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# Broker<sup>™</sup> Reciprocity

### PUTTING BROKERS IN CONTROL OF THEIR LISTINGS ON THE WEB

Broker informational packet & technical documentation

This information provided by: Firelands Association of REALTORS® (FAOR)

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#### **1 Executive summary**

#### WHAT IS BROKER RECIPROCITY SM (BR)?

Simply: It is a system where brokers give each other permission to display their listings on each other's web sites. Brokers who participate in the program (called "Broker Reciprocity<sup>SM</sup> Subscribers" or "BRSs") can display all of each other's active/contingent listings. If you choose not to participate, no other broker will be permitted to display your listings. You can include your listings in the Broker Reciprocity <sup>SM</sup> database without even having your own web site. (See Section 9 - Frequently Asked Questions for an explanation why you would want to do this.)

#### WHY IS FAOR DOING BROKER RECIPROCITY SM?

The purpose of Broker Reciprocity <sup>SM</sup> is to empower REALTORS® to deal with the real estate consumer of the future. Among the objectives to which FAOR is committed are:

- 1. to allow a listing company to more broadly expose its listings benefiting the sellers
- 2. permitting brokers to fully market their services on the Internet;
- 3. permitting the brokerage community to take advantage of the data brokers have contributed to the system; and
- 4. permitting brokers to obtain and maintain first contact with the consumer in the real estate transaction.

Increasingly, consumers are looking to the Internet for information about real estate for sale. Until Broker Reciprocity <sup>SM</sup>, they were not finding that information at broker-owned web sites. The sites with the best data, and from the consumer's perspective, that means the *most* data, were not controlled by REALTORS <sup>®</sup>. On the national front the site with the most listings is REALTOR.COM, a production of RealSelect, a subsidiary of publicly traded HomeStore.com.

Some brokers asked FAOR, "Why can't a broker web site be the place with the most listings?" Thanks to Broker Reciprocity <sup>SM</sup>, it can! This approach provides several advantages:

Brokerage web sites can become the best source of listing data. If most brokers participate, the number of listings in the reciprocal database can easily reach and even exceed the number on other popular sites.

Participating brokers may display more data fields (like square footage) than current web sites are allowed to display.

When consumers visit the web sites of reciprocal brokers, they will stay longer because the brokers have more listing data to offer. The broker sites may also offer easier interfaces for consumers, since many other sites are "cluttered" with non-listing content. As brokers become more innovative in offering on-line services, this will be a critical factor in their success.

**HOW DOES MY FIRM PARTICIPATE IN BROKER RECIPROCITY** <sup>SM</sup> ? Follow the instructions on the next page! (But read the rest of this document, too. It includes important information you should know before signing up)

#### 2 Quick Start: 2 steps to Broker Reciprocity SM

#### STEP 1: BECOMING A BROKER RECIPROCITY SM SUBSCRIBER (BRS)

Being a BRS just means that you give all other BRSs permission to display your active/contingent listings on their web sites according to Section 18 of the FAOR MLS Rules and Regulations (Broker Reciprocity <sup>SM</sup>). (See Section 4 of this document for details.) In so doing, you obtain permission from all other BRSs to display their active/contingent listings. You give permission and get permission in the same act. (That's why it's called "reciprocity.") You don't need to have a web site yourself. **You do not need to take any action to become a BRS.** If you were a participant in FAOR when the Broker Reciprocity <sup>SM</sup> program was implemented, you were automatically signed up. If you are a new participant in FAOR joining after the beginning of the Broker Reciprocity SM program, you will also automatically be signed up. If you **don't want to participate, you must fill out the form, "Adding/Dropping Broker Reciprocity<sup>SM</sup>," attached at the back of the packet and available at the FAOR office.** If you do not fill out the form now, you can fill it out at any time later. Your data will stop appearing in the Broker Reciprocity<sup>SM</sup> Database the next business day.

#### STEP 2 (OPTIONAL): PUTTING BROKER RECIPROCITYSM DATA ON YOUR WEB SITE

You don't have to have a web site to be a BRS. But to take maximum advantage of the program, you will want one. To put Broker Reciprocity <sup>SM</sup> data on your web site, you have to take four steps:

- 1. Sign FAOR'S "Access to Broker Reciprocity <sup>SM</sup> Data Feed" contract (attached at the back of this BR packet and available at the FAOR office).
- 2. Get a web site (see Section 6 for advice on how and where, if you don't already have one).
- 3. Incorporate the BR data into your web site. This is really the toughest part. Much of this document and the associated Technical Documentation are devoted to this part.
- 4. Obey the MLS Rules and Regulations governing BR, any FAOR policy statements concerning BR, and the Technical Documentation concerning BR. See particularly, Section 4 of this document.

#### 3 Fees

There is a \$50.00 Set Up Fee to be a BRS and/or to receive a data feed from FAOR and an Annual Fee of \$100.00, provided you use one of the standard methods for accessing that data. If you want a special interface to access the BR Data.

#### 4 FAOR Rules for IDX and VOW Sites

The following sections numbered 18, 19 and 20 are FAOR's rules for IDX, VOWS and Passwords.

#### Broker Reciprocity Rules and Regulations (Excerpted from FAOR MLS Rules and Regulations)

#### Internet Data Exchange (IDX)/Broker Reciprocity

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancements and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely. (*Adopted 11/09*)

#### Section 18 IDX Defined

IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants. (*Amended 5/12*)

#### Section 18.1 Authorization

Participants' consent for display of their listings by other participants pursuant to these rules and regulations must be established in writing. If a participant withholds consent 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 Broker Reciprocity/IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display. (*Amended 05/12*)

#### Section 18.2 Participation

Participation in Broker Reciprocity is available to all MLS Participants who are REALTORS® who are engaged in real estate brokerage and who consent to display their listings by other Participants. This requirement can be met by maintaining an office or Internet presence from which Participants are available to represent real estate sellers or buyers (or both).

#### Section 18.2.1

Participants must notify the MLS of their intention to display Broker Reciprocity/IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies. (*Amended* 05/12)

#### Section 18.2.2

MLS participants may not use Broker Reciprocity/IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of Broker Reciprocity/IDX listings by recognized search engines. (*Amended 05/12*)

#### Section 18.2.3

Listings, including property addresses, can be included in Broker Reciprocity/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). (*Amended 05/12*)

#### Section 18.2.4

Participants may select the listings they choose to display on their Broker Reciprocity/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 Broker Reciprocity/IDX site must be independently made by each participant. (*Amended 11/06*)

#### Section 18.2.5

Participants must refresh all MLS downloads and Broker Reciprocity/IDX displays automatically fed by those downloads at least once every three (3) days. (Amended 05/12)

#### Section 18.2.6

Except as provided in the Broker Reciprocity/IDX policy and these rules, an Broker Reciprocity/IDX site or a participant or user operating an Broker Reciprocity/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. (*Amended* 05/12)

#### Section 18.2.7

Any Broker Reciprocity/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 Broker Reciprocity/IDX policy and these rules, "control" means the ability to add, delete, modify and update information as required by the Broker Reciprocity/IDX policy and MLS rules. (*Amended 05/12*)

#### Section 18.2.8

Any Broker Reciprocity/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 Broker Reciprocity/IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an Broker Reciprocity/IDX display from notifying its customers that a particular feature has been disabled at the request of the seller. (*Adopted 05/12*)

#### Section 18.2.9

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. (Amended 05/12)

#### Section 18.3 Display

Display of listing information pursuant to Broker Reciprocity/IDX is subject to the following rules:

#### Section 18.3.1

Listings displayed pursuant to Broker Reciprocity/IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS participants and users (e.g., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed. (*Amended* 05/12)

#### Section 18.3.1.1

The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed. (*Amended 05/12*)

#### Section 18.3.2

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.

#### Section 18.3.3

All listings displayed pursuant to Broker Reciprocity/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. (*Amended 05/12*)

#### Section 18.3.4

All listings displayed pursuant to Broker Reciprocity shall identify the listing agent.

#### Section 18.3.5

Non-principal brokers and sales licensees affiliated with Broker Reciprocity/IDX participants may display information available through Broker Reciprocity/IDX on their own websites subject to their participant's consent and control and the requirements of state law and/or regulation.

#### Section 18.3.6

Deleted November 2006.

#### Section 18.3.7

All listings displayed pursuant to Broker Reciprocity/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. (*Amended 05/12*)

#### Section 18.3.8

Participants (and their affiliated licensees, if applicable) shall indicate on their websites that Broker Reciprocity/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 the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. 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. (*Amended 05/12*)

#### Section 18.3.9

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 Broker Reciprocity/IDX display, whichever is fewer. (*Amended 11/09*)

#### Section 18.3.10

The right to display other participants' listings pursuant to Broker Reciprocity/IDX shall be limited to a participant's office(s) holding participatory rights in this MLS.

#### Section 18.3.11

Listings obtained through Broker Reciprocity/IDX must be displayed separately from listings obtained from other sources, including information provided by other MLSs. Listings obtained from other sources (e.g., from other MLSs, from non-participating brokers, etc.) 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. (*Amended 05/12*)

#### Section 18.3.12

Display of expired, withdrawn, pending, and sold listings is prohibited. (Amended 11/09)

#### Section 18.3.13

Display of seller's(s') and/or occupant's(s') name(s), phone number(s), and e-mail address(es) is prohibited.

#### Section 18.3.14

Participants are required to employ appropriate security protection such as firewalls on their websites and displays, provided that any security measures required may not be greater than those employed by the MLS. (*Amended 05/12*)

#### Section 18.3.15

Participants must maintain an audit trail of consumer activity on their website and make that information available to the MLS if the MLS believes the Broker Reciprocity/IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers. (*Amended 05/12*)

#### Section 18.3.16

Deceptive or misleading advertising (including co-branding) on pages displaying Broker Reciprocity/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. (*Adopted 11/09*)

#### Section 18.4 Service Fees and Charges

Service fees and charges for participation in Broker Reciprocity/IDX shall be as established annually by the Board of Directors.(*Adopted 11/01, Amended 5/05*)

#### Section 19

### Virtual Office Websites (VOWs)

#### Section 19.1 VOW Defined

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 oversight, supervision, and accountability.

b. As used in Section 19 of these rules, the term "participant" includes a participant's affiliated nonprincipal 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 Virtual Office Websites, 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.

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.

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.

#### Section 19.2

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.

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).

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.

#### Section 19.3

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.

ii. The participant must obtain the name of and a valid e-mail address for each Registrant. The participant must send an e-mail 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 e-mail address provided by the Registrant is valid and that the Registrant has agreed to the terms of use.

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 e-mail address is associated with only one user name and password.

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, e-mail address, user name, and current password of each Registrant. The participant must keep such records for not less than one hundred eighty (180) days after the expiration of the validity of the Registrant's password.

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, e-mail 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.

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, noncommercial 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' ownership of and the validity of the MLS' copyright in the MLS database

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.

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.

#### Section 19.4

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.

#### Section 19.5

A participant's VOW must employ reasonable efforts to monitor for and prevent misappropriation, scraping, and other unauthorized uses 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.

#### Section 19.6

a. A participant's VOW shall not display the 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 e-mail, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

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. Check one.

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

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 searches.

Initials of Seller

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

#### Section 19.7

a. Subject to Subsection b., below, 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. to display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.

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.

#### Section 19.8

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 forty-eight (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.

#### Section 19.9

A participant shall cause the MLS listing information available on its VOW to be refreshed at least once every three (3) days.

#### Section 19.10

Except as provided in these rules, in the NATIONAL ASSOCIATION OF REALTORS®' VOW policy, or in 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.

#### Section 19.11

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.

#### Section 19.12

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®.

#### Section 19.13

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.

#### Section 19.14

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.

#### Section 19.15

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

#### f. sold information

#### Section 19.16

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.

#### Section 19.17

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.

#### Section 19.18

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.

#### Section 19.19

A participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 current listings in response to any inquiry.

#### Section 19.20

A participant shall require that Registrants' passwords be reconfirmed or changed every 180 days.

#### Section 19.21

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, cobranding 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.

#### Section 19.22

A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

#### Section 19.23

A participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.

#### Section 19.24

Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

#### Section 19.25

Where a seller affirmatively directs his or her listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within forty-eight (48) hours.

#### **Section 20 Passwords**

Each Participant and Subscriber needs a password to access the MLS. The passwords will be issued by the MLS to Participants and Licensed Subscribers upon completion of the training. Unlicensed Subscribers shall be given passwords without the requirement of training. If special circumstances require that a Participant or Licensed Subscriber be granted access prior to training, the MLS may issue a password for temporary access to the MLS. If the training is not completed within 30 days as required in Section 17 above, the temporary access will be terminated until the training has been completed.

#### Section 20.1 Confidentiality of Passwords

To maintain the integrity of the Multiple Listing Service and to ensure compliance with Sections 10 and 12 of these Rules and Regulations, no Participant or Subscriber shall disclose his or her MLS password to any person. Any Participant or Subscriber who violates this section shall be subject to a fine of \$1,000 for the first offense, \$2,000 for the second offense, \$2,500 for the third offense, and termination of MLS services for four or more offenses.

#### **5 Technical Overview**

One method has been designed to provide access to the Broker Reciprocity<sup>SM</sup> Data for BRSs. See the Technical Documentation for complete information.

The method is a RETS site. (RETS is Internet lingo. It stands for Real Estate Transaction Standard. It's the way that a client computer - like your PC - downloads a whole file from a host.) In order to use the RETS site, you will need an ID and password assigned by FAOR. To initiate FTP access, you need to fill out and send to FAOR the contract at the end of this document. FAOR will verify the necessary information and send you the ID, password, and what's called an RETS address. FAOR will give Broker ReciprocitySM Data to several Broker Reciprocity<sup>SM</sup> Solution vendors. Please call MLS office for more info.

#### 6 How your brokerage can make the most of BR

To take full advantage of BR, you MUST have a web site that displays BR data. There are several ways to get one; each described more fully below. Use your imagination! This is the really important part of Broker Reciprocity<sup>SM</sup>. If you can think of a way to provide an innovative service to consumers using BR data, try it out (so long as it doesn't break the rules). Ideas that have been tried on other real estate web sites include:

Gathering consumers' e-mail addresses and property interests and sending them periodic updates on new listings that match their criteria.

Allowing consumers to perform a mortgage payment calculation using the list price for the listing they are looking at.

Allowing consumers to save listings to their "favorites" folders, so they can get back to favored listings quickly on subsequent visits. (Note that you cannot continue to show consumers a listing after it is sold. If a consumer tries to view a "favorite" listing that has since gone off the market, your site must inform her that the listing is no longer available. That's a good time to suggest that she call your firm to find out what happened to the listing. Maybe it just expired or was withdrawn.)

Services brokers may investigate in the future include automated brokerage, loan application, and others. Note that the regulatory climate surrounding such services is still being determined. As the rules are clarified, you'll have a leg up on your competitors if you already have a robust web site with BR Data.

#### 6.1 Doing it yourself

If you are a fairly sophisticated designer of web sites, and particularly if you have experience building, maintaining, and accessing databases on the web, you may want to build your own BR web site. Refer to Section 9 - Technical Implementation Guide.

#### 6.2 Working with a web designer.

Most brokers do not possess the resources or staff required to perform the tasks identified in the Technical Documentation. If you want the maximum amount of control over how your web site looks and works, you will want to engage a web site design and maintenance firm. They will use the instructions provided in the Technical Documentation to build a web site for you according to your specifications. This could cost you anywhere from fifty to several thousand dollars per month.

#### 6.3 Questions you should ask web site designers before signing up with them

FAOR strongly advises you to ask questions, many questions, before signing up with any web site provider. The questions you ask at the beginning of the process will go a long way toward preventing disputes down the road. Before you contact any web site designer, look at other Broker Reciprocity SM web sites. Use them as you would imagine a consumer using them. Because your competitors' web sites are available to you 24 hours a day, you have an unusual opportunity to see what they're doing before choosing your own course. If you can't or won't search the web yourself, have a few agents in your office do it. Have them report back to you on features they think are valuable. Before you begin discussions with a web designer, ask for the web addresses of other brokerage sites they have built. Here are a few important questions to ask web site designers.

#### What is the set-up cost for the Web Site?

Most web site designers will want some kind of upfront fee to create your web site. Find out exactly what steps the designer will take during these initial stages.

#### What is included in the upfront fees?

Find out if the package you are considering includes the complete design of a custom web site, or if it only includes certain "template" elements. Find out how much control you have over things like the graphic design of your site, the color scheme, etc.

#### Can I integrate the Broker Reciprocity<sup>SM</sup> site with my existing web site?

You may already have a web site and a web site designer who has been doing a good job maintaining it. You may just want to incorporate the Broker Reciprocity<sup>SM</sup> piece into that existing site. If you want to keep your existing designer, have him/her contact other designers who have Broker Reciprocity<sup>SM</sup> experience and help you select one who is best for you.

#### What are the maintenance costs and how frequently are they due?

Most web site designers will charge you a monthly or quarterly maintenance fee. You should find out what you are receiving for this fee - at a minimum, it should include automatic updates of the Broker Reciprocity<sup>SM</sup> listing data on your web site, preferably daily.

#### Is a hosting fee included, or is it payable separately?

Once a designer creates your site, it will have to be "hosted" on a computer connected to the Internet. Your designer may include the cost of hosting in the maintenance fees. Or you may have to make separate arrangements for hosting. If the designer will host your site, ask for the web address of another site they host. Visit this site and make sure that it loads quickly. Consumers will hate your site if it runs slowly.

#### Does the maintenance fee include periodic changes to your site?

You will want to change information on your site, things like firm special events, salesperson of the month, etc. Find out how many such changes are included in any maintenance fee, and how much additional changes will cost.

### Does the maintenance fee include access to statistics about who is visiting your web site and when?

Critical to any marketing plan involving the Internet is an understanding of who is visiting your web site and from where they are being referred. There are software packages available that will track activity on your web site and provide important answers to these questions. Will your web site designer provide this information to you? Is the cost included in your maintenance?

### How much personal interaction will you have with the designer, or is it all online? Any face-to-face? How much? Any phone? How much?

If you are accustomed to face-to-face or telephone customer service, you may find it harder to find among web site designers. They are creatures of e-mail. If this is important to you, you'll want to discuss it with candidate designers in advance.

#### What is the cost for additional work and features?

If you see something on another site your designer has created, he/she should be able to tell you how much it would cost to add it to your own site.

## Do not assume that a feature will appear on your site just because it appears on another site your designer created for another broker. The other broker may have paid a premium price for that feature.

The contract you write with the designer should list all the features you want and indicate their price. (If you're asking for a novel feature, the designer may hesitate to give you a price up-front. This is not unreasonable, and you'll have to negotiate the best deal you can.)

#### Discuss changes you will probably have to make. Find out how much they will cost:

Change an agent name Add a link Add a banner Add a web page

### Will the vendor display all photos on each listing, or just the main photo? Will you own the domain name?

If you are paying the designer to register your domain name, it's important that the designer commit to registering it in your name. You will be putting this address on all of your marketing materials from here on out. You don't want the designer to take it with him/her if you choose to work with a different designer.

#### Does the Broker own the site content?

You will want to be able to take your web site design with you if you choose another designer down the road. Seek provisions in your contract that will guarantee this. Note: this is probably only applicable to "custom" site content. If you buy a "template" package, the web site vendor will not relinquish any rights in the template or the search interface to you).

#### Who is the designer/vendor?

Is it a corporation, sole proprietor, LLC? Who will deliver on the promises the salesperson makes if that salesperson leaves? It's important here, as in every business deal, to know whom you are dealing with.

### What is vendor's experience web-based databases, real estate web sites, etc., and with whom have they worked?

<u>CHECK THESE REFERENCES!</u> If they have built other broker web sites, visit them. Make sure they work, that they look good, and that they are fast (consumers hate slow web sites).

#### How soon after you sign a contract will your web site be up?

It is important to clarify all parties' expectations here. Where is the designer located and how will you communicate with them? Ask the designer why they deserve your business.

There are many options out there. Make the designer explain why they are the best. Encourage the designer to contact FAOR. You may encourage the vendor to contact FAOR to talk about what's entailed in a Broker Reciprocity <sup>SM</sup> web site if they have any questions. They will provide better cost estimates if they know more about MLS systems and the rules and regulations of the program.

#### 7 Association-sponsored template programs

FAOR does not offer an association-sponsored template programs, however, there are several of them out there not sponsored by FAOR. The cost and availability of this is dependent on the number of brokers participating. This is a site where the "search engine" and "user interface" are the same from broker to broker, but the branding on the web site is unique to each broker. Call the MLS office for more info.

#### 8 Frequently asked questions (FAQ)

#### CAN AGENTS HAVE BR WEB SITES?

Since the introduction of Broker Reciprocity<sup>SM</sup>, there have been quite a few questions about agent web sites working with the program. Here is the only way that an agent can have a Broker Reciprocity<sup>SM</sup> web site:

- 1. The agent's brokerage firm must be contributing its listings to the program.
- 2. The agent's brokerage firm must have a Broker Reciprocity<sup>SM</sup> web site of its own.
- 3. The agent's web site must frame or "gateway" into the brokerage's web site. That is, the Broker Reciprocity<sup>SM</sup> data can only be hosted on the brokerage's web site.
- 4. The agent may "co-brand" the web site so that she shares branding with her broker.
- 5. The agent must have the brokerage's permission to frame its web site.
- 6. The agent's web site must retain the brokerage's branding at all times. This will frequently mean the brokerage's banner appears at the top of every page.

#### WHAT HAPPENS IF SOMEONE ABUSES BR?

FAOR will monitor brokers who develop web sites using the BR Data. If FAOR finds that a BRS is misusing data, that broker will be notified in writing of the wrongdoing and required to correct the problem within 14 days. If the broker fails, he or she will no longer have access to the Broker Reciprocity<sup>SM</sup> data feed effective immediately.

### WHY WOULD I WANT TO ALLOW OTHER BROKERS TO DISPLAY MY LISTINGS ON THEIR WEB SITES?

This is a great question. The answer lies in a desire to strengthen the brokerage industry. Long term, if real estate brokerages want to compete with other industry segments for the business of Internet consumers, they will need to have web sites that are attractive to consumers. That means having the most data. If you currently provide your listing data to one or more local or national web sites on the theory that more exposure is better, why wouldn't you want your listings exposed on other brokers' web sites?

### WHY WOULD I WANT TO LET OTHER BROKERS DISPLAY MY LISTINGS IF I DON'T HAVE MY OWN WEB SITE?

See the answer to the previous question. The rationale is equally strong in this case. In addition to those arguments, sellers will want to know why your listings do not show up on Broker Reciprocity<sup>SM</sup> web sites when the listings of other brokers do.

#### WHY WOULD I WANT TO DISPLAY OTHER BROKERS' LISTINGS ON MY WEB SITE?

Because by displaying the complete MLS inventory of active/contingent listings, you are providing a service to consumers that can help keep them coming to your web site. If you want to be able to sell services on-line, you need a way to keep consumers at your site once they get there. (Industry folks refer to this as having a "sticky" site - the "stickier," the better.)

#### HOW MUCH WILL IT COST?

There is a \$50.00 Set Up Fee to be a BRS and/or to receive a data feed from FAOR and an Annual Fee of \$100.00, provided you use one of the standard methods for accessing that data. If you want a special interface to access the BR Data.

#### WILL THIS ALLOW BIG BROKERS TO HAVE MORE SUCCESSFUL WEB SITES? WILL THIS MAKE LITTLE BROKERS LOOK LIKE BIG BROKERS?

Brokers will get out of Broker Reciprocity<sup>SM</sup> whatever they put into it. Very large brokerages may have more money to put into their web sites. They may spend more marketing dollars to get consumers to visit their sites. But small firms that focus on Internet strategies and marketing may be able to look as "big" on the Internet as their much larger competitors. Broker Reciprocity<sup>SM</sup> is designed to make *all* broker sites more attractive to consumers. FAOR can only give you the tools. What you make with them is up to you.

### WHAT DATA WILL CONSUMERS SEE? WHAT PROPERTY TYPES, STATUSES, DATA ELEMENTS, ETC.?

BRSs may only display active/contingent listings. They may display any or all of FAOR'S active contingent listings.

### HOW DO I KNOW SOME AGENT FROM ANOTHER OFFICE WON'T END UP ADVERTISING MY HOT NEW LISTING AS HER OWN?

You don't. But it would be just as much a violation of the Rules under Broker Reciprocity<sup>SM</sup> as it was previously. Such an act would violate the Code of Ethics and state real estate law as well.

#### CAN THE CONSUMER LINK DIRECTLY TO THE LISTING AGENT'S E-MAIL?

A BRS can provide linking on its own listings to its agents. It need not do so. This is a matter to be determined between the BRS and her agents. A BRS cannot display agent information on the listings of other BRSs.

### WHAT KIND OF ADVERTISING FOR OTHER SERVICES OR COMPANIES CAN BROKERS HAVE ON THEIR WEB SITES WITH BR DATA?

Anything that will not violate FAOR'S rules or procedures regarding BR. This means that if your firm puts up a web site hosting the BR Data, you may sell advertising space to an automobile dealership on the site. Every page of your web site could have an ad for a different advertiser. Keep in mind the following things: 1) The site still has to be for your real estate firm. 2) The advertising must not jeopardize the goodwill of FAOR or the listing broker; for example, advertising an obscene web site above listing data. This will result in the BR Data Feed to the BRS being terminated. 3) The banner must not mislead consumers. If the banner seems to contradict information about the listing firm or information in the listing data itself, it should not be used.

#### DO I NEED A WEB SITE?

This is your own decision. FAOR is providing the greatest flexibility so you can compete in an increasingly complex industry. But FAOR cannot compete for you. You must decide what your own business strategy is and whether Broker Reciprocity<sup>SM</sup> and a web site with BR Data would support that strategy.

#### 9 Technical implementation guide

#### **OVERVIEW**

#### Purpose of this section

This Technical Implementation Guide is designed to provide information to the technical advisors and contractors of brokers participating in FAOR, so that they may incorporate the Broker Reciprocity<sup>SM</sup> program into those brokers' web sites. When this section refers to "you," it is referring to such a technical advisor or contractor. When this section refers to "your client," it is referring to a broker participating in FAOR and the Broker Reciprocity<sup>SM</sup> program, which you are assisting in developing a web site. To the extent that this section supplements FAOR'S Rules and Regulations relating to Broker Reciprocity<sup>SM</sup>, it is a statement of FAOR'S policy regarding such matters.

#### Definitions and purpose of Broker Reciprocity<sup>SM</sup>

"Broker Reciprocity<sup>SM</sup>" is a means by which each MLS participant subscribing to the program (the "Broker Reciprocity<sup>SM</sup> Subscriber" or "BRS") permits the display of its active/contingent listings appearing in MLS on each other BRS's Internet web site. The "Broker Reciprocity<sup>SM</sup> Database" is the current aggregate compilation of all active/contingent listings of all Broker Reciprocity<sup>SM</sup> Subscribers except those listings where the property seller has opted out of Internet publication by so indicating on the listing contract. The goal of the Broker Reciprocity<sup>SM</sup> ("BR") program is to permit participants in the FAOR, i.e., real estate brokers, to display the most complete set of data regarding listings for sale on their own web sites.

#### Opting into the pool

Your client is assumed be a BRS unless it submits a request not to be included on a form supplied by FAOR. (See the form titled Adding/Dropping Broker Reciprocity<sup>SM</sup> at the end of this document.) There is no charge for a broker to become a BRS and thus contribute its listings to the BR Database.

#### Getting a data feed

Any BRS may display all or any portion of the BR Database on its own web site, provided it: Signs the required agreement with FAOR (See the CONTRACT at the end of this document); and abides by the FAOR Rules and Regulations relating to BR set forth in this document as well as periodic policy statements promulgated by FAOR. Note that explanations of the rules and regulations appear in Section 4.

#### Limitations on use

The BR system has been created to encourage those whose principal business is the brokerage of residential real estate to display the most complete, accurate, and up-to-date compilations of listing information on their own web sites.

Any use for any other purpose is STRICTLY PROHIBITED; FAOR will act aggressively to protect its copyrights in the BR Database, to enforce its contractual rights, and to protect listing brokers' listing data from distribution in any way inconsistent with their legitimate business interests.

#### **RULES OF THE ROAD**

For the best results FAOR recommends that you review this entire Broker Informational Packet for further details, particularly regarding rules and regulations and disclosures that should appear on your client's web site if he or she is a BRS. The most recent version of this document is always available on FAOR'S web site, <u>www.faor.com</u>.

#### Access methods

FTP will be the available method given to you. Any BRS intending to use any other method for downloading and updating the BR Database must seek approval of its method from FAOR. This approval will not be denied unless the method proposed is likely to result or does in fact result in violations of the BR rules and regulations or in degradation of the performance of any of FAOR'S systems. The use of any other method also requires payment to FAOR of the BRS data feed fees it has established.

#### **Rules and regulations**

FAOR'S Rules and Regulations contain provisions relating to BR. These provisions are reproduced in Section 4 of this document.

Your client will be held responsible for any failure on your part to comply with those rules; FAOR therefore suggests very strongly that you review them before building your client's site.

#### Contracts

Before you will be permitted to have access to the BR data or any test sample of it, you must sign a contract with your client and FAOR. See the CONTRACT at the end of this document for details.

You must sign such a contract for each broker for whom you provide services. (If you do not, you may lose access to the BR data if one of your client's leaves FAOR or ceases to participate in the BR program.)

#### Mandatory and recommended disclosures

The rules and regulations require certain mandatory disclosures. See Section 8 of this document for suggested forms for the disclosures.

#### DATA UPDATE PROCESS IN GENERAL

#### **RETS Access**

The data for Broker Reciprocity<sup>SM</sup> resides on a server maintained by the MLS vendor. Access to this server is via the Internet with a user ID and password. You must contact FAOR for access and instructions.

#### Appendix A

#### Broker Reciprocity<sup>SM</sup> logo use license and guidelines

On the following page is the official Broker Reciprocity<sup>SM</sup> logo use policy and license. This page provides a simplified summary. To the extent that the terms of the official policy differ from those in this summary, the official policy governs.

#### SUMMARY OF POLICY PROVISIONS:

This summary examines the official policy section-by-section.

Intro: BRSs can use the BR service mark/logo (the "Logo"). This policy only controls the use of the Logo (not real estate firm logos, etc.).

- 1. You have to be an MLS participant and a BRS to use the Logo.
- 2. You can't modify the Logo without FAOR'S permission.
- 3. You have to show FAOR how you're using the Logo if we ask.
- 4. The RMLS of Minnesota is the owner of the Logo period. They have granted permission for FAOR to use the Logo.
- 5. You have to be doing business legally and in compliance with FAOR rules to use the Logo.
- 6. If we're sued because of your use of the Logo, you reimburse us for defense costs and damages.
- 7. If you stop being a BRS or MLS participant or if we tell you you're violating this policy, you must immediately stop using the Logo.
- 8. If you aren't authorized to use the Logo any more, FAOR can require that you recall and destroy any materials on which the Logo appears.
- 9. If you aren't authorized to use the Logo any more, you can't adopt another logo for yourself that's confusingly similar to the Logo. (If you want to know what confusingly similar is, talk to your lawyer.)
- 10. If we have to take you to court to enforce this policy, you agree to pay all our reasonable costs. You agree that we can get an injunction against you, if necessary.

#### USE OF Broker Reciprocity<sup>SM</sup> LOGO/MARK

The FAOR Broker Reciprocity<sup>SM</sup> logo/service mark (the "Mark") is a service mark owned by Regional Multiple Listing Service of Minnesota, Inc., a Minnesota corporation. They have authorized FAOR to authorize use of the Mark. FAOR has the sole right to authorize use of the Mark in connection with real estate brokerage and/or advertising services. Each participant ("Subscriber") in the FAOR Broker Reciprocity<sup>SM</sup> Program (the "Program") and each member of

FAOR understands and agrees that a Subscriber, and only a Subscriber, in the Program is permitted to use the Mark, and such license to use the Mark is subject to compliance with the following terms and conditions:

- 1. The Mark may be used solely by Subscribers who are in good standing under the Program guidelines as published and amended from time to time by FAOR.
- 2. The Mark shall be used only in the exact form authorized by FAOR, without any alteration, addition, deletion or other modification in design or color. FAOR will provide digital and/or camera-ready art for reproduction of the Mark in black and white.
- 3. The Subscriber shall from time to time, upon request of FAOR, provide FAOR with samples of materials bearing the Mark to verify proper use of the Mark.
- 4. The Regional Multiple Listing Service of Minnesota, Inc., is the owner of the Mark and shall retain all ownership rights and interests in the Mark, including without limitation any registrations and/or applications to register the Mark.
- 5. The Subscriber shall comply with all bylaws and rules and regulations of FAOR, as well as all applicable laws and governmental regulations, and obtain all necessary governmental approvals and permits, pertaining to the conduct of the business in connection with which the Mark is used.
- 6. The Subscriber shall indemnify, defend and hold FAOR harmless from and against any loss, liability, damage, cost or expense (including without limitation attorneys' fees) arising out of or relating to any claims or suits which may be brought or made against FAOR by reason of the Subscriber's use of the Mark.
- 7. The Subscriber's right to use the Mark shall automatically terminate at any time the Subscriber ceases to be a Subscriber or a member in good standing of FAOR, or upon written notice by FAOR in the event the Subscriber shall violate any provision of this Policy Statement.
- 8. Upon termination of the Subscriber's right to use the Mark for any reason, the Subscriber shall immediately discontinue all use of the Mark. FAOR may demand that the Subscriber recall and destroy goods and marketing materials bearing the Mark. FAOR reserves the right to inform its members and the public that the Subscriber is no longer entitled to use the Mark.
- 9. Upon termination of the Subscriber's right to use the Mark for any reason, the Subscriber shall not thereafter adopt or use any name, mark, logo or other designation that is a colorable imitation or is likely to be confused with the Mark.
- 10. FAOR shall be entitled to collect from the Subscriber the costs and expenses (including without limitation attorneys' fees) of enforcing this Policy Statement against the Subscriber. In addition, in the event of any violation of this Policy Statement, FAOR shall, in addition to all other legal and equitable rights and remedies, have the right to an injunction (without the necessity of posting a bond or other security) against the violator enforcing this Policy Statement.



2710 Campbell Street, Sandusky, OH 44870 Tel (419) 625-5787 • Fax (419) 625-3442 FirelandsMLS.com • FAOR.com

#### FORM: Adding/Dropping Broker Reciprocity SM

This form permits you to opt in or out of the Broker Reciprocity <sup>SM</sup> program. If you opt in, you are considered a Broker Reciprocity <sup>SM</sup> Subscriber (BRS). Becoming a BRS does not cost you anything at this time, and it does not require you to do anything else. It is only if you wish to display BR Data on your web site that you need to take any further steps. See FAOR MLS's *Broker Reciprocity* <sup>SM</sup> *Broker Informational Packet* for further details. *This form must be filled out completely and signed by the broker/office manager for your office and returned to FAOR. There are no exceptions.* Once you have filled it out and signed it, fax or mail it to Firelands Association of REALTORS®, 2710 Campbell Street, Sandusky, OH 44870. Fax: 419.625.3442 Email: Memberservices@faor.com

Firm Name:				
Designated Broker Name:				
E-mail address:				
(If you are becoming a BRS, you <i>must</i> supply an e-mail address here. This address will be FAOR'S primary means of communicating with you about BR developments.)				
Firm Street Address:				
Firm City, ST, ZIP:				
Firm Phone:F	Fax:			

**Check one of these two boxes**. By so doing, you are agreeing to the understandings indicated next to it.

□ My firm is a Broker Reciprocity<sup>SM</sup> Subscriber. I understand that I am hereby giving every other Broker Reciprocity<sup>SM</sup> Subscriber in the FAOR MLS permission to advertise my active/contingent MLS listings on its own web site, subject to the Rules and Regulations of the FAOR MLS. Other BRSs are not obliged to display my listings. I authorize the FAOR MLS to distribute my active/contingent listing data to other Broker Reciprocity<sup>SM</sup> Subscribers pursuant to its Rules and Regulations and Policies.

□ My Firm Is Not a Broker Reciprocity<sup>SM</sup> Subscriber. I understand that this means that other Broker Reciprocity<sup>SM</sup> Subscribers will not be permitted to display my listings on their web sites. I further understand that my firm will receive no benefits under the Broker Reciprocity<sup>SM</sup> program of the FAOR MLS. My firm is not allowed to display the listings of other brokers unless I receive permission from them individually to do so. I also understand that it is my responsibility to ensure that my listings are designated with an "N" in the "Broker IDX" field in the MLS.

I am the designated Broker for the MLS Firm who appears above. I represent that I have authority to execute this form on behalf of my firm.

Date: \_\_\_\_\_ Signature:\_\_

#### CONTRACT: Access to Broker Reciprocity <sup>SM</sup> data feed

### Note: This form is a legally binding contract between you and Firelands Association of REALTORS® (FAOR).

Simultaneously or prior to submitting this form/contract, you must become a Broker Reciprocity<sup>SM</sup> Subscriber (BRS). See FAOR'S *Broker Reciprocity<sup>SM</sup> Broker Informational Packet* for further details.

This form/contract must be filled out completely and signed by the designated broker of your firm. There are no exceptions. Once you have filled it out and signed it, mail it to Firelands Association of REALTORS®, 2710 Campbell Street, Sandusky, OH 44870. FAOR will sign the form/contract and return a copy to you with information on how to access the data feed.

#### AGREEMENT

1. This **AGREEMENT** is made and entered into by and among FAOR and the real estate firm whose name and contact information appear on the signature page of this Agreement designated "Firm Information and Signature" (the "**Firm**"), and the companies/individuals whose names and contact information appear on the signature pages of this Agreement designated "Consultant Information and Signature" (collectively, "**the Consultants**"), if any.

#### RECITALS

2. Firm wishes to obtain, and FAOR wishes to provide, data for Firm's web site, including the listing data of other real estate brokerages participating in FAOR. Firm may wish to engage Consultants, i.e., other companies or individuals who are not employees of Firm, to perform data downloading, manipulation, and formatting, as well as programming and web design.

#### DEFINITIONS

3. For purposes of this Agreement, the following terms shall have the meanings set forth below.

**Broker Reciprocity<sup>SM</sup> Database** or **BR Data:** The current aggregate compilation of all active/contingent listings of all Broker Reciprocity <sup>SM</sup> Subscribers except those listings where the property seller has opted out of Internet publication by so indicating on the listing contract. FAOR owns the BR Data.

**Broker Reciprocity<sup>SM</sup> Subscriber** or **BRS:** A Subscriber who gives permission to other Subscribers to display its active/contingent listings on their web sites in return for their permission to advertise their listings on its web site.

**Multiple Listing Service:** A means for collecting and disseminating information about real property that is or has been for sale, including a means for real estate brokers to make offers of cooperation and compensation to each other. Multiple Listing Services may also include, without limitation, the provision of data processing, technical support, consulting, and other information technology services to real estate brokers and appraisers in connection with the sale and appraisal of real property.

**Rules:** The Rules and Regulations of FAOR MLS, as amended from time to time, and any operating policies relating to the BR Data and BRSs promulgated by FAOR.

**Subscriber:** Any real estate broker, appraiser, or other real estate related business professional that purchases Multiple Listing Services from FAOR directly.

**Subscriber Data:** Data relating to real estate for sale, previously sold or listed for sale, including the Broker Reciprocity<sup>SM</sup> Database, and data relating to Subscribers, entered into the MLS system. FAOR owns the Subscriber Data.

#### FAOR'S OBLIGATIONS

4. During the term of this Agreement, FAOR grants to Firm a license to:

a. display the BR Data on Firm's web site, and

b. make copies of the BR Data to the extent necessary to deliver the BR Data to consumers on Firm's web site.

5. During the term of this Agreement, FAOR agrees to provide to Firm and its Consultants:

a. access to the BR Data via the Internet using Real Estate Transaction Standard ("RETS"), under the same terms and conditions FAOR offers to other Subscribers;
b. seven (7) days' advance notice of changes to the file and record formats of the BR Data; and

c. seven (7) days' advance notice of changes to the Rules.

#### FIRM'S OBLIGATIONS

6. Firm shall comply with the Rules at all times.

7. Firm acknowledges FAOR'S ownership of the copyrights in the Subscriber Data and the BR Data.

8. Firm shall comply with the requirements relating to Confidential Information set forth below.

9. In the event that Firm desires to make the BR Data or the Confidential Information available to any third party, Firm agrees to require such third party to execute this Agreement and become a Consultant.

10. If FAOR notifies Firm of a breach of the Rules or this Agreement and Firm does not cure such breach within 14 days, Firm agrees that FAOR may seek cure from the Consultants, or any one of them and hereby authorizes such Consultants to act immediately to cure the breach without further action by Firm.

11. Firm shall notify FAOR within five (5) business days of any change to the information relating to Firm on the Firm Information and Signature page below.

#### CONSULTANTS' OBLIGATIONS

12. If FAOR notifies Firm of a breach of the Rules or this Agreement and Firm does not immediately cure such breach [\*\*SEE NOTE ABOVE CONCERNING CURE PERIODS\*\*], FAOR may contact Consultant to cure any such breach that is within Consultant's control. Consultant agrees to cooperate with FAOR and act immediately upon notification by FAOR of an uncured breach by Firm.

13. Each Consultant acknowledges FAOR'S ownership of the copyrights in the Subscriber Data and the BR Data.

14. Each Consultant shall comply with the requirements relating to Confidential Information set forth below.

15. Each Consultant shall notify FAOR within five (5) business days of any change to the information relating to it on the Consultant Information and Signature page below.

#### **CONFIDENTIAL INFORMATION**

16. "**Confidential Information**" is information or material proprietary to FAOR or designated "confidential" by FAOR and not generally known to the public, that Firm or Consultants or any one of them (the "Receiving Party") may obtain knowledge of or access to as a result of access under this Agreement. Confidential Information includes, but is not limited to, the following types of information and other information of a similar nature (whether in oral, visual, audio, written or other form):

a. all Subscriber Data, except the BR Data to the extent to which this Agreement and the Rules permit its disclosure;

b. all documentation and other tangible or intangible discoveries, ideas, concepts, designs, drawings, specifications, models, information;

c. software, source code, object code, diagrams, flow charts;

- d. techniques, procedures;
- e. IP addresses, access codes and passwords; and

f. any information that FAOR obtains from any third party that FAOR treats as proprietary or designates as Confidential Information, whether or not owned or developed by FAOR.

17. Exceptions. The Confidential Information does not include information that:

- a. is in the public domain at the time of disclosure;
- b. is known to the Receiving Party at the time of disclosure;

c. is used or disclosed by the Receiving Party with the prior written consent of FAOR, to the extent of such consent;

d. becomes known to the Receiving Party from a source other than FAOR without breach of this Agreement by the Receiving Party and provided that such source is not known by the Receiving Party to be bound by a confidentiality agreement with FAOR; or

e. is required to be disclosed by judicial order or other compulsion of law, provided that the Receiving Party provides to FAOR prompt notice of any such order.

18. **Title.** The Receiving Party acknowledges that title to the Confidential Information remains at all times with FAOR or with the third parties in whom title existed prior to this Agreement or prior to disclosure by FAOR.

19. **Restrictions on Use - Scope of Use.** The Receiving Party will use or access the Confidential Information only as expressly permitted under this Agreement and the Rules and the Receiving Party will not use its access or the Confidential Information for any other purpose. The Receiving Party will employ measures to protect the Confidential Information from disclosure at least as rigorous as those it uses to protect its own trade secrets, but in no event less than reasonable care.

20. **Restrictions on Use - Unauthorized Uses.** The Receiving Party will not make copies of the Confidential Information. The Receiving Party will not directly or indirectly disclose, display, provide, transfer or otherwise make available the Confidential Information to any

person or entity, unless the Receiving Party has received prior written consent of FAOR to do so. At no time and under no circumstances will the Receiving Party reverse engineer, decompile, or disassemble any software constituting part of the Confidential Information. The Receiving Party will not incorporate the Confidential Information into any other work or product.

21. **Restrictions on Use - No Third Party Access.** Only the Receiving Party's own employees will access the Confidential Information. The Receiving Party will not provide access to the Confidential Information to third parties, including consultants or independent contractors, without prior written consent from FAOR. If FAOR grants consent, the Receiving Party will execute an agreement with the third party that imposes at least as strict a confidentiality obligation on the third party as that imposed by this Agreement on the Receiving Party.

22. **Restrictions on Use - Location restriction.** The Receiving Party will not remove the Confidential Information from its principal place of business without FAOR'S prior written consent. In the event FAOR grants consent, the Receiving Party is not relieved of any of its obligations under this Agreement.

23. **Termination and Return of Materials.** Within five (5) days of the end of the term of this Agreement or receipt of notice of termination by FAOR, the Receiving Party will return to MLS all Confidential Information and all other materials provided by FAOR to the Receiving Party. The Receiving Party will also erase, delete, or destroy any Confidential Information stored on magnetic media or other computer storage, including system backups. Upon the request of FAOR, an officer of the Receiving Party will certify in writing that all materials have been returned to FAOR and all magnetic or computer data have been destroyed.

#### TERM AND TERMINATION

24. The term of this Agreement begins on the "Effective Date" set forth on the "FAOR Information and Signature Page" below. FAOR has the right at any time and in its sole discretion to terminate this Agreement. This Agreement shall terminate upon the occurrence of any of the following events:

- a. FAOR'S notice to Firm that this Agreement is terminated.
- b. Firm's notice to FAOR that it no longer intends to display BR Data on its web site.

c. Termination of Firm's privileges as a Subscriber by FAOR to purchase Multiple Listing Services.

#### **GENERAL PROVISIONS**

25. **Survival of Obligations.** The obligations of Firm set forth under "Firm's Obligations" above and the obligations of Consultants under "Consultants' Obligations" above shall survive the termination or expiration of this Agreement.

26. **FAOR'S Remedies.** Because of the unique nature of the Subscriber Data and Confidential Information, Firm and Consultants acknowledge that FAOR would suffer irreparable harm in the event that any of them breaches its obligation under this Agreement, and that monetary damages would be inadequate to compensate FAOR for a breach. FAOR is therefore entitled, in addition to all other forms of relief, to injunctive relief as may be necessary to restrain any continuing or further breach by Firm or Consultants or any one of them, without showing or proving any actual damages sustained by FAOR.

27. **Attorney's fees.** If FAOR prevails in any action to enforce or interpret this Agreement or any provision hereof, the party against whom enforcement or interpretation was sought will pay FAOR'S reasonable attorney's fees and costs for such legal action.

28. **Limitation of Liability.** FAOR'S liability to Firm and Consultants for damages under this Agreement, whether in contract or tort, shall be limited to the aggregate amounts paid by Firm and Consultants to FAOR, if any, under this Agreement. Firm's and Consultants' only other remedy shall be termination of this Agreement. FAOR shall not be liable for any incidental or consequential damages under any circumstances, even if FAOR has been advised of the possibility of such damages. FAOR shall have no liability for inaccuracies in the BR Data or the Subscriber Data.

29. **Notice.** All notices to be given under this Agreement shall be mailed, sent via facsimile transmission, or electronically mailed to the parties at their respective addresses set forth below or such other address of which any party may advise the others in writing during the term of this Agreement.

30. **No Waiver.** No waiver or modification of this Agreement or any of its terms is valid or enforceable unless reduced to writing and signed by the party who is alleged to have waived its rights or to have agreed to a modification.

31. **No Assignment.** Neither Firm nor Consultants, nor any of them, may assign or otherwise transfer any of their rights under this Agreement to any party without the prior written consent of FAOR.

32. **Entire Agreement.** This Agreement contains the full and complete understanding of the parties regarding the subject matter of this Agreement and supersedes all prior representations and understandings whether oral or written. The previous sentence notwithstanding, the Rules are expressly incorporated into this Agreement by reference.

33. **Applicable law.** This Agreement is governed by and enforced according to the laws of the State of Ohio.

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2710 Campbell Street, Sandusky, OH 44870 Tel (419) 625-5787 • Fax (419) 625-3442 FirelandsMLS.com • FAOR.com

### Firm Information and Agreement Signature Page

Firm Name:
(Please Print)
Broker Owner or Designated Broker Name: (Please Print)
Broker Owner or Designated Broker E-mail address:
You <i>must</i> supply an e-mail address here. This address will be FAORS' principal means of communicating with you for notices under the Broker Reciprocity Agreement.)
Firm Street Address:
(Please Print)
Firm City, State, Zip:
(Please Print)
Firm Phone: Fax:
This is for (please check) □Agent website □Broker website □VOW (Virtual Office Website) (Additional Agreements may be needed, contact FAOR at 419.625.5787
f Agent website, please print agent's name:
Nebsite address (URL):
(Please Print) Agreement entered into on behalf of Firm by:
Signature
Print Name
Title Date

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#### **Consultant Information and Agreement Signature Page**

NOTE TO BROKER: Reproduce this page for each individual/company to whom you intend to provide access to the BR Data under the Broker Reciprocity Agreement. "PLEASE COMPLETE THE ENTIRE FORM"

Consultant (Vendor) Name:		
	(Please Print)	)
Consultant (Vendor) Contact Name:		N
	(Please Print)	
Consultant (Vendor) E-mail address:		
(You <i>must</i> supply an e-mail address here for notices under the Broker Reciprocity A	. This address will be F	) FAORs' principal means of communicating with you
Consultant (Vendor) Street Address:		
	(Please Print)	)
Consultant (Vendor) City, ST, Zip:	(Please Print)	)
Phone:	Fax: _	
Current RETS Login ID: (Required)		
IDX Type: (please check): □IDX (Link that on a we		□RETS (Issued to pull raw data from RETS Server to a web site)
RETS APPLICATION NAME: (Required)		
RETS USER-AGENT: (Required)	(Please Print	,
	(Please Print	)
Agreement entered into on behalf of Cons	ultant (Vendor) by:	
Signature		
Print Name		
Title		Date
NOTE TO CONSULTANT: Be sure to enter in real estate broker to which you provide serv you will not be able to get the data for your o	vices. If you sign only on	er Reciprocity <sup>sM</sup> data feed contract with FAOR and even ne and that Firm's access to the BR Data is terminated
For FAOR Internal Use:		Password:
ffice:Agent:		