoint an election committee of three REALTOR® Members to conduct the election and count the ballots. In case of a tie vote, the election shall be determined by lot. 2/97

Section 6. Vacancies. Vacancies among the Officers and the Board of Directors shall be filled by a simple majority vote of the Board of Directors. 2/97

Section 7. Removal of Officers and Directors. In the event that an Officer or Director is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedures: 2/97

(a) A petition requiring the removal of an Officer or Director and signed by not less than 20% of the voting membership or 75% of all Directors shall be filed with the President, or if the President is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service. 2/97

(b) Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the voting membership of the Board shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition. 11/95

(c) The special meeting shall be noticed to all voting Members at least ten (10) days prior to the meeting, and shall be conducted by the President of the Board unless the President's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct such meeting of the Members. Provided a quorum is present, a three-fourths vote of Members present and voting shall be required for removal from office. 2/97

## **ARTICLE XII - Meetings**

Section 1. Annual Meetings. The annual meeting of the Board shall be held during the month of August of each year on the date, place and hour designated by the Board of Directors. 2/97

Section 2. Other Meetings. Additional meetings of the Members may be held at such other times as the President or the Board of Directors may determine, or upon the written request of at least ten (10) percent of the REALTOR® Members. 2/97

Section 3. Notice of Meetings. Written notice shall be given to every Member entitled to participate in the meeting at least ten (10) days preceding all meetings. If a special meeting is called, it shall be accompanied by a statement of the purpose of the meeting. 2/97

Section 4. Quorum. A quorum for the transaction of business shall consist of not less than 50 REALTOR® Members, including at least one elected Officer of the Board. 2/97

Section 5. Action without Meeting. The Board of Directors may, on the written consent of a majority of the Board of Directors holding such office, conduct business by mail, facsimile transmission, electronic mail or other electronic media. At the next regular meeting of the Board of Directors the record of such consents and the business so conducted shall be included in the minutes of said regular meeting. 7/05

## **ARTICLE XIII – Committees, Councils, Forums and Task Forces**

Section 1. Standing Committees: The President shall appoint from among the REALTOR® Members, subject to confirmation by the Board of Directors, the following standing committees:

Executive Committee

Governmental Affairs Committee

Safety Committee 5/03

All Committee, Councils, Forums and Task Forces Chairmen shall be REALTOR® Members. 5/03

The Board does not maintain a Professional Standards or Grievance Committee. All ethics and arbitration complaints are forwarded to NRA as per the NRA Regional Agreement. 7/05

Section 2. Special Committees, Councils, Forums and Task Forces: The President shall appoint, subject to confirmation by the Board of Directors, such special committees, councils, forums and task forces as deemed necessary. 5/03

Section 3. Organization. All committees, councils, forums and task forces shall be of such size, duties, functions, and powers as may be assigned to them by the President or the Board of Directors, except as otherwise provided in these Bylaws. No committee, councils, forums and task forces shall incur any expenses unless authorized by the Board of Directors. 5/03

Section 4. The President and President-elect shall be ex-officio members of all standing committees, councils, forums and task forces and shall be notified of their meetings. 5/03

Section 5. Action without Meeting. Any committee may act by consent in writing of a quorum without a meeting. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more of the members of the committee. 7/05

Section 6. Attendance by Telephone. Members of a committee may participate in any meeting through the use of a conference telephone or similar communications equipment or by polling by OABR staff. 7/05

## **ARTICLE XIV - Fiscal Year**

The fiscal year of the Board shall be September 1 to August 31. 11/95

## **ARTICLE XV - Rules Of Order**

Robert's Rules of Order, latest edition, shall be recognized as the authority governing the meetings of the Board, its Board of Directors and committees, councils, forums and task forces in all instances wherein its provisions do not conflict with these bylaws. 5/03

## **ARTICLE XVI - Amendments**

Section 1. These Bylaws may be amended by majority vote of the REALTOR® Members present and qualified to vote at any meeting at which a quorum is present, provided the substance of such proposed amendment or amendments shall be plainly stated in the call for the meeting, except that the Board of Directors may, at any regular or special meeting of the Board of Directors at which a quorum is present, approve amendments to the bylaws which are mandated by NAR policy. Article IX may be amended only by a majority vote of all REALTOR® Members. 2/97

Section 2. Notice, by delivering either personally or by mail, of all meetings at which amendments are to be considered shall be given to every REALTOR® Member at least ten (10) days prior to the time of meeting. 2/97

Section 3. Amendments to these bylaws affecting the admission or qualification of REALTOR® and Institute Affiliate Members, the use of the terms REALTOR® and REALTORS®, or any alteration in the territorial jurisdiction of the Board shall become effective upon their approval by the Board of Directors of NAR. 11/95

## **ARTICLE XVII - Dissolution**

Section 1. Upon the dissolution of this Board, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to the NRA or, within its discretion, to any other non-profit tax exempt organization, in conformance with the Board's Articles of Incorporation and applicable law. 7/05

## **ARTICLE XVIII - Subsidiary Multiple Listing Corporation**

Section 1. Authority. The Board shall maintain for the use of its Members a Multiple Listing Service (MLS) which shall be a lawful corporation of the State of Nebraska, all the stock of which shall be owned by this Board, and such MLS shall be in conformance with NAR's rules, regulations and policies. The MLS shall adopt its own bylaws, articles, and policies and procedures. 2/97

Section 2. Purpose. A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other evaluations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of sale (or lease). 2/07

Section 3. Governing Documents. The Board of Directors shall cause any Multiple Listing Service established by it pursuant to this Article to conform its corporate charter, constitution, bylaws, rules, regulations, and policies, practices, and procedures at all times to the Constitution, Bylaws, Rules, Regulations, and Policies of NAR. 5/03

Section 4. Participation Defined. Any REALTOR® of this or any other association who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.\* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate brokers' license and offer or accept compensation to and from other

Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.\*\* Use of information developed by or published by an association Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by an association Multiple Listing Service where access to such information is prohibited by law. 2/09

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and on-going basis during the operation of the Participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law.

The key is that the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates a Virtual Office Website ("VOW") (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all Participants and potential Participants. 2/09

The chief operating officer of the firm is the MLS "Participant". Brokers or salespersons other than the chief principal officer of the firm are not considered "Participants" in the Service, but have access to and use of the Service through the principal with whom they are affiliated. 5/03

Section 5. Access to Comparable and Statistical Information. Board Members who are actively engaged in real estate brokerage, management, appraising, land development or building, but who do not participate in the MLS, and others authorized by the Board of Directors, are nonetheless entitled to receive, by purchase, information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Board Members and individuals affiliated with Board Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in the MLS Rules and Regulations. Board members who receive such information, either as a Board service or through the Board's MLS, are subject to the applicable provisions of the MLS Rules and Regulations whether they participate in the MLS or not. 2/07

Section 6. Subscribers. Subscribers (or users) of the MLS include non-principal brokers, sales associates, and registered, licensed and certified appraisers affiliated with Participants. 5/03

## **ARTICLE XIX – Use of Publications**

Section 1. Publications of OABR. OABR and its subsidiary, the Great Plains REALTORS® Multiple Listing Services, Inc., publish electronic and paper documents. 5/03

Electronic documents include (i) listing information and other MLS information (Information, Statistics, Area Maps, Square Footage Guide), (ii) notices and new information, and (iii) other documents, including without limitation, real estate forms on diskette, membership information (benefits, application forms), roster, periodic newsletter ("Focus"), lists of staff members, OABR and MLS history, lists of committees and councils (Committees, Councils, Forums and Task

Forces, descriptions, leadership and members), lists of officers and directors of OABR and MLS and affiliated entities, leadership, and members, governing documents (Articles of Incorporation and Bylaws of OABR, MLS and of various affiliated entities, MLS Rules and Regulations), and County Information. 5/03

Paper documents include, without limitation (i) membership rosters, (ii) periodic newsletter ("Focus"), (iii) real estate forms and (iv) miscellaneous documents such as agendas and meeting packets for committees, councils, forums and task forces, activity promotion flyers to OABR and MLS members and participants, monthly MLS market activity data, director and committee chairman guidebooks. 5/03

For purposes of this Article, the term "Publications" means correspondence, memoranda, tapes, discs, papers, books and other documents, or transcribed information of any type, whether expressed in ordinary or machine readable language, created and disseminated by OABR and/or its subsidiary to any person or entity. 5/03

**Section 2. Confidentiality of Information.** The Publications are intended for the use of OABR and/or its subsidiary, their participants, subscribers, members of all classes, and purchasers of OABR Goods and Services (collectively, "USERS"). Some information contained in the Publications is obviously intended to be shared by the USERS with their business clients and customers, such as information concerning availability of listed real estate properties. However, information concerning OABR members or MLS participants or subscribers individually, such as membership roster, residence phone numbers, residence address, or email address information is not to be distributed or disseminated by any of the USERS, directory or indirectly to persons or entities not USERS, without prior written permission of the OABR Board of Directors. 5/03

#### **ARTICLE XX - Affiliate Council**

The Board has created an Affiliate Council to unite those Affiliate Members engaged in supplying valuable services and support to real estate owners and their agents, and which Affiliate Members do not hold an active real estate license. Members of the Affiliate Council may establish a Constitution and Bylaws which must be approved by the Board of Directors of the Board. The Bylaws may provide for qualifications of membership, privileges and obligations of membership, establishment of officers and executive committee members, establishment of other committees and such other provisions as are necessary or desirable for the operation of the Council. 2/97

#### **ARTICLE XXI - Omaha Area Board of REALTORS® Foundation**

The Board has established a separate, nonprofit tax exempt entity known as the Omaha Area Board of REALTORS® Foundation which was established for various charitable and educational purposes. The Foundation is operated by a Board of Directors elected yearly by the Board of Directors of this Board. 2/97

#### **ARTICLE XXII - Indemnification**

The Board shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any action, suit, or proceeding by reason of the fact that the such person was a Director, Officer, employee or agent of the Board in accordance with the provisions of Nebraska Statute Section 21-1904 (14) (a), (b), (c), (d) and (e) as now existing or as amended in the future. 2/97

Approved by OABR membership 8-10-2011

NAR requested changes approved by OABR Board of Directors 11-30-2011

NAR approval 2-24-2012

NAR approval 5-28-2014

**MLS Bylaws.....8**

**GREAT PLAINS  
REALTORS® MLS**



# BY-LAWS OF THE GREAT PLAINS REALTORS® MULTIPLE LISTING SERVICE, INC.

## ARTICLE I NAME

The name of this corporation shall be Great Plains REALTORS® Multiple Listing Service, Inc., hereinafter referred to as the MLS, all shares of stock of which are solely and wholly owned by the Omaha Area Board of REALTORS® ("OABR"). 2/97

## ARTICLE II PURPOSE

A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other evaluations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of sale (or lease). 2/07

## ARTICLE III SERVICE AREA

The area within which the MLS shall function shall at all times be coextensive with or within the territorial jurisdiction of the OABR and the Market Area of the OABR. 5/03

## ARTICLE IV PARTICIPATION

Participation Defined. Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.\* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate brokers' license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.\*\* Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a

Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. 1/09

Note: Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm "offers or accepts cooperation and compensation" means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and on-going basis during the operation of the Participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law.

The key is that the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates a Virtual Office Website ("VOW") (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant "actively endeavors during the operation of its real estate business" to "offer or accept cooperation and compensation" only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants. 1/09

Principal's Rights: The REALTOR® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the "Participant" shall have all rights, benefits, and privileges of the MLS, and shall accept all obligations to the MLS for the Participant's firm, partnership, or corporation, and for

compliance with the bylaws and rules and regulations of the MLS by all persons affiliated with the Participant who utilized the MLS. 5/03

Application for Participation. Application for participation shall be made in such manner and form as may be prescribed by the Board of Directors and made available to any REALTOR® principal of OABR or any other board requesting it. The application form shall contain a signed statement agreeing to abide by these bylaws and any other applicable rules and regulations of the MLS as from time to time amended or adopted. 05/03

Orientation Program. Any applicant for MLS participation and any licensee (including licensed, registered or certified appraisers) affiliated with an MLS Participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS Rules and Regulations and computer training related to MLS information entry and retrieval and operation of the MLS within thirty (30) days after access has been provided. 2/07

Discontinuance of Service. Participants of the MLS may discontinue service by giving the MLS 30 days written notice and may reapply to the MLS by making formal application in the manner prescribed for new applicants for participation provided all past dues and fees are fully paid. 8/95

Subscribers. Subscribers (or users) of the MLS include brokers, other than Participants, sales associates, and licensed, registered and certified appraisers affiliated with Participants. 2/97

Agency. In the MLS, the cooperating broker in a cooperative real estate transaction is either the subagent of the listing broker, the agent of the buyer, or acts in another recognized agency or non-agency capacity. Such relationships must be fully disclosed to all parties to the contract and to all brokers involved. 2/97

## **ARTICLE V FINANCIAL OBLIGATIONS**

The charges made for participation in the MLS shall be as determined, and as amended from time to time by the Board of Directors, and specified in the rules and regulations of the MLS. 5/03

## **ARTICLE VI GOVERNING BODY**

Government of the MLS. The government of the MLS shall be vested in a Board of Directors comprised of the elected Officers and Directors nominated and elected as described in this Article. 8/95

Officers of the MLS. The Officers of the MLS, who shall also be Directors, shall be a Chairman of the Board, Vice Chairman and a Secretary-Treasurer, and shall have such duties as described in this Article. 8/95

Board of Directors. For purposes of election of Directors the Participants shall be divided into the following categories: 8/95

Category 1: Participants with 8 percent or more of the subscribers. 2/97

Category 2: Participants whose principal business is appraisal of real estate. 8/95

Category 3: All Participants who are not defined as Category 1 or Category 2. 8/95

The Directors, including the Chairman, Vice Chairman and Secretary/Treasurer of the MLS shall be: one (1) Director appointed by each Category 1 Participant, one (1) Director elected by Category 2 Participants, three (3) Directors elected by Category 3 Participants, and one (1) non-voting ex-officio Director appointed by the President of the Board of Directors of OABR. 2/97

No more than one (1) Category 3 Director may be elected from any one firm. 8/95

Nomination and Election of Category 2 and 3 Directors. The Directors of the MLS shall be nominated by a vote of the Category 2 and 3 Participants they represent in the MLS in accordance with the provisions of Article VII, Meetings, of these bylaws and as further set forth following: 8/95

**1. Nominating Committee.** The Chairman of the MLS shall appoint a Nominating Committee each year which Committee shall be comprised of one (1) Category 1, two (2) Category 2 and four (4) Category 3 Participants of the MLS. The appointment of the Nominating Committee shall be made by such a date as to enable the Committee to meet and select a proposed slate of Directors of the MLS after annual certification (which certification definition is in Article VII, Meetings) and before June 1 in the year of the election. The proposed slate of Directors shall be reported to the Chairman and Secretary of the MLS, and communicated to Category 2 and Category 3 Participants no later than June 15 in the year of the election. 2/97

**2. Rights of Category 2 and Category 3 Participants to Make Additional Nominations.** Additional nominees may be added to the list selected by the Nominating Committee by a petition submitted to the Secretary of the MLS by ten (10) percent of Participants entitled to vote for such additional nominees with said petition received not less than fifteen (15) days prior to the election meeting. 2/97

### **3. Voting, Election Meeting, and Election Committee.**

Voting for Category 2 and Category 3 Directors shall occur as follows: The Chairman of MLS shall name a three-person Election Committee consisting of one Participant from Category 1, one Participant from Category 2, and one Participant from Category 3, which Participants are neither Directors of MLS, nominees standing for election, nor members of the Nominating Committee. The Election Committee shall administer the election of Category 2 and Category 3 Directors by causing ballots to be delivered to all Category 2 and Category 3 Participants no later than ten (10) calendar days prior to the Election Meeting. The Election Committee shall set an Election Meeting to be held no later than July 20 in the year of the election. Ballots may be cast by delivering them to the Election Committee by mail or at the Election Meeting, but in any event the ballots are to be received no later than the commencement of the Election Meeting. The Election Meeting shall be open to all Participants. The Election Committee shall count the ballots cast and certify the election results to the Board of Directors. In case of ties in the election for any Directorship, a runoff shall be held to determine the winner from among the tying candidates. Category 2 Participants only shall be entitled to vote in a Category 2 runoff. Category 3 Participants only shall be entitled to vote in a Category 3 runoff. 2/97

### **4. Director Names Submitted to Shareholders for Approval.**

When Directors have been appointed or elected such names shall be submitted to the Board of Directors of OABR for approval pursuant to the Articles of Incorporation of MLS. The individuals so approved shall be Directors-Elect and shall assume their respective offices at the beginning of the next fiscal year. 2/97

The term of office for Officers and Directors of the MLS shall be on a fiscal year basis. In the event one (1) or more Directors-Elect is/are not approved by the Board of Directors of OABR, and upon notice of such failure of approval, the Chairman of the MLS shall select a nominee as required, subject to confirmation by the Board of Directors, for submission to the Board of Directors of OABR, to be considered for election by the Board of OABR to fill the vacancy or vacancies existing. 2/97

In the event that nominees are not duly and timely provided by the MLS to the Board of Directors of OABR, as provided in these bylaws, then the Board of Directors of OABR shall exercise rights as sole and exclusive shareholder to elect a Participant(s) and/or Subscriber(s) of the MLS to fill any existing vacancy or vacancies as Officers or Directors of the MLS. 2/97

### **5. Election of Officers:**

Prior to the beginning of the fiscal year the Directors for the new fiscal year shall meet to nominate and elect the Chairman, Vice Chairman, and Secretary/Treasurer. 8/95

Term of Office. The Officers shall serve for a one year term. The Directors shall serve for three year terms, except as to the Category 3 Directors elected in 1995 where in such year the nominee receiving the most Category 3 votes shall serve a three (3) year term, the nominee receiving the second highest number of Category 3 votes shall serve a two (2) year term, and, the nominee receiving the third highest number of Category 3 votes shall serve a one (1) year term, and as to the three (3) Category 1 Directors appointed in 1995 where in such year the three-year, two-year, and one-year terms shall be selected by a random drawing. Thereafter, as many Directors shall be elected or appointed each year as are required to fill vacancies. Officers and Directors shall take office upon the effective date of their offices and shall continue until their successors are elected and installed. 2/97

### **6. Duties of Officers and Directors.**

The duties of the Officers and Directors shall be as follows: 8/95

A) Chairman. The Chairman shall preside at MLS meetings and those of the Board of Directors, and shall perform all the duties of Chairman subject to declared policies and, as required, subject to confirmation of the Board of Directors. 8/95

B) Vice Chairman. The Vice Chairman shall, in the absence of the Chairman, perform all of the duties of the Chairman. 8/95

C) Secretary-Treasurer. The Secretary-Treasurer shall be the custodian of the funds of the MLS and shall keep an accurate record of all receipts and disbursements. The Secretary-Treasurer shall provide to all members of the Board of Directors a monthly statement of all accounts and financial affairs for the MLS, and shall have charge of the corporate seal and affix the name to all documents properly requiring such seal. 2/97

D) Board of Directors. The Board of Directors shall be the governing body of the MLS and shall have control of all the affairs of the corporation and shall authorize all expenditures of funds. The Board of Directors shall, prior to the end of each fiscal year, prepare a budget reflecting projected costs and expenses of the MLS for the next fiscal year, indicating projected income from all sources. The Board of Directors shall employ a Chief Executive Officer of the MLS who shall care for and maintain the properties of the MLS and otherwise conduct the administrative business of the MLS. The Board of Directors shall have the right to make an audit of all books and accounts at any time without notice. Except as otherwise provided in the bylaws and Operating Rules and Regulations, the action of the MLS Board of Directors shall be final. 2/97

E) Board of Director Vacancies. Category 1 Directors: Change of Participant affiliation by the Director shall cause such Director position to be deemed vacated. The affected

Participant shall immediately fill the position by appointing a new director to complete the vacated term. Category 2 and 3 Directors changing Categories shall constitute a vacancy: These Director vacancies shall be filled by an individual who represents the appropriate Category and will be appointed by the MLS Directors to complete the vacated term. Exofficio Director: A vacancy shall be filled by an individual appointed by the President of the Board of Directors of OABR to complete the vacated term. 2/97

F) Removal of Officers and Directors. In the event that an Officer or Director of the MLS is deemed to be incapable of fulfilling the duties for which elected, but will not resign from office voluntarily, the Officer or Director may be removed from office under the following procedure. 2/97

1. A petition requiring the removal of an Officer or Director and signed by not less than one-third of the Participants or a majority of all Directors of the MLS shall be filed with the Chairman of the MLS, or if the Chairman is the subject of the petition, with the next-ranking officer, and shall specifically set forth the reasons the individual is deemed to be disqualified from further service. 2/97

2. Upon receipt of the petition, and not less than twenty (20) days or more than forty-five (45) days thereafter, a special meeting of the Participants of the MLS shall be held, and the sole business of the meeting shall be to consider the charge against the Officer or Director, and to render a decision on such petition. 2/97

3. The special meeting shall be noticed to all Participants at least ten (10) days prior to the meeting, and shall be conducted by the Chairman of the MLS unless the Chairman's continued service in office is being considered at the meeting. In such case, the next-ranking officer will conduct the meeting or the hearing by the Participants. Provided a quorum is present, a three-fourths vote of Participants present and voting shall be required for removal from office. 2/97

4. Any vote taken by the Participants to remove an Officer or Director must ultimately be confirmed by a majority vote of the Directors of the shareholder(s). Notwithstanding the foregoing, the shareholder(s) may remove an Officer or Director by a majority vote of the Directors of the shareholder(s). 2/97

## ARTICLE VII MEETINGS

1. Annual Meeting. The annual meeting of Participants of the MLS shall be held during the month of July at the time and place specified by the Board of Directors. 8/95

2. Special Meetings of the MLS. Special meetings of Participants of the MLS may be called from time to time by

the Chairman, the Board of Directors, or by ten (10) percent of the Participants of the MLS. Written notice stating the day, place, and hour of the meeting, the purpose or purposes for which the meeting is called, shall be delivered to all REALTORS® who are Participants in the MLS not less than 10 days prior to said meeting. 8/95

3. Special Meetings of the Stockholders. Special meetings of the stockholders shall be called at any time by the Chairman on request of the shareholder. 2/97

4. Quorum and Voting at Participant Meetings of the MLS. For transaction of business other than elections, five (5) percent of the Participants of the MLS shall be considered a quorum. A majority vote by such Participants present and voting at a meeting of the Participants, attended by a quorum shall be required for passage of motions. 8/95

5. Meeting of the Board of Directors. The Board of Directors may meet at any time it deems advisable on the call of the Chairman or any four (4) members of the Board of Directors. 8/95

a. Quorum and Voting at Meetings of the Board of Directors. Between May 1 and May 15 of each year, the Board of Directors shall prepare a list of Participants certifying the number of subscribers affiliated with each Participant. This list shall be known as the Annual Certification and shall be used to define each Participants Category and shall remain valid until the next annual certification. For purposes of certification and voting, Participants shall be included and counted as subscribers; if a Participant's company has multiple offices, those participants and subscribers shall be grouped together. 8/11

b. Interim Recertification. Interim recertification will be required under the following circumstances: Category 1 - 25 percent or more of a Participants subscribers change affiliation. Category 2 and 3 - 25 percent change in the total number of subscribers within their Category. 8/95

c. Category 1 Directors. Category 1 Directors shall have a number of votes equal to the certified number of subscribers affiliated with their Participant. 8/95

d. Category 2 Directors. Category 2 Directors shall have votes equal to the total number of certified Category 2 subscribers. 8/95

e. Category 3 Directors. Category 3 Directors shall each have votes equal to one third of the total number of certified Category 3 subscribers. 8/95

f. Transaction of Business. For the transaction of business, sixty-six (66) percent of certified votes shall constitute a quorum. The majority vote by the Directors present and voting at a meeting attended by a quorum shall be

required for passage of motions. The presiding officer shall have voting privileges. 8/95

g. The Board of Directors may, on the written consent of a majority of the Board of Directors holding such office, conduct business by mail, facsimile transmission, electronic mail or other electronic media. At the next regular meeting of the Board of Directors the record of such consents and the business so conducted shall be included in the minutes of said regular meeting. 5/03

6. Presiding Officer. At all meetings of the Participants of the MLS, or of the Board of Directors, the Chairman or, in the absence of the Chairman, the Vice Chairman shall serve as presiding officer. In the absence of the Chairman and Vice-Chairman, the Chairman shall name a temporary Chairperson or, upon the Chairman's failure to do so, the Board of Directors of the MLS shall appoint a temporary Chairperson. 8/95

7. Committees. The Chairman, with the approval of the Board of Directors shall create such standing or Ad Hoc Committees as the Chairman deems desirable, and shall appoint their members. 2/97.

8. Fiscal Year. The fiscal year of the MLS shall commence on September 1st and shall end on August 31st. 8/95

## **ARTICLE VIII SUSPENSION/TERMINATION**

Failure of any Participant to pay any financial obligation within the time required by MLS rules and regulations, and failure of any Participant, subscriber or user of MLS to abide by MLS rules and regulations or these bylaws, shall cause such persons or entities to be fined, suspended, or terminated from participation or use of MLS services as determined by the Board of Directors at hearing on notice to such person or entity. 5/03

Any Participant, user or subscriber terminated or suspended while in default of a financial obligation to MLS is not eligible for reinstatement until all financial obligations to MLS have been satisfied, and such person or entity has made appropriate application for Participation, use or subscription to MLS. 2/97

## **ARTICLE IX RULES AND REGULATIONS**

Authority. The Board of Directors of the MLS shall have the power to formulate various policies and practices

including, without limitation, Virtual Office Website policies, Internet Data Exchange Policies, and Operating Rules and Regulations, which shall be known as rules and regulations. They shall cover matters of lesser import than the bylaws and shall not be in conflict with the bylaws. The rules and regulations may be changed from time to time by action of the Board of Directors without approval of the Participants of the MLS. Insofar as such rules and regulations may affect the ethics of Participants, standards established by the NATIONAL ASSOCIATION OF REALTORS®, the Nebraska Real Estate License Act and rules and regulations, and the general laws of agency and restraint of trade, they shall be subject to approval by the Board of Directors of OABR. 11/04

## **ARTICLE X AMENDMENTS**

Amendments to Bylaws. Amendments to these bylaws shall be by vote of the MLS Board of Directors and thereafter a vote of the Participants of the MLS, and shall be determined at an Annual Meeting or Special Meeting of the MLS in accordance with the provisions of Article VII concerning meetings of the MLS, except the Board of Directors may, at any Regular or Special Meeting of the Board of Directors at which a quorum is present, approve Amendments to these bylaws which are mandated by NAR policy. Amendments to the bylaws of the MLS approved by the Participants shall further be subject to approval of the Board of Directors of OABR. 4/2000

When amendments to the bylaws of the MLS have been approved by the Board of Directors of OABR, said amendments shall be effective immediately or as stated in the amending resolution. 2/97

If the proposed amendments to the bylaws of the MLS fail approval of the Board of Directors of OABR, the Board of Directors of the MLS shall be informed, and advised that the proposed amendment or amendments to the bylaws be further considered and resubmitted to the OABR as approved by the Participants of the MLS. 2/97

## **ARTICLE XI DISSOLUTION**

In the event this MLS shall at any time terminate its activities, the Board of Directors of the MLS shall consider and adopt a plan of liquidation and dissolution with the approval of the Participants thereof and of the Board of Directors of OABR. Said plan shall provide for the collection of all assets, the payment of all liabilities, and the remaining portions thereof be assigned to the parent corporation, namely, OABR. 8/95

**MLS Operating Rules &  
Regulations .....9**

**GREAT PLAINS  
REALTORS® MLS**



**RULES AND REGULATIONS OF THE  
GREAT PLAINS REALTORS® MULTIPLE LISTING SERVICE, INC. (MLS)  
A CORPORATION OWNED BY THE OMAHA AREA BOARD OF REALTORS® (OABR)**

**PURPOSE OF A MULTIPLE LISTING SERVICE**

A Multiple Listing Service is a means by which authorized Participants make blanket unilateral offers of compensation to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law); by which cooperation among Participants is enhanced; by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses, and other evaluations of real property for bona fide clients and customers; by which Participants engaging in real estate appraisal contribute to common data bases; and is a facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of sale (or lease). 2/07

**PARTICIPATION**

Participation Defined: Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs incidental thereto.\* However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service "membership" or "participation" unless they hold a current, valid real estate brokers' license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property.\*\* Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey "participation" or "membership" or any right of access to information developed by or published by a Board Multiple Listing Service where access to such information is prohibited by law. 1/09

Note: Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm "offers or accepts cooperation and compensation" means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and on-going basis during the operation of the Participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law.

The key is that the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which

participation is sought. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates a Virtual Office Website ("VOW") (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant "actively endeavors during the operation of its real estate business" to "offer or accept cooperation and compensation" only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants. 1/09

**Principal's Rights:** The REALTOR® principal of any firm, partnership, corporation, or the branch office manager designated by said firm, partnership, or corporation as the "Participant" shall have all rights, benefits, and privileges of the MLS, and shall accept all obligations to the MLS for the Participant's firm, partnership, or corporation, and for compliance with the bylaws and rules and regulations of the MLS by all persons affiliated with the participant who utilize the MLS. 1/09

The chief operating officer of the firm is the MLS "Participant". Brokers or salespersons other than the chief principal officer of the firm are not considered "Participants" in the MLS, but have access to and use of the MLS through the principal with whom they are affiliated. 5/03

Subscribers (or users) of the MLS include non-principal brokers, sales associates, and registered, licensed and certified appraisers affiliated with Participants. 5/03

**Orientation Program.** Any applicant for MLS participation and any real estate licensee (including registered, licensed, or certified appraisers) affiliated with an MLS Participant who desires access to MLS-generated information shall complete an orientation program as provided in the By-Laws. 3/08

## **LISTING PROCEDURES**

**Section 1. LISTING PROCEDURES:** All listings of properties for sale or exchange of the following types located in the territorial jurisdiction and the Market area of OABR taken by Participants on exclusive right to sell or exclusive agency listing forms, accepted by MLS, shall be delivered to the MLS Office within forty-eight (48) hours after all necessary signatures of sellers have been obtained. 5/03

- a. Single family residence (including residences on tracts up to and including ten (10) acres. 12/95
- b. Duplexes, multiplexes and apartments up to and including four (4) residential units, (residences converted into apartments shall be included in this rule.) 12/95
- c. While it is optional to submit other real property listings, Participants are encouraged to do so as a service to the public. 12/95

NOTE: The MLS shall not require a Participant to submit listings on a form other than the form the Participant individually chooses to utilize provided the listing is of a type accepted by the MLS, although a "Property Data Form" may be required as approved by the MLS. However, the MLS: 2/97

1. May reserve the right to refuse to accept a listing form which fails to adequately protect the interest of the public and the Participants. 12/95
2. Assure that no listing form filed with the MLS establishes, directly or indirectly, any contractual relationship between the MLS and the client (buyer or seller). 12/95

The MLS shall accept exclusive right to sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer

compensation to the other Participants of the MLS acting as subagents, buyer agents, or in any other agency or non-agency capacity allowed by law. 5/03

The listing agreement must include the seller's authorization to submit the agreement to the MLS.

3. The different types of listing agreement include:

- a. exclusive right to sell
- b. exclusive agency
- c. open
- d. net

The MLS may not accept net listings because they are deemed unethical and, in most states, illegal. Open listings are not accepted, except where required by law, because the inherent nature of an open listing is such as to usually not include the authority to cooperate and compensate other brokers and inherently provides a disincentive for cooperation. 12/95

The exclusive right to sell listing is the conventional form of listing submitted to the MLS in that the seller authorizes the listing broker to cooperate with and to compensate other brokers. 12/95

The exclusive agency listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right to sell listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right to sell listings with no named prospects exempted, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right to sell listings with no named prospects exempted. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right to sell listings with prospect reservations. 12/95

**Section 1.1 LISTING SUBJECT TO RULES AND REGULATIONS OF THE SERVICE:** Any listing taken on a contract to be filed with the MLS is subject to the rules and regulations of the MLS upon signature of the seller (s). Unless disclosed otherwise in the Listing Input Form remarks section, the listing agent represents that the listing agreement conforms to Nebraska license law requirements, NAR requirements and authorizes some form of access to the real estate by cooperating agents, related industry professionals, and potential purchasers. 7/03

**Section 1.2 DETAIL ON LISTINGS FILED WITH SERVICE:** A listing agreement or Listing Input (LIP) Form, when filed with MLS by the listing broker, shall be complete in every detail which is ascertainable as specified on the Listing Input (LIP) Form. 12/95

**Section 1.3 EXEMPTED LISTINGS:** If the seller specifies that the listing is not to be disseminated by the MLS, such listing shall be filed with MLS, but not disseminated to the Participants. The OABR Listing Contract addresses this authorization and if using this form, the paragraph pertaining to MLS authorization must be stricken and initialed by the seller. If not using the OABR Listing Contract, the listing must be accompanied by certification signed by the seller that the seller does not desire the listing to be disseminated by the MLS. 5/03

**Section 1.4 CHANGE OF STATUS OF LISTING:** Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with MLS within twenty-four (24) hours after said authorized change is received by listing broker. 5/03

**Section 1.5 WITHDRAWAL OF LISTING PRIOR TO EXPIRATION:** Listed property may be withdrawn from MLS by the listing broker before expiration date of the listing agreement provided notice is filed with

MLS including a copy of an agreement between the seller and the listing broker which authorizes withdrawal.

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller can document that his exclusive relationship with the listing broker has been terminated, the Multiple Listing Service may remove the listing at the request of the seller. 5/03

**Section 1.6 CONTINGENCIES APPLICABLE TO LISTINGS:** Any contingency or conditions of any term in a listing shall be specified and noticed to the Participants. 12/95

**Section 1.7 LISTING PRICE SPECIFIED:** The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings unless the property is subject to auction. 12/95

**Section 1.8 LISTING MULTIPLE UNIT PROPERTIES:** All properties which are to be or may be sold separately must be indicated individually in the listing and on the Listing Input (LIP) Form. When part of a listed property has been sold, proper notification should be given to MLS. 2/97

**Section 1.9 NO CONTROL OF COMMISSION RATES OR FEES CHARGED BY PARTICIPANTS:** MLS shall not fix, control, recommend, suggest or maintain commission rates or fees for service to be rendered by Participants, and further, MLS shall not fix, control, recommend, suggest or maintain any division of commissions or fees between Cooperating Participants or between Participants and Non-Participants. 12/95

**Section 1.10 EXPIRATION OF LISTINGS:** Listings filed with MLS will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed.

If notice of renewal or extension is received after the listing has been removed from the compilation of current listings, the extension or renewal will be published in the same manner as a new listing. Extensions and renewals of listings must be signed by the seller(s) and filed with the MLS. 2/07

**Section 1.11 TERMINATION DATE ON LISTINGS:** Listings filed with MLS shall bear a definite and final termination date as negotiated between the listing broker and the seller. 12/95

**Section 1.12 JURISDICTION:** Only listings of the designated types of property, located within the jurisdiction and Market Area of OABR are required to be submitted to the MLS. Listings of property located outside the OABR jurisdiction and Market Area will be accepted if submitted voluntarily by a Participant, but cannot be required by the MLS. 5/03

**Section 1.13 LISTINGS OF SUSPENDED PARTICIPANTS:** When a Participant of the MLS is suspended from the MLS for failing to abide by a membership duty (i.e., violations of the Code of Ethics, Board Bylaws, MLS Bylaws, MLS rules and regulations, or other membership obligation except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended Participant shall, at the Participant's option, be retained in the service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a Participant has been suspended from the board (except where MLS participation without board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, MLS is not obligated to provide MLS services, including continued inclusion of the suspended Participant's listings in the MLS Compilation of current listing information. Prior to any removal of a suspended Participant's listings from the MLS, the suspended

Participant should be advised in writing of the intended removal so that the suspended Participant may advise his or her clients. 2/97

**Section 1.14 LISTINGS OF EXPELLED PARTICIPANT:** When a Participant of the MLS is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board Bylaws, MLS Bylaws, MLS rules and regulations or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS shall, at the expelled Participant's option, be retained in the MLS until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective.

If a Participant has been expelled from his or her board of REALTORS® (except where MLS participation without board membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, MLS is not obligated to provide MLS services, including continued inclusion of the expelled Participant's listings in the MLS Compilation of current listing information. Prior to any removal of an expelled Participant's listings from the MLS, the expelled Participant should be advised in writing of the intended removal so the expelled Participant may advise his or her clients. 5/03

**Section 1.15 LISTINGS OF RESIGNED PARTICIPANTS:** When a Participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of a resigned Participant's listings from the MLS, the resigned Participant should be advised in writing of the intended removal so that the resigned Participant may advise his clients. 12/95

**Section 1.16 TIME PERIODS:** All time periods referred to herein concerning filing and/or reporting shall begin on the date of listing or date of action. Saturdays, Sundays and days on which U.S. Post Offices are closed are excluded from the calculation of said time periods. 2/97

## **SELLING PROCEDURES**

**Section 2. SHOWINGS AND NEGOTIATIONS:** Appointments for showings and negotiations with the seller for the purchase of listed property filed with the MLS shall be conducted through the listing broker except under the following circumstances:

- a. The listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
- b. After reasonable effort, the cooperating broker cannot contact the listing broker or his representative. However, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers. 2/97

**Section 2.1 PRESENTATION OF OFFERS:** All offers to purchase shall be delivered to the listing agent and/or listing office. 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. 12/95

**Section 2.2 SUBMISSION OF WRITTEN OFFERS:** The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer. 12/95

Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice when there is a question about whether a pre-existing contract has been terminated. 2/07

**Section 2.3 RIGHT OF COOPERATING BROKER IN PRESENTATION OF OFFER:** The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's or lessor's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations. 3/14

**Section 2.4 RIGHT OF LISTING BROKER IN PRESENTATION OF COUNTER-OFFERS:** The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except where the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has a right to a copy of the purchaser's or lessee's written instructions. 5/03

**Section 2.5 REPORTING SALES TO THE MLS:** Status changes, including final closing of sales, shall be reported to the MLS by the listing broker within 48 hours after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating broker shall report accepted offers to the listing broker within 24 hours after occurrence and the listing broker shall report them to the MLS within 24 hours after receiving notice from the cooperating broker. 5/09

NOTE: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the MLS; to provide timely notice of status changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the MLS to its Participants. 5/03

**Section 2.6 CONTINGENCIES AND/OR FIRST RIGHT OF REFUSAL:**

- a. Any contingencies and/or first right of refusal affecting the marketability of the listing must be disclosed in the remarks section of the listing, and filed with the MLS within twenty-four (24) hours of the effectiveness of such items. 5/03
- b. Listing broker must report to MLS within twenty-four (24) hours that a contingency or first right of refusal on file with MLS has been fulfilled or renewed, or the agreement canceled. 5/03

**Section 2.7 ADVERTISING OF LISTING FILED WITH THE MLS:** A listing shall not be advertised by any Participant, other than the listing broker, without the prior consent of the listing broker. 12/95

**Section 2.8 REPORTING CANCELLATION OF PENDING SALE:** The listing broker shall report immediately to the MLS the cancellation of any pending sale and the listing shall be reinstated immediately. 12/95

## **REFUSAL TO SELL**

**Section 3. REFUSAL TO SELL:** If the seller of any listed property filed with MLS refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact shall be transmitted immediately to the MLS and to all Participants. 12/95

## **PROHIBITIONS**

**Section 4. INFORMATION FOR PARTICIPANTS ONLY:** Any listing filed with the MLS shall not be made available to any broker or firm not a Participant of the MLS without the prior consent of the listing broker. 2/97

**Section 4.1 "FOR SALE" SIGNS:** Only the "For Sale" signs of the listing broker may be placed on the property. 12/95

**Section 4.2 "SOLD" SIGNS:** Prior to closing, only the "sold" sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating broker (selling) broker to post such a sign. 2/97

**Section 4.3 SOLICITATION OF LISTING FILED WITH THE MLS:** Participants shall not solicit a listing on property filed with the MLS unless such solicitation is consistent with NAR's REALTORS® Code of Ethics, its Standards of Practice and its Case Interpretations. 2/97

NOTE: This Section is to be construed in a manner consistent with the Code of Ethics and particularly its Standards of Practice. This Section is intended to encourage sellers to permit their properties to be filed with the MLS by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration. 2/97

Without such protection, a seller could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present broker. 12/95

This Section is also intended to encourage brokers to participate in the MLS by assuring them that other Participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by the Section, listing brokers would be most reluctant to generally disclose the identity of the seller or the availability of the property to other brokers. 12/95

This section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to the Code of Ethics. 2/97

## **DIVISION OF COMPENSATION**

**Section 5. COMPENSATION SPECIFIED ON EACH LISTING:** The listing broker shall specify, on each listing filed with the MLS, the compensation offered to other MLS Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was

impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid. 5/03

NOTE 1: In filing a property with the MLS, the Participant of the MLS is making a blanket unilateral offer of compensation to the other MLS Participants, and shall therefore specify on each listing filed with the MLS, the compensation being offered to the other MLS Participants. Specifying the compensation on each listing is necessary because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell. 2/07

The listing broker retains the right to determine the amount of compensation offered to other Participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law) which may be the same or different. 2/97

This shall not preclude the listing broker from offering any MLS Participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of submitting an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other Participants in the MLS. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount. 7/11

The listing broker shall not be required to disclose the amount of total negotiated compensation on a listing contract. The MLS will not disclose the amount of total negotiated compensation in a listing contract. The MLS will not publish the total negotiated compensation on a listing which has been submitted to the MLS by a Participant. The MLS will not disclose in any way the total compensation negotiated between the seller and the listing broker. 2/97

NOTE 1: The compensation specified on listings filed with the MLS shall appear in one of two forms. The essential and appropriate requirement by the MLS is that the information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance of submitting an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms: 7/11

By showing a percentage of the gross selling price. 2/97

By showing a definite dollar amount. 2/97

MLS shall not publish listings that do not include an offer of compensation expressed as a percentage of the gross selling price or as a definite dollar amount, nor shall MLS include general invitations by listing brokers to other Participants to discuss terms and conditions of possible cooperative relationships. 2/97

NOTE 2: The listing broker may, from time to time, adjust the compensation offered to other MLS Participants for their services with respect to any listing by advance published notice to the MLS so that all Participants will be advised. 12/95

NOTE 3: The MLS has no rule on the division of compensation between Participants and Non-Participants. This remains solely the responsibility of the listing broker. 2/97

NOTE 4. Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they may, as a matter of local discretion, also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales, if allowed by local rules, must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers.

6/09

**Section 5.0.1 DISCLOSING POTENTIAL SHORT SALES:** Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing participants. When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing contract, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants. 6/09

**Section 5.0.2 OFFERING SELLING/LEASING BONUSES:** An MLS Participant that offers a selling or leasing bonus to cooperating Participants shall enter all details in the agent remarks section of the Database. All bonuses shall be paid directly to the selling or leasing company. 4/13

**Section 5.1 PARTICIPANT AS PRINCIPAL:** If a Participant or any licensee (including registered, licensed or certified appraisers) affiliated with a Participant has any interest in a property, the listing of which is to be disseminated through the MLS, that person shall disclose that interest when the listing is filed with the MLS and such information shall be disseminated to all MLS Participants. 5/03

**Section 5.2 PARTICIPANT AS PURCHASER.** If a Participant or any licensee (including registered, licensed and certified appraisers) affiliated with a Participant wishes to acquire an interest in property listed with another Participant, such contemplated interest shall be disclosed in writing to the listing broker not later than the time an offer to purchase is submitted to the listing broker. 5/03

**Section 5.3 DUAL OR VARIABLE RATE COMPENSATION ARRANGEMENTS:** The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of the seller/landlord) shall be disclosed by the listing broker by a key, code or symbol as required by MLS. 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/lease that results through the efforts of the seller/landlord. If the cooperating

broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease. 5/03

## **SERVICE CHARGES**

### **Section 6. SERVICE FEES AND CHARGES:**

- a. Initial Participation Fee: An applicant for participation in the MLS shall pay an application fee as determined by the MLS Board of Directors and such fee shall accompany the application. 12/95
- b. There shall be a monthly charge for each Participant plus a monthly charge for each person affiliated as a real estate licensee or registered, licensed or certified appraiser with such Participant, unless exempted under SECTION 6 (e) hereafter. The monthly charges will be determined by the MLS Board of Directors. 5/03
- c. Supplies and forms shall be charged to the Participant. 12/95
- d. **BILLING PROCEDURES:** The monthly payment of fees for MLS services shall be paid by Subscribers as follows:
  - d.1 By electronically deducting such charges from an account designated by each Subscriber on the first business day of each month for current month's service, or
  - d.2 If the electronic transaction fails for the first time during any six-month period due to the fault of the Subscriber (such as for non-sufficient funds or a closed account), a delinquent notice will be mailed to both the Subscriber and the Participant requiring full payment by the Subscriber of all MLS service fees within ten days.
  - d.3 The accounts of Subscribers:
    - d.3.1 with unpaid electronic accounts at the end of the ten-day period referred to in paragraph d.2, or
    - d.3.2 if the electronic transaction has failed more than once during any six-month period due to the fault of the Subscriber (such as for non-sufficient funds or a closed account), or
    - d.3.3 with any unpaid prepayment accounts will be dealt with as follows:
      - d.3.3.1 The Subscriber shall be immediately suspended from further service and the Subscriber and the Participant's firm's broker shall be notified by mail of the suspension. The notification shall warn of the impending termination of the Participant's firm from the MLS as is provided in paragraph d.3.3.3 below.
      - d.3.3.2 The Subscriber's suspension will remain in force until the account is paid in full, together with any bank charges which have been imposed upon the MLS as the result of the Subscriber's account, plus the payment of such reinstatement penalty as may be set by the Board of Directors from time to time.
      - d.3.3.3 If the Subscriber is still affiliated with the Participant at the end of the 30 days after the date of the Subscriber's suspension, the Participant's MLS service will be terminated and the Participant will be required to pay all fees associated with the setup of a new MLS firm to reestablish service. The Subscriber will be considered as no longer being affiliated with the Participant's firm when the

Participant has turned in the Subscriber's real estate license to the Nebraska Real Estate Commission.

d.3.3.4 The Participant shall not be liable for the fees of any suspended or terminated Subscriber, once the Participant has turned in the Subscriber's real estate license to the Nebraska Real Estate Commission. 3/13

- e. **EXEMPTION RULE:** The Participant of the MLS may be exempt from payment of the MLS monthly charge for any individual employed by or affiliated as a independent contractor with the Participant, who does not actually have access to or use of the MLS in any way, at any time. The MLS Board of Directors reserve the sole and exclusive right to approve all requests and guidelines for exemptions. The exemption for any individual shall automatically be revoked upon the individual's access or use of the MLS in any manner. 5/03
- f. Falsification of the MLS Waiver Form (exemption form), or failure to notify the Directors of any change of status of an approved exemption, shall subject the individual and Participant to such penalty as the Board of Directors may determine. 5/03

## **COMPLIANCE WITH RULES**

**Section 7. AUTHORITY TO IMPOSE DISCIPLINE:** By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed may only consist of one or more of the following: 3/08

- a. Letter of warning
- b. Letter of reprimand
- c. Attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location, and duration.
- d. Appropriate, reasonable fine not to exceed \$15,000.
- e. Probation for a stated period of time not less than thirty (30) days nor more than one (1) year.
- f. Suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year.
- g. Termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years. 3/08

**Section 7.1 COMPLIANCE WITH RULES:** Penalties may be imposed by the MLS Board of Directors for the following violations of the MLS rules and regulations. Amount of penalties to be determined by the Board of Directors in its sole discretion. 5/03

- a. All accounts unpaid after fifteen (15) days from date billed shall cause immediate suspension of all MLS service. Any such suspension shall remain in force until the account is paid in full, or until satisfactory arrangements are made with the Board of Directors. 12/95
- b. Failure to file within forty eight (48) hours a copy of the listing after all required signatures have been obtained. 3/08

- c. Failure to correct listing input policy violations, status changes or inaccurate data within seven days of receiving notice may result in a fine to the listing agent in an amount established by the MLS Board. Repeat offenses within 6 months or further failure to pay the fine or correct or update the listing within 30 days from the original notice may result in additional fines, suspension or termination of MLS access as described above in Section 7. 11/12
- d. If, in the opinion of the Board of Directors after due notice and opportunity for hearing, a Participant shows unwillingness to comply with, or disregard any of the MLS rules and regulations, the Participant may be suspended and/or terminated from the service of MLS, as provided in the bylaws of MLS. 5/03

### **Section 7.2 REMOVAL OF LISTINGS WHEN PARTICIPANT REFUSES/FAILS TO TIMELY REPORT STATUS**

**CHANGES:** Notwithstanding the limitations established in the *Code of Ethics and Arbitration Manual* or in other NAR policy, the MLS is authorized to remove any listing from the MLS compilation of current listings where the participant has refused or failed to timely report status changes. Prior to the removal of any listing from the MLS, the participant shall be advised of the intended removal so the participant can advise his or her client(s). 7/11

**Section 7.3 FINANCIAL PENALTY NOT TO EXCEED \$15,000:** Notwithstanding the limitations established in the *Code of Ethics and Arbitration Manual* or in other NAR policy, the MLS is authorized to impose financial penalties on participants or subscribers as discipline for violations of MLS rules or other MLS governance provisions not greater than \$15,000 dollars. 7/11

**Section 7.4 APPLICABILITY OF RULES TO USERS AND/OR SUBSCRIBERS:** Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations. Access to and use of MLS information is contingent on compliance with the MLS rules and regulations. 5/03

### **MEETINGS**

**Section 8. MEETINGS:** The meetings of the Participants of the MLS or the Board of Directors of MLS for transaction of business of the MLS, shall be held in accordance with the provisions of the bylaws of the MLS. 2/97

### **ENFORCEMENT OF RULES OR DISPUTES**

**Section 9. CONSIDERATION OF ALLEGED VIOLATIONS:** The MLS Board of Directors shall give consideration to all written complaints from Participants having to do with a violation of the MLS rules and regulations. 5/03

**Section 9.1 VIOLATION OF RULES AND REGULATIONS:** If the alleged offense is a violation of the rules and regulations of MLS and does not involve a charge of alleged unethical conduct or request for arbitration, it may be considered and determined by the Board of Directors of the MLS, and if a violation is determined, the Board of Directors may direct the imposition of sanction, including fines, suspension and termination of the violator from participation in MLS. Such action may be appealed to the Board of Directors of OABR within fifteen (15) days after receiving written notice of the decision of the MLS Board of Directors, and the case will be reviewed with the aggrieved party by the Board of Directors of OABR within 30 days from the date such appeal is filed. 2/97

**Section 9.2 COMPLAINTS OF UNETHICAL CONDUCT:** All other complaints of unethical conduct shall be referred by the MLS Board of Directors to the OABR Board of Directors for appropriate action in accordance with the usual professional standards procedure under terms of the OABR Bylaws. 2/97

#### **CONFIDENTIALITY OF MLS INFORMATION**

**Section 10. CONFIDENTIALITY OF MLS INFORMATION:** Any information provided by the MLS to the Participants shall be considered official information of MLS. Such information shall be considered confidential and exclusively for the use of Participants, real estate licensees affiliated with such Participants, those Participants who are registered, licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, registered, licensed or certified appraisers affiliated with such Participants, and others authorized by the MLS Board of Directors. 5/03

**Section 10.1 MLS NOT RESPONSIBLE FOR ACCURACY OF INFORMATION:** The information published and disseminated by the MLS is communicated verbatim, without change by the MLS, as filed with the MLS by the Participant. The MLS does not verify such information provided and disclaims any responsibility for its accuracy. Each Participant agrees to hold the MLS harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides. 12/95

**Section 10.2 ACCESS TO COMPARABLE AND STATISTICAL INFORMATION:** Board members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase, all information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. Such information is, in fact, owned by OABR. This information is provided for the exclusive use of Board members belonging to OABR and individuals affiliated with OABR Members who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm except as otherwise specified in these rules and regulations, or as authorized by the OABR. 5/03

#### **OWNERSHIP OF MLS COMPILATIONS\* AND COPYRIGHTS**

**Section 11.** By the act of submitting any property listing content to the MLS the Participant represents that he has been authorized to grant and also thereby does grant authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property. 4/12 **M**

**Section 11.1** All right, title, and interest in each copy of every MLS Compilation created and copyrighted by the MLS and in the copyrights therein, shall at all times remain vested in the MLS. 4/12

**Section 11.2** Each Participant shall be entitled to lease from MLS a number of copies of each MLS Compilation sufficient to provide the Participant and each person affiliated as a licensee (including registered, licensed or certified appraisers) with such Participant with one copy of such Compilation. The Participant shall pay, for each such copy, the fees set by the MLS.\*\* 4/12

Participants shall acquire by such lease only the right to use the MLS Compilation in accordance with these rules. **M** 4/12

\* The term MLS Compilation, as used in Sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to the Participants, including, but not limited to, bound book, loose-leaf binder, computer data base, card file, and any other format whatever. 12/95

\*\* This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee (or registered, licensed or certified appraiser) affiliated with the Participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, or appraising the types of properties which are required to be filed with the MLS, and who does not, at any time, have access to nor use of the MLS information or MLS facility of the Board.

4/12

## USE OF COPYRIGHTED MLS COMPILATIONS

**Section 12. DISTRIBUTION:** Participants shall at all times maintain control over and responsibility for each copy of any MLS Compilation leased to them by the MLS, and shall not distribute any such copies to persons other than subscribers who are affiliated with such Participant as licensees, those individuals who are registered, licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by the MLS is strictly limited to the activities authorized under a Participant's licensure(s) or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey Participation, or Membership or any right of access to information developed or published by the MLS where access to such information is prohibited by law. 4/12

**Section 12.1 DISPLAY:** Participants, and those persons affiliated as licensees with such Participants, shall be permitted to display the MLS compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said MLS Compilation. 4/12 M

**Section 12.2 REPRODUCTION:** Participants or their affiliated licensees shall not reproduce any MLS Compilation or any portion thereof except in the following limited circumstances: 12/95

Participants or their affiliated licensees may reproduce from the MLS Compilation, and distribute to prospective purchasers, a reasonable\* number of single copies of property listing data contained in the MLS Compilation which relate to any properties in which the prospective purchasers are, or may in the judgment of the Participants or their affiliated licensees, be interested. 5/03

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties other than that in which the prospective purchaser has expressed interest, or in which the Participant or the affiliated licensees are seeking to promote interest, does not appear on such reproduction. 2/07

Nothing contained herein shall be construed to preclude any Participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of data, pertaining exclusively to properties currently listed for sale with the Participant. 4/12

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Participant and those licensees affiliated with the Participant who are authorized to have access to such information. Such information

may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm. 12/95

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that the MLS has deemed to be non-confidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these Operating rules and regulations.

4/12

\*It is intended that the Participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the Participant is seeking to promote interest. The term "reasonable," as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase.

5/03

Factors which shall be considered in deciding whether the reproductions made are consistent with this intent, and thus "reasonable" in number, shall include, but are not limited to, the total number of listings in the MLS Compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser. 12/95

## USE OF MLS INFORMATION

**Section 13. LIMITATIONS ON USE OF MLS INFORMATION:** Use of information from the MLS Compilation of current listing information, from OABR's 'Statistical Report', or from any 'Sold' or 'Comparable' report of OABR or MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited. 2/97

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

"Based on information from the Omaha Area Board of REALTORS® or the Great Plains REALTORS® Multiple Listing Service, Inc., for the period (date) through (date)." 4/12

**Section 14. INTERNET DATA EXCHANGE (IDX):** NAR Bylaws require that associations of REALTORS® and their Multiple Listing Service must enable their MLS Participants to display aggregated MLS listing information by specified electronic means in accordance with this policy. Electronic display subject to this policy means displays on participants' public websites and displays using applications for mobile devices that participants control. For purposes of this policy "control" means participants must have the ability to add, delete, modify and update information as required by this policy. All displays of IDX listings must also be under the actual and apparent control of the participant, and must be presented to

the public as being the participant's display. Actual control requires that the participant has developed the display, or caused the display to be developed for the participant pursuant to an agreement giving the participant authority to determine what listings will be displayed, and how those listings will be displayed. Apparent control requires that a reasonable consumer viewing the participant's display will understand the display is the participant's, and that the display is controlled by the participant. Factors evidencing control include, but are not limited to, clear identification of the name of the brokerage firm under which the participant operates in a readily visible color and typeface, except as otherwise provided for in this policy (e.g. displays of minimal information). All electronic display of IDX information conducted pursuant to this policy must comply with state law and regulations, and MLS rules. Any display of IDX information must be controlled by the participant, including the ability to comply with this policy and applicable MLS rules. 7/12

**Section 14.1** IDX affords Great Plains REALTORS® Multiple Listing Service Inc (MLS) participants the ability to authorize limited electronic display of their listings by other participants. 7/12 (NAR-18M)

**Section 14.2** Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display. 7/12 (NAR-18.1M)

**Section 14.3** Participation in IDX is available to all MLS participants who are Realtors® who are engaged in real estate brokerage and who consent to display of their listings by other participants. 4/10 (NAR-18.2)

**Section 14.4** Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. 7/12 (NAR-18.2.1M)

**Section 14.5** MLS participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines. 7/12 (NAR-18.2.2M)

**Section 14.6** Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs). 7/12 (NAR-18.2.3M)

**Section 14.7** Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right-to-sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each participant. 5/07 (NAR-18.2.4M)

**Section 14.8** Participants must refresh all MLS downloads and IDX displays automatically fed by those downloads at least once every three (3) days. 7/12 (NAR-18.2.5M)

**Section 14.9** Except as provided in the IDX policy and these rules, an IDX site or a participant or user operating an IDX site or displaying IDX information as otherwise permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity. 7/12 (NAR-18.2.6M)

**Section 14.10** Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, “control” means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules. 7/12 (NAR-18.2.7M)

**Section 14.11** Any IDX display controlled by a participant or subscriber that

- a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing,

either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants'. Except for the foregoing and subject to Section 18.2.9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. 7/12 (NAR-18.2.8M)

**Section 14.12** Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment. 7/12 (NAR-18.2.9M)

**Section 14.13** Listings displayed pursuant to IDX shall contain only those fields of data contained in MLS Client Detail Reports. Confidential information intended only for other MLS participants and users (e.g., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed on IDX sites. 4/13 (NAR-18.3.1)

**Section 14.14** The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed. 7/12 (NAR-18.3.1.1)

**Section 14.15** Participants shall not modify or manipulate information relating to other participants' listings. (This is not a limitation on site design but refers to changes to actual listing data.) MLS data may be augmented with additional data not otherwise prohibited from display so long as the source of the additional data is clearly identified. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized data fields. 5/07 (NAR-18.3.2)

**Section 14.16** All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data. Displays of minimal information (e.g. “thumbnails”, text messages, “tweets”, etc.,

of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures). 7/12 (NAR-18.3.3)

**Section 14.17** Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own websites subject to their participant's consent and control and the requirements of state law and/or regulation. 5/07 (NAR-18.3.5)

**Section 14.18** All listings displayed pursuant to IDX shall show the MLS as the source of the information. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures). 7/12 (NAR-18.3.7)

**Section 14.19** Participants must disclose on each page where listing data is displayed indicating that the accuracy of the data is not guaranteed (e.g., "Information deemed reliable but not guaranteed".) 5/07 (NAR-18.3.8)

**Section 14.20** Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that data is deemed reliable but is not guaranteed accurate by the MLS. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures). 7/12 (NAR-18.3.8)

**Section 14.21** The data consumers can retrieve or download in response to an inquiry shall be determined by the MLS but in no instance shall be limited to fewer than one hundred (100) listings or five percent (5%) of the listings available for IDX display, whichever is fewer. 11/11 (NAR-18.3.9)

**Section 14.22** The right to display other participants' listings pursuant to IDX shall be limited to a participant's office(s) holding participatory rights in this MLS. 5/07 (NAR-18.3.10)

**Section 14.23** Other than information provided by other MLSs, listings obtained through IDX must be displayed separately from listings obtained from non-MLS sources (e.g., from non-participating brokers, etc.) and must display the source from which each such listing was obtained. Displays of minimal information (e.g. "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures). 7/12 (NAR-18.3.11)

**Section 14.24** Display of expired, withdrawn, and pending listings is prohibited. Display of sold listings shall include only residential listings sold within the last six months, and only the MLS data fields related to the property (not the owner) that are also available from the Douglas County Assessor's Office (see Exhibit A). Display of photos on sold listings is limited to the primary photo of the property. 4/12 (NAR-18.3.12)

**Section 14.25** Display of seller's(s') and/or occupant's(s') name(s), phone number(s), and email address(es) is prohibited. 5/07 (NAR-18.3.13)

**Section 14.26** Participants must disclose a copyright notice of the MLS on each page where listing data is displayed. 5/07

**Section 14.27** Only information about the listed property is to appear in the remarks section. Agents name and phone are not to appear in this section. 5/07

**Section 14.28** Participants may display advertising on their IDX sites alongside, below or above the listings of other brokers provided the site remains under the Participant's control and meets all other MLS rules. Deceptive or misleading advertising (including co-branding) on pages displaying IDX-provided listings is prohibited. For purposes of these rules, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information is larger than that of any third party (NAR-18.3.16). 7/11

**Section 14.29** Participants IDX websites may also provide other features, information and services (including Virtual Office Website functions) which are not subject to this policy. 4/10

## **Section 15. VIRTUAL OFFICE WEBSITE (VOW):**

### **Section 15.1**

- a. A Virtual Office Website ("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant's oversight, supervision, and accountability. 1/09
- b. As used in Section 19 of these Rules, the term "Participant" includes a Participant's affiliated non-principal brokers and sales licensees — except when the term is used in the phrases "Participant's consent" and "Participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner ("AVP") on behalf of a Participant. 1/09
- c. "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW. 1/09
- d. As used in Section 19 of these Rules, the term "MLS Listing Information" refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants. 1/09 (NAR 19.1M)

### **Section 15.2**

- a. The right of a Participant's VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices. 1/09
- b. Subject to the provisions of the VOW Policy and these Rules, a Participant's VOW, including any

VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange ("IDX"). 1/09

- c. Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW. 1/09 (NAR 19.2M)

### **Section 15.3**

- a. Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:
  - (i) The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements. 1/09
  - (ii) The Participant must obtain the name of, and a valid email address for, each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use. 1/09
  - (iii) The Participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password. 1/09
- b. The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password. 1/09
- c. If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant. 1/09
- d. The Participant shall require each Registrant to review, and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:
  - (i) That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;
  - (ii) That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;

- (iii) That the Registrant 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 Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;
  - (v) That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database. 1/09
- e. The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labeled as such, and may not be accepted solely by mouse click. 1/09
  - f. The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant. 1/09 (NAR 19.3M)

**Section 15.4** A Participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW. 1/09 (NAR 19.4M)

**Section 15.5** A Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of MLS Listing Information. A Participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS. 1/09 (NAR 19.5M)

#### **Section 15.6**

- a. A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet. 1/09
- b. A Participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that includes the following (or a substantially similar) provision:

##### **Seller Opt-Out Form**

1. Please check either Option a or Option b

a. [ ] I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.

OR

b. [ ] I have advised my broker or sales agent that I do not want the address of the listed property to be displayed on the Internet.

2. I understand and acknowledge that, if I have selected option a, consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their search.

---

Initials of seller

c. The Participant shall retain such forms for at least one year from the date they are signed, or one year from the date the listing goes off the market, whichever is greater. 1/09 (NAR 19.6M)

### **Section 15.7**

- a. Subject to subsection (b), a Participant's VOW may allow third-parties
  - (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
  - (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing. 1/09
- b. Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 19.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller." 1/09 (NAR 19.7M)

**Section 15.8** A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment. 1/09 (NAR 19.8M)

**Section 15.9** A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days. 1/09 (NAR 19.9M)

**Section 15.10** Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity. 1/09 (NAR 19.10M)

**Section 15.11** A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used. 1/09 (NAR 19.11M)

**Section 15.12** A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®. 1/09 (NAR 19.12M)

**Section 15.13** A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies. 1/09 (NAR 19.13M)

**Section 15.14** A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant. 1/09 (NAR 19.14M)

**Section 15.15:** A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:

- a. Expired, withdrawn, or pending ("under contract") listings.
- b. The compensation offered to other MLS Participants.
- c. The type of listing agreement, i.e., exclusive right to sell or exclusive agency.
- d. The seller's and occupant's name(s), phone number(s), or e-mail address(es).
- e. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property. 7/12 (NAR 19.15)

**Section 15.16:** A Participant shall not change the content of any MLS Listing Information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS Listing Information with additional information not otherwise prohibited by these Rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS Listing Information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields. 1/09 (NAR 19.16)

**Section 15.17:** A Participant shall cause to be placed on his or her VOW a notice indicating that the MLS Listing Information displayed on the VOW is deemed reliable but is not guaranteed accurate by the MLS. A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability. 1/09 (NAR 19.17)

**Section 15.18:** A Participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm and the listing broker or agent in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data. 1/09 (NAR 19.18)

**Section 15.19:** A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 listings and not more than 100 sold listings in response to any inquiry. 1/09 (NAR 19.19)

**Section 15.20:** A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days. 1/09 (NAR 19.20)

**Section 15.21:** A Participant may display advertising and the identification of other entities ("co-branding") on any VOW the Participant operates or that is operated on his or her behalf. However, a Participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this Section, co-branding will be presumed not to be deceptive or misleading if the Participant's logo and contact information (or that of at least one Participant, in the case of a VOW established and operated on behalf of more than one Participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all Participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party. 1/09 (NAR 19.21)

**Section 15.22:** A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing. 1/09 (NAR 19.22)

**Section 15.23:** A Participant shall cause any listing displayed on his or her VOW obtained from non-MLS sources (e.g., from non-participating brokers, etc.), to be searched separately from MLS listings. 10/10 (NAR 19.23)

**Section 16. CHANGES IN MLS RULES AND REGULATIONS:** Amendments to the MLS rules and regulations may be made by a majority vote of the MLS Board of Directors present at any meeting at which a quorum is present. Insofar as such rules and regulations may affect the ethics of Participants, standards established by the NATIONAL ASSOCIATION OF REALTORS®, and the Nebraska Real Estate License Act and rules and regulations, and the general laws of agency and restraint of trade, they shall be subject to approval by the Board of Directors of OABR. 5/03

**Section 17. APPLICABLE LAW:** Any provision of these rules and regulations prohibited by, or contrary to, applicable law, is hereby deemed amended to conform to such applicable law. 5/03

**Section 18. TRANSMISSION TO THIRD-PARTY AGGREGATORS:** Upon receipt of a written complaint from a participant, substantiated with photographic evidence of a "For Sale By Owner" sign on a listed property, MLS shall cease transmitting that listed property information to third-party aggregators, and notify the listing broker that such listing information will not be sent to third-party aggregators until listing broker notifies MLS that a "For Sale By Owner" sign is no longer displayed on the subject property. On receipt of such notification by the listing broker, the data feed shall again be made to the third-party aggregators and notification shall be made to the complaining participant. 10/09

## Exhibit A

**Sold MLS Fields (X = authorized IDX display fields)**

Field Name	Res
Date Sold	X
House Number	X
Street Name	X
County	X
Zip Code	X
Subdivision	X
Sold Price	X
Style	X
# of Rooms	X
# of Bedrooms	X
# of Baths	X
# of Fireplaces	X
# of Garage Spaces	X
Garage Type	X
Year Built	X
Tax Year	X
Tax Amount	X
Square Feet	X
Basement	X
Basement %	X
Lot Dimensions	X
Fence	X
Roof Type	X
Finished Below Grade	X
Walk-Out Basement	X

**OABR Code of Ethics ..... 10**

**OMAHA**  
AREA BOARD OF  
**REALTORS®**

# Code of Ethics and Standards of Practice

## of the NATIONAL ASSOCIATION OF REALTORS®

Effective January 1, 2014

Where the word REALTORS® is used in this Code and Preamble, it shall be deemed to include REALTOR-ASSOCIATE®S.

While the Code of Ethics establishes obligations that may be higher than those mandated by law, in any instance where the Code of Ethics and the law conflict, the obligations of the law must take precedence.

### Preamble

Under all is the land. Upon its wise utilization and widely allocated ownership depend the survival and growth of free institutions and of our civilization. REALTORS® should recognize that the interests of the nation and its citizens require the highest and best use of the land and the widest distribution of land ownership. They require the creation of adequate housing, the building of functioning cities, the development of productive industries and farms, and the preservation of a healthful environment.

Such interests impose obligations beyond those of ordinary commerce. They impose grave social responsibility and a patriotic duty to which REALTORS® should dedicate themselves, and for which they should be diligent in preparing themselves. REALTORS®, therefore, are zealous to maintain and improve the standards of their calling and share with their fellow REALTORS® a common responsibility for its integrity and honor.

In recognition and appreciation of their obligations to clients, customers, the public, and each other, REALTORS® continuously strive to become and remain informed on issues affecting real estate and, as knowledgeable professionals, they willingly share the fruit of their experience and study with others. They identify and take steps, through enforcement of this Code of Ethics and by assisting appropriate regulatory bodies, to eliminate practices which may damage the public or which might discredit or bring dishonor to the real estate profession. REALTORS® having direct personal knowledge of conduct that may violate the Code of Ethics involving misappropriation of client or customer funds or property, willful discrimination, or fraud resulting in substantial economic harm, bring such matters to the attention of the appropriate Board or Association of REALTORS®. (Amended 1/00)

Realizing that cooperation with other real estate professionals promotes the best interests of those who utilize their services, REALTORS® urge exclusive representation of clients; do not attempt to gain any unfair advantage over their competitors; and they refrain from making unsolicited comments about other practitioners. In instances where their opinion is sought, or where REALTORS® believe that comment is necessary, their opinion is offered in an objective, professional manner, uninfluenced by any personal motivation or potential advantage or gain.

The term REALTOR® has come to connote competency, fairness, and high integrity resulting from adherence to a lofty ideal of moral conduct in business relations. No inducement of profit and no instruction from clients ever can justify departure from this ideal.

In the interpretation of this obligation, REALTORS® can take no safer guide than that which has been handed down through the centuries, embodied in the Golden Rule, "Whatsoever ye would that others should do to you, do ye even so to them."

Accepting this standard as their own, REALTORS® pledge to observe its spirit in all of their activities whether conducted personally, through associates or others, or via technological means, and to conduct their business in accordance with the tenets set forth below. (Amended 1/07)

### Duties to Clients and Customers

#### Article 1

When representing a buyer, seller, landlord, tenant, or other client as an agent, REALTORS® pledge themselves to protect and promote the interests of their client. This obligation to the client is primary, but it does not relieve REALTORS® of their obligation to treat all parties honestly. When serving a buyer, seller, landlord, tenant or other party in a non-agency capacity, REALTORS® remain obligated to treat all parties honestly. (Amended 1/01)

- **Standard of Practice 1-1**

REALTORS®, when acting as principals in a real estate transaction, remain obligated by the duties imposed by the Code of Ethics. (Amended 1/93)

- **Standard of Practice 1-2**

The duties imposed by the Code of Ethics encompass all real estate-related activities and transactions whether conducted in person, electronically, or through any other means.

The duties the Code of Ethics imposes are applicable whether REALTORS® are acting as agents or in legally recognized non-agency capacities except that any duty imposed exclusively on agents by law or regulation shall not be imposed by this Code of Ethics on REALTORS® acting in non-agency capacities.

As used in this Code of Ethics, "client" means the person(s) or entity(ies) with whom a REALTOR® or a REALTOR®'s firm has an agency or legally recognized non-agency relationship; "customer" means a party to a real estate transaction who receives information, services, or benefits but has no contractual relationship with the REALTOR® or the REALTOR®'s firm; "prospect" means a purchaser, seller, tenant, or landlord who is not subject to a representation relationship with the REALTOR® or REALTOR®'s firm; "agent" means a real estate licensee (including brokers and sales associates) acting in an agency relationship as defined by state law or regulation; and "broker" means a real estate licensee (including brokers and sales associates) acting as an agent or in a legally recognized non-agency capacity. (Adopted 1/95, Amended 1/07)

- **Standard of Practice 1-3**

REALTORS®, in attempting to secure a listing, shall not deliberately mislead the owner as to market value.

- **Standard of Practice 1-4**

REALTORS®, when seeking to become a buyer/tenant representative, shall not mislead buyers or tenants as to savings or other benefits that might be realized through use of the REALTOR®'s services. (Amended 1/93)

- **Standard of Practice 1-5**

REALTORS® may represent the seller/landlord and buyer/tenant in the



NATIONAL  
ASSOCIATION of  
REALTORS®

same transaction only after full disclosure to and with informed consent of both parties. (*Adopted 1/93*)

• **Standard of Practice 1-6**

REALTORS® shall submit offers and counter-offers objectively and as quickly as possible. (*Adopted 1/93, Amended 1/95*)

• **Standard of Practice 1-7**

When acting as listing brokers, REALTORS® shall continue to submit to the seller/landlord all offers and counter-offers until closing or execution of a lease unless the seller/landlord has waived this obligation in writing. REALTORS® shall not be obligated to continue to market the property after an offer has been accepted by the seller/landlord. REALTORS® shall recommend that sellers/landlords obtain the advice of legal counsel prior to acceptance of a subsequent offer except where the acceptance is contingent on the termination of the pre-existing purchase contract or lease. (*Amended 1/93*)

• **Standard of Practice 1-8**

REALTORS®, acting as agents or brokers of buyers/tenants, shall submit to buyers/tenants all offers and counter-offers until acceptance but have no obligation to continue to show properties to their clients after an offer has been accepted unless otherwise agreed in writing. REALTORS®, acting as agents or brokers of buyers/tenants, shall recommend that buyers/tenants obtain the advice of legal counsel if there is a question as to whether a pre-existing contract has been terminated. (*Adopted 1/93, Amended 1/99*)

• **Standard of Practice 1-9**

The obligation of REALTORS® to preserve confidential information (as defined by state law) provided by their clients in the course of any agency relationship or non-agency relationship recognized by law continues after termination of agency relationships or any non-agency relationships recognized by law. REALTORS® shall not knowingly, during or following the termination of professional relationships with their clients:

- 1) reveal confidential information of clients; or
- 2) use confidential information of clients to the disadvantage of clients; or
- 3) use confidential information of clients for the REALTOR®'s advantage or the advantage of third parties unless:
  - a) clients consent after full disclosure; or
  - b) REALTORS® are required by court order; or
  - c) it is the intention of a client to commit a crime and the information is necessary to prevent the crime; or
  - d) it is necessary to defend a REALTOR® or the REALTOR®'s employees or associates against an accusation of wrongful conduct.

Information concerning latent material defects is not considered confidential information under this Code of Ethics. (*Adopted 1/93, Amended 1/01*)

• **Standard of Practice 1-10**

REALTORS® shall, consistent with the terms and conditions of their real estate licensure and their property management agreement, competently manage the property of clients with due regard for the rights, safety and health of tenants and others lawfully on the premises. (*Adopted 1/95, Amended 1/00*)

• **Standard of Practice 1-11**

REALTORS® who are employed to maintain or manage a client's property shall exercise due diligence and make reasonable efforts to protect it against reasonably foreseeable contingencies and losses. (*Adopted 1/95*)

• **Standard of Practice 1-12**

When entering into listing contracts, REALTORS® must advise sellers/landlords of:

- 1) the REALTOR®'s company policies regarding cooperation and the amount(s) of any compensation that will be offered to subagents, buyer/tenant agents, and/or brokers acting in legally recognized non-agency capacities;

- 2) the fact that buyer/tenant agents or brokers, even if compensated by listing brokers, or by sellers/landlords may represent the interests of buyers/tenants; and
- 3) any potential for listing brokers to act as disclosed dual agents, e.g., buyer/tenant agents. (*Adopted 1/93, Renumbered 1/98, Amended 1/03*)

• **Standard of Practice 1-13**

When entering into buyer/tenant agreements, REALTORS® must advise potential clients of:

- 1) the REALTOR®'s company policies regarding cooperation;
- 2) the amount of compensation to be paid by the client;
- 3) the potential for additional or offsetting compensation from other brokers, from the seller or landlord, or from other parties;
- 4) any potential for the buyer/tenant representative to act as a disclosed dual agent, e.g., listing broker, subagent, landlord's agent, etc., and
- 5) the possibility that sellers or sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless confidentiality is required by law, regulation, or by any confidentiality agreement between the parties. (*Adopted 1/93, Renumbered 1/98, Amended 1/06*)

• **Standard of Practice 1-14**

Fees for preparing appraisals or other valuations shall not be contingent upon the amount of the appraisal or valuation. (*Adopted 1/02*)

• **Standard of Practice 1-15**

REALTORS®, in response to inquiries from buyers or cooperating brokers shall, with the sellers' approval, disclose the existence of offers on the property. Where disclosure is authorized, REALTORS® shall also disclose, if asked, whether offers were obtained by the listing licensee, another licensee in the listing firm, or by a cooperating broker. (*Adopted 1/03, Amended 1/09*)

• **Standard of Practice 1-16**

REALTORS® shall not access or use, or permit or enable others to access or use, listed or managed property on terms or conditions other than those authorized by the owner or seller. (*Adopted 1/12*)

## Article 2

REALTORS® shall avoid exaggeration, misrepresentation, or concealment of pertinent facts relating to the property or the transaction. REALTORS® shall not, however, be obligated to discover latent defects in the property, to advise on matters outside the scope of their real estate license, or to disclose facts which are confidential under the scope of agency or non-agency relationships as defined by state law. (*Amended 1/00*)

• **Standard of Practice 2-1**

REALTORS® shall only be obligated to discover and disclose adverse factors reasonably apparent to someone with expertise in those areas required by their real estate licensing authority. Article 2 does not impose upon the REALTOR® the obligation of expertise in other professional or technical disciplines. (*Amended 1/96*)

• **Standard of Practice 2-2**

(Renumbered as Standard of Practice 1-12 1/98)

• **Standard of Practice 2-3**

(Renumbered as Standard of Practice 1-13 1/98)

• **Standard of Practice 2-4**

REALTORS® shall not be parties to the naming of a false consideration in any document, unless it be the naming of an obviously nominal consideration.

• **Standard of Practice 2-5**

Factors defined as "non-material" by law or regulation or which are expressly referenced in law or regulation as not being subject to disclosure are considered not "pertinent" for purposes of Article 2. (*Adopted 1/93*)

## Article 3

REALTORS® shall cooperate with other brokers except when cooperation is not in the client's best interest. The obligation to cooperate does not include the obligation to share commissions, fees, or to otherwise compensate another broker. *(Amended 1/95)*

### • Standard of Practice 3-1

REALTORS®, acting as exclusive agents or brokers of sellers/ landlords, establish the terms and conditions of offers to cooperate. Unless expressly indicated in offers to cooperate, cooperating brokers may not assume that the offer of cooperation includes an offer of compensation. Terms of compensation, if any, shall be ascertained by cooperating brokers before beginning efforts to accept the offer of cooperation. *(Amended 1/99)*

### • Standard of Practice 3-2

Any change in compensation offered for cooperative services must be communicated to the other REALTOR® prior to the time that REALTOR® submits an offer to purchase/lease the property. After a REALTOR® has submitted an offer to purchase or lease property, the listing broker may not attempt to unilaterally modify the offered compensation with respect to that cooperative transaction. *(Amended 1/14)*

### • Standard of Practice 3-3

Standard of Practice 3-2 does not preclude the listing broker and cooperating broker from entering into an agreement to change cooperative compensation. *(Amended 1/94)*

### • Standard of Practice 3-4

REALTORS®, acting as listing brokers, have an affirmative obligation to disclose the existence of dual or variable rate commission arrangements (i.e., listings where one amount of commission is payable if the listing broker's firm is the procuring cause of sale/lease and a different amount of commission is payable if the sale/lease results through the efforts of the seller/landlord or a cooperating broker). The listing broker shall, as soon as practical, disclose the existence of such arrangements to potential cooperating brokers and shall, in response to inquiries from cooperating brokers, disclose the differential that would result in a cooperative transaction or in a sale/lease that results through the efforts of the seller/ landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease. *(Amended 1/02)*

### • Standard of Practice 3-5

It is the obligation of subagents to promptly disclose all pertinent facts to the principal's agent prior to as well as after a purchase or lease agreement is executed. *(Amended 1/93)*

### • Standard of Practice 3-6

REALTORS® shall disclose the existence of accepted offers, including offers with unresolved contingencies, to any broker seeking cooperation. *(Amended 5/86, Amended 1/04)*

### • Standard of Practice 3-7

When seeking information from another REALTOR® concerning property under a management or listing agreement, REALTORS® shall disclose their REALTOR® status and whether their interest is personal or on behalf of a client and, if on behalf of a client, their relationship with the client. *(Amended 1/11)*

### • Standard of Practice 3-8

REALTORS® shall not misrepresent the availability of access to show or inspect a listed property. *(Amended 11/87)*

### • Standard of Practice 3-9

REALTORS® shall not provide access to listed property on terms

other than those established by the owner or the listing broker. *(Adopted 1/10)*

### • Standard of Practice 3-10

The duty to cooperate established in Article 3 relates to the obligation to share information on listed property, and to make property available to other brokers for showing to prospective purchasers/tenants when it is in the best interests of sellers/landlords. *(Adopted 1/11)*

## Article 4

REALTORS® shall not acquire an interest in or buy or present offers from themselves, any member of their immediate families, their firms or any member thereof, or any entities in which they have any ownership interest, any real property without making their true position known to the owner or the owner's agent or broker. In selling property they own, or in which they have any interest, REALTORS® shall reveal their ownership or interest in writing to the purchaser or the purchaser's representative. *(Amended 1/00)*

### • Standard of Practice 4-1

For the protection of all parties, the disclosures required by Article 4 shall be in writing and provided by REALTORS® prior to the signing of any contract. *(Adopted 2/86)*

## Article 5

REALTORS® shall not undertake to provide professional services concerning a property or its value where they have a present or contemplated interest unless such interest is specifically disclosed to all affected parties.

## Article 6

REALTORS® shall not accept any commission, rebate, or profit on expenditures made for their client, without the client's knowledge and consent.

When recommending real estate products or services (e.g., homeowner's insurance, warranty programs, mortgage financing, title insurance, etc.), REALTORS® shall disclose to the client or customer to whom the recommendation is made any financial benefits or fees, other than real estate referral fees, the REALTOR® or REALTOR®'s firm may receive as a direct result of such recommendation. *(Amended 1/99)*

### • Standard of Practice 6-1

REALTORS® shall not recommend or suggest to a client or a customer the use of services of another organization or business entity in which they have a direct interest without disclosing such interest at the time of the recommendation or suggestion. *(Amended 5/88)*

## Article 7

In a transaction, REALTORS® shall not accept compensation from more than one party, even if permitted by law, without disclosure to all parties and the informed consent of the REALTOR®'s client or clients. *(Amended 1/93)*

## Article 8

REALTORS® shall keep in a special account in an appropriate financial institution, separated from their own funds, monies coming into their possession in trust for other persons, such as escrows, trust funds, clients' monies, and other like items.

## Article 9

REALTORS®, for the protection of all parties, shall assure whenever possible that all agreements related to real estate transactions including, but not limited to, listing and representation agreements, purchase contracts, and leases are in writing in clear and understandable language expressing the specific terms, conditions, obligations and commitments of the parties. A copy of each agreement shall be furnished to each party to such agreements upon their signing or initialing. *(Amended 1/04)*

• **Standard of Practice 9-1**

For the protection of all parties, REALTORS® shall use reasonable care to ensure that documents pertaining to the purchase, sale, or lease of real estate are kept current through the use of written extensions or amendments. (Amended 1/93)

• **Standard of Practice 9-2**

When assisting or enabling a client or customer in establishing a contractual relationship (e.g., listing and representation agreements, purchase agreements, leases, etc.) electronically, REALTORS® shall make reasonable efforts to explain the nature and disclose the specific terms of the contractual relationship being established prior to it being agreed to by a contracting party. (Adopted 1/07)

## Duties to the Public

### Article 10

REALTORS® shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. REALTORS® shall not be parties to any plan or agreement to discriminate against a person or persons on the basis of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. (Amended 1/14)

REALTORS®, in their real estate employment practices, shall not discriminate against any person or persons on the basis of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. (Amended 1/14)

• **Standard of Practice 10-1**

When involved in the sale or lease of a residence, REALTORS® shall not volunteer information regarding the racial, religious or ethnic composition of any neighborhood nor shall they engage in any activity which may result in panic selling, however, REALTORS® may provide other demographic information. (Adopted 1/94, Amended 1/06)

• **Standard of Practice 10-2**

When not involved in the sale or lease of a residence, REALTORS® may provide demographic information related to a property, transaction or professional assignment to a party if such demographic information is (a) deemed by the REALTOR® to be needed to assist with or complete, in a manner consistent with Article 10, a real estate transaction or professional assignment and (b) is obtained or derived from a recognized, reliable, independent, and impartial source. The source of such information and any additions, deletions, modifications, interpretations, or other changes shall be disclosed in reasonable detail. (Adopted 1/05, Renumbered 1/06)

• **Standard of Practice 10-3**

REALTORS® shall not print, display or circulate any statement or advertisement with respect to selling or renting of a property that indicates any preference, limitations or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. (Adopted 1/94, Renumbered 1/05 and 1/06, Amended 1/14)

• **Standard of Practice 10-4**

As used in Article 10 “real estate employment practices” relates to employees and independent contractors providing real estate-related services and the administrative and clerical staff directly supporting those individuals. (Adopted 1/00, Renumbered 1/05 and 1/06)

### Article 11

The services which REALTORS® provide to their clients and customers shall conform to the standards of practice and competence which are

reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

REALTORS® shall not undertake to provide specialized professional services concerning a type of property or service that is outside their field of competence unless they engage the assistance of one who is competent on such types of property or service, or unless the facts are fully disclosed to the client. Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth. (Amended 1/10)

• **Standard of Practice 11-1**

When REALTORS® prepare opinions of real property value or price they must:

- 1) be knowledgeable about the type of property being valued,
- 2) have access to the information and resources necessary to formulate an accurate opinion, and
- 3) be familiar with the area where the subject property is located

unless lack of any of these is disclosed to the party requesting the opinion in advance.

When an opinion of value or price is prepared other than in pursuit of a listing or to assist a potential purchaser in formulating a purchase offer, the opinion shall include the following unless the party requesting the opinion requires a specific type of report or different data set:

- 1) identification of the subject property
- 2) date prepared
- 3) defined value or price
- 4) limiting conditions, including statements of purpose(s) and intended user(s)
- 5) any present or contemplated interest, including the possibility of representing the seller/landlord or buyers/tenants
- 6) basis for the opinion, including applicable market data
- 7) if the opinion is not an appraisal, a statement to that effect
- 8) disclosure of whether and when a physical inspection of the property's exterior was conducted
- 9) disclosure of whether and when a physical inspection of the property's interior was conducted
- 10) disclosure of whether the REALTOR® has any conflicts of interest

(Amended 1/14)

• **Standard of Practice 11-2**

The obligations of the Code of Ethics in respect of real estate disciplines other than appraisal shall be interpreted and applied in accordance with the standards of competence and practice which clients and the public reasonably require to protect their rights and interests considering the complexity of the transaction, the availability of expert assistance, and, where the REALTOR® is an agent or subagent, the obligations of a fiduciary. (Adopted 1/95)

• **Standard of Practice 11-3**

When REALTORS® provide consultive services to clients which involve advice or counsel for a fee (not a commission), such advice shall be rendered in an objective manner and the fee shall not be contingent on the substance of the advice or counsel given. If brokerage or transaction services are to be provided in addition to consultive services, a separate compensation may be paid with prior agreement between the client and REALTOR®. (Adopted 1/96)

• **Standard of Practice 11-4**

The competency required by Article 11 relates to services contracted for between REALTORS® and their clients or customers; the duties expressly

imposed by the Code of Ethics; and the duties imposed by law or regulation. (Adopted 1/02)

## Article 12

REALTORS® shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations. REALTORS® shall ensure that their status as real estate professionals is readily apparent in their advertising, marketing, and other representations, and that the recipients of all real estate communications are, or have been, notified that those communications are from a real estate professional. (Amended 1/08)

### • Standard of Practice 12-1

REALTORS® may use the term “free” and similar terms in their advertising and in other representations provided that all terms governing availability of the offered product or service are clearly disclosed at the same time. (Amended 1/97)

### • Standard of Practice 12-2

REALTORS® may represent their services as “free” or without cost even if they expect to receive compensation from a source other than their client provided that the potential for the REALTOR® to obtain a benefit from a third party is clearly disclosed at the same time. (Amended 1/97)

### • Standard of Practice 12-3

The offering of premiums, prizes, merchandise discounts or other inducements to list, sell, purchase, or lease is not, in itself, unethical even if receipt of the benefit is contingent on listing, selling, purchasing, or leasing through the REALTOR® making the offer. However, REALTORS® must exercise care and candor in any such advertising or other public or private representations so that any party interested in receiving or otherwise benefiting from the REALTOR®’s offer will have clear, thorough, advance understanding of all the terms and conditions of the offer. The offering of any inducements to do business is subject to the limitations and restrictions of state law and the ethical obligations established by any applicable Standard of Practice. (Amended 1/95)

### • Standard of Practice 12-4

REALTORS® shall not offer for sale/lease or advertise property without authority. When acting as listing brokers or as subagents, REALTORS® shall not quote a price different from that agreed upon with the seller/landlord. (Amended 1/93)

### • Standard of Practice 12-5

REALTORS® shall not advertise nor permit any person employed by or affiliated with them to advertise real estate services or listed property in any medium (e.g., electronically, print, radio, television, etc.) without disclosing the name of that REALTOR®’s firm in a reasonable and readily apparent manner. This Standard of Practice acknowledges that disclosing the name of the firm may not be practical in electronic displays of limited information (e.g., “thumbnails”, text messages, “tweets”, etc.). Such displays are exempt from the disclosure requirement established in this Standard of Practice, but only when linked to a display that includes all required disclosures. (Adopted 11/86, Amended 1/11)

### • Standard of Practice 12-6

REALTORS®, when advertising unlisted real property for sale/lease in which they have an ownership interest, shall disclose their status as both owners/landlords and as REALTORS® or real estate licensees. (Amended 1/93)

### • Standard of Practice 12-7

Only REALTORS® who participated in the transaction as the listing broker or cooperating broker (selling broker) may claim to have “sold” the property.

Prior to closing, a cooperating broker may post a “sold” sign only with the consent of the listing broker. (Amended 1/96)

### • Standard of Practice 12-8

The obligation to present a true picture in representations to the public includes information presented, provided, or displayed on REALTORS® websites. REALTORS® shall use reasonable efforts to ensure that information on their websites is current. When it becomes apparent that information on a REALTOR®’s website is no longer current or accurate, REALTORS® shall promptly take corrective action. (Adopted 1/07)

### • Standard of Practice 12-9

REALTOR® firm websites shall disclose the firm’s name and state(s) of licensure in a reasonable and readily apparent manner.

Websites of REALTORS® and non-member licensees affiliated with a REALTOR® firm shall disclose the firm’s name and that REALTOR®’s or non-member licensee’s state(s) of licensure in a reasonable and readily apparent manner. (Adopted 1/07)

### • Standard of Practice 12-10

REALTORS®’ obligation to present a true picture in their advertising and representations to the public includes Internet content posted, and the URLs and domain names they use, and prohibits REALTORS® from:

- 1) engaging in deceptive or unauthorized framing of real estate brokerage websites;
- 2) manipulating (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result;
- 3) deceptively using metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic; or
- 4) presenting content developed by others without either attribution or without permission, or
- 5) to otherwise mislead consumers. (Adopted 1/07, Amended 1/13)

### • Standard of Practice 12-11

REALTORS® intending to share or sell consumer information gathered via the Internet shall disclose that possibility in a reasonable and readily apparent manner. (Adopted 1/07)

### • Standard of Practice 12-12

REALTORS® shall not:

- 1) use URLs or domain names that present less than a true picture, or
- 2) register URLs or domain names which, if used, would present less than a true picture. (Adopted 1/08)

### • Standard of Practice 12-13

The obligation to present a true picture in advertising, marketing, and representations allows REALTORS® to use and display only professional designations, certifications, and other credentials to which they are legitimately entitled. (Adopted 1/08)

## Article 13

REALTORS® shall not engage in activities that constitute the unauthorized practice of law and shall recommend that legal counsel be obtained when the interest of any party to the transaction requires it.

## Article 14

If charged with unethical practice or asked to present evidence or to cooperate in any other way, in any professional standards proceeding or investigation, REALTORS® shall place all pertinent facts before the proper tribunals of the Member Board or affiliated institute, society, or council in which membership is held and shall take no action to disrupt or obstruct such processes. (Amended 1/99)

**• Standard of Practice 14-1**

REALTORS® shall not be subject to disciplinary proceedings in more than one Board of REALTORS® or affiliated institute, society, or council in which they hold membership with respect to alleged violations of the Code of Ethics relating to the same transaction or event. *(Amended 1/95)*

**• Standard of Practice 14-2**

REALTORS® shall not make any unauthorized disclosure or dissemination of the allegations, findings, or decision developed in connection with an ethics hearing or appeal or in connection with an arbitration hearing or procedural review. *(Amended 1/92)*

**• Standard of Practice 14-3**

REALTORS® shall not obstruct the Board's investigative or professional standards proceedings by instituting or threatening to institute actions for libel, slander, or defamation against any party to a professional standards proceeding or their witnesses based on the filing of an arbitration request, an ethics complaint, or testimony given before any tribunal. *(Adopted 11/87, Amended 1/99)*

**• Standard of Practice 14-4**

REALTORS® shall not intentionally impede the Board's investigative or disciplinary proceedings by filing multiple ethics complaints based on the same event or transaction. *(Adopted 11/88)*

## Duties to REALTORS®

### Article 15

REALTORS® shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices. *(Amended 1/12)*

**• Standard of Practice 15-1**

REALTORS® shall not knowingly or recklessly file false or unfounded ethics complaints. *(Adopted 1/00)*

**• Standard of Practice 15-2**

The obligation to refrain from making false or misleading statements about other real estate professionals, their businesses, and their business practices includes the duty to not knowingly or recklessly publish, repeat, retransmit, or republish false or misleading statements made by others. This duty applies whether false or misleading statements are repeated in person, in writing, by technological means (e.g., the Internet), or by any other means. *(Adopted 1/07, Amended 1/12)*

**• Standard of Practice 15-3**

The obligation to refrain from making false or misleading statements about other real estate professionals, their businesses, and their business practices includes the duty to publish a clarification about or to remove statements made by others on electronic media the REALTOR® controls once the REALTOR® knows the statement is false or misleading. *(Adopted 1/10, Amended 1/12)*

### Article 16

REALTORS® shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with clients. *(Amended 1/04)*

**• Standard of Practice 16-1**

Article 16 is not intended to prohibit aggressive or innovative business practices which are otherwise ethical and does not prohibit disagreements with other REALTORS® involving commission, fees,

compensation or other forms of payment or expenses. *(Adopted 1/93, Amended 1/95)*

**• Standard of Practice 16-2**

Article 16 does not preclude REALTORS® from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another REALTOR®. A general telephone canvass, general mailing or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, or organization, or other classification or group is deemed "general" for purposes of this standard. *(Amended 1/04)*

Article 16 is intended to recognize as unethical two basic types of solicitations:

First, telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their property with another REALTOR® and

Second, mail or other forms of written solicitations of prospects whose properties are exclusively listed with another REALTOR® when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current listings, "for sale" or "for rent" signs, or other sources of information required by Article 3 and Multiple Listing Service rules to be made available to other REALTORS® under offers of subagency or cooperation. *(Amended 1/04)*

**• Standard of Practice 16-3**

Article 16 does not preclude REALTORS® from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through a Multiple Listing Service or any other offer of cooperation may not be used to target clients of other REALTORS® to whom such offers to provide services may be made. *(Amended 1/04)*

**• Standard of Practice 16-4**

REALTORS® shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the REALTOR®, refuses to disclose the expiration date and nature of such listing, i.e., an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client, the REALTOR® may contact the owner to secure such information and may discuss the terms upon which the REALTOR® might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing. *(Amended 1/94)*

**• Standard of Practice 16-5**

REALTORS® shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by a REALTOR®, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the REALTOR® may contact the buyer/tenant to secure such information and may discuss the terms upon which the REALTOR® might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement. *(Adopted 1/94, Amended 1/98)*

• **Standard of Practice 16-6**

When REALTORS® are contacted by the client of another REALTOR® regarding the creation of an exclusive relationship to provide the same type of service, and REALTORS® have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement. *(Amended 1/98)*

• **Standard of Practice 16-7**

The fact that a prospect has retained a REALTOR® as an exclusive representative or exclusive broker in one or more past transactions does not preclude other REALTORS® from seeking such prospect's future business. *(Amended 1/04)*

• **Standard of Practice 16-8**

The fact that an exclusive agreement has been entered into with a REALTOR® shall not preclude or inhibit any other REALTOR® from entering into a similar agreement after the expiration of the prior agreement. *(Amended 1/98)*

• **Standard of Practice 16-9**

REALTORS®, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service. *(Amended 1/04)*

• **Standard of Practice 16-10**

REALTORS®, acting as buyer or tenant representatives or brokers, shall disclose that relationship to the seller/landlord's representative or broker at first contact and shall provide written confirmation of that disclosure to the seller/landlord's representative or broker not later than execution of a purchase agreement or lease. *(Amended 1/04)*

• **Standard of Practice 16-11**

On unlisted property, REALTORS® acting as buyer/tenant representatives or brokers shall disclose that relationship to the seller/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement. *(Amended 1/04)*

REALTORS® shall make any request for anticipated compensation from the seller/landlord at first contact. *(Amended 1/98)*

• **Standard of Practice 16-12**

REALTORS®, acting as representatives or brokers of sellers/landlords or as subagents of listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement. *(Amended 1/04)*

• **Standard of Practice 16-13**

All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not with the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client.

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, REALTORS® shall ask prospects whether they are a party to any exclusive representation agreement. REALTORS® shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects. *(Adopted 1/93, Amended 1/04)*

• **Standard of Practice 16-14**

REALTORS® are free to enter into contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent. *(Amended 1/98)*

• **Standard of Practice 16-15**

In cooperative transactions REALTORS® shall compensate cooperating REALTORS® (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other REALTORS® without the prior express knowledge and consent of the cooperating broker.

• **Standard of Practice 16-16**

REALTORS®, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer/tenant representatives or brokers nor make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation. *(Amended 1/04)*

• **Standard of Practice 16-17**

REALTORS®, acting as subagents or as buyer/tenant representatives or brokers, shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker. *(Amended 1/04)*

• **Standard of Practice 16-18**

REALTORS® shall not use information obtained from listing brokers through offers to cooperate made through multiple listing services or through other offers of cooperation to refer listing brokers' clients to other brokers or to create buyer/tenant relationships with listing brokers' clients, unless such use is authorized by listing brokers. *(Amended 1/02)*

• **Standard of Practice 16-19**

Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the seller/landlord. *(Amended 1/93)*

• **Standard of Practice 16-20**

REALTORS®, prior to or after their relationship with their current firm is terminated, shall not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude REALTORS® (principals) from establishing agreements with their associated licensees governing assignability of exclusive agreements. *(Adopted 1/98, Amended 1/10)*

## Article 17

In the event of contractual disputes or specific non-contractual disputes as defined in Standard of Practice 17-4 between REALTORS® (principals) associated with different firms, arising out of their relationship as REALTORS®, the REALTORS® shall mediate the dispute if the Board requires its members to mediate. If the dispute is not resolved through mediation, or if mediation is not required, REALTORS® shall submit the dispute to arbitration in accordance with the policies of the Board rather than litigate the matter.

In the event clients of REALTORS® wish to mediate or arbitrate contractual disputes arising out of real estate transactions, REALTORS® shall mediate or arbitrate those disputes in accordance with the policies of the Board, provided the clients agree to be bound by any resulting agreement or award.

The obligation to participate in mediation and arbitration contemplated by this Article includes the obligation of REALTORS® (principals) to cause their firms to mediate and arbitrate and be bound by any resulting agreement or award. *(Amended 1/12)*

• **Standard of Practice 17-1**

The filing of litigation and refusal to withdraw from it by REALTORS® in an arbitrable matter constitutes a refusal to arbitrate. (Adopted 2/86)

• **Standard of Practice 17-2**

Article 17 does not require REALTORS® to mediate in those circumstances when all parties to the dispute advise the Board in writing that they choose not to mediate through the Board's facilities. The fact that all parties decline to participate in mediation does not relieve REALTORS® of the duty to arbitrate.

Article 17 does not require REALTORS® to arbitrate in those circumstances when all parties to the dispute advise the Board in writing that they choose not to arbitrate before the Board. (Amended 1/12)

• **Standard of Practice 17-3**

REALTORS®, when acting solely as principals in a real estate transaction, are not obligated to arbitrate disputes with other REALTORS® absent a specific written agreement to the contrary. (Adopted 1/96)

• **Standard of Practice 17-4**

Specific non-contractual disputes that are subject to arbitration pursuant to Article 17 are:

1) Where a listing broker has compensated a cooperating broker and another cooperating broker subsequently claims to be the procuring cause of the sale or lease. In such cases the complainant may name the first cooperating broker as respondent and arbitration may proceed without the listing broker being named as a respondent. When arbitration occurs between two (or more) cooperating brokers and where the listing broker is not a party, the amount in dispute and the amount of any potential resulting award is limited to the amount paid to the respondent by the listing broker and any amount credited or paid to a party to the transaction at the direction of the respondent. Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction. (Adopted 1/97, Amended 1/07)

2) Where a buyer or tenant representative is compensated by the seller or landlord, and not by the listing broker, and the listing broker, as a result, reduces the commission owed by the seller or landlord and, subsequent to such actions, another cooperating broker claims to be the procuring cause of sale or lease. In such cases the complainant may name the first cooperating broker as respondent and arbitration may proceed without the listing broker being named as a respondent. When arbitration occurs between two (or more) cooperating brokers and where the listing broker is not a party, the amount in dispute and the amount of any potential resulting award is limited to the amount paid to the respondent by the seller or landlord and any amount credited or paid to a party to the transaction at the direction of the respondent. Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction. (Adopted 1/97, Amended 1/07)

3) Where a buyer or tenant representative is compensated by the buyer or tenant and, as a result, the listing broker reduces the commission owed by the seller or landlord and, subsequent to such actions, another cooperating broker claims to be the procuring cause of sale or lease. In such cases the complainant may name the first cooperating broker as respondent and arbitration may proceed without the listing broker being named as a respondent. Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction. (Adopted 1/97)

4) Where two or more listing brokers claim entitlement to compensation pursuant to open listings with a seller or landlord who agrees to participate in arbitration (or who requests arbitration) and who agrees to be bound by the decision. In cases where one of the listing brokers has been compensated by the seller or landlord, the other listing broker, as complainant, may name the first listing broker as respondent and arbitration may proceed between the brokers. (Adopted 1/97)

5) Where a buyer or tenant representative is compensated by the seller or landlord, and not by the listing broker, and the listing broker, as a result, reduces the commission owed by the seller or landlord and, subsequent to such actions, claims to be the procuring cause of sale or lease. In such cases arbitration shall be between the listing broker and the buyer or tenant representative and the amount in dispute is limited to the amount of the reduction of commission to which the listing broker agreed. (Adopted 1/05)

• **Standard of Practice 17-5**

The obligation to arbitrate established in Article 17 includes disputes between REALTORS® (principals) in different states in instances where, absent an established inter-association arbitration agreement, the REALTOR® (principal) requesting arbitration agrees to submit to the jurisdiction of, travel to, participate in, and be bound by any resulting award rendered in arbitration conducted by the respondent(s) REALTOR®'s association, in instances where the respondent(s) REALTOR®'s association determines that an arbitrable issue exists. (Adopted 1/07)

## Explanatory Notes

The reader should be aware of the following policies which have been approved by the Board of Directors of the National Association:

In filing a charge of an alleged violation of the Code of Ethics by a REALTOR®, the charge must read as an alleged violation of one or more Articles of the Code. Standards of Practice may be cited in support of the charge.

The Standards of Practice serve to clarify the ethical obligations imposed by the various Articles and supplement, and do not substitute for, the Case Interpretations in *Interpretations of the Code of Ethics*.

Modifications to existing Standards of Practice and additional new Standards of Practice are approved from time to time. Readers are cautioned to ensure that the most recent publications are utilized.

