UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CALIFORNIA REGIONAL MULTIPLE LISTING SERVICE, INC., and ONEKEY® MLS LLC, Plaintiffs, v. COMPASS, INC., Defendant.	Civil Action No.: 1:26-cv-08796-MKV FIRST AMENDED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF **28 U.S.C. §§ 2201–2202**

Plaintiffs California Regional Multiple Listing Service, Inc. ("CRMLS") and OneKey® MLS LLC ("OneKey," and together with CRMLS, either "Plaintiffs" or the "MLSs") respectfully state the following claims for declaratory and injunctive relief against Defendant Compass, Inc. ("Compass") in this First Amended Complaint.

PRELIMINARY STATEMENT

This case concerns the efforts of Compass—the largest real estate brokerage in the United States—to bully the real estate industry into abandoning rules designed to promote transparency, broad consumer access, and robust competition among brokerages. At issue are rules that serve a straightforward purpose: if a seller authorizes their agent to seek buyers from outside the agent's brokerage, all brokerages participating in the multiple listing service ("MLS") cooperative—not just one—should have the opportunity to connect their buyer clients with that property. Compass, however, seeks to dismantle these rules so that it can pursue its stated corporate strategy of controlling for-sale property inventory as a competitive weapon—publicly marketing properties to attract buyers while withholding those same properties from the MLS cooperative whose data Compass uses to service its own clients. In short, Compass wants to free-ride on the comprehensive listing contributions of thousands of cooperating brokerages while hoarding its own inventory for its exclusive financial benefit. Having already sued others in pursuit of this agenda, and having sent demand letters threatening additional litigation, Compass threatened to sue CRMLS unless it capitulated to Compass's demands by October 6, 2026, and sent an identical demand letter threatening the same litigation against OneKey, New York State's largest MLS. CRMLS and OneKey bring this declaratory judgment action to establish that their respective Cooperation Rules are lawful under federal and state antitrust law because they cause no anticompetitive harm, and are in fact widely recognized as procompetitive.

NATURE OF THE ACTION

1. This civil action seeks declaratory and injunctive relief under the Declaratory Judgment Act, 28 U.S.C. §§ 2201–2202. Plaintiffs bring this action to obtain a judicial declaration that their respective, substantively similar Cooperation Rules (defined below) governing the submission, access, use, and distribution of CRMLS and OneKey's listing records are lawful under Section 1 of the Sherman Antitrust Act, 15 U.S.C. § 1, the California Cartwright Act, Cal. Bus. & Prof. Code § 16720 et seq., and the New York Donnelly Act, N.Y. Gen. Bus. Law § 340 et seq.

2. The Cooperation Rules ensure that MLS listings, which contain contributions from subscribers, provide transparency and access for subscribers and their consumers, promote cooperation amongst participating brokerage firms in each MLS, and create reasonable parameters to prevent free-riding by recalcitrant brokers and/or agents. Plaintiffs' rules provide for more vibrant competition amongst all participating brokerage firms and importantly provide for an efficient and transparent real estate marketplace that benefits all consumers, whether they are a seller or a buyer.

3. CRMLS is one of the largest MLSs in the United States, with approximately 94,000 real estate professional subscribers and an additional 50,000 agents and appraisers who participate in competing MLSs across California, who have direct access to CRMLS listing records via data share agreements between CRMLS and those competing MLSs.

4. OneKey is New York State's largest MLS, serving real estate professionals and consumers across the Hudson Valley, Long Island, and the New York City boroughs of Manhattan, Brooklyn, Queens, and the Bronx, with more than four million active, pending, and historical listings and approximately 40,200 real estate professional subscribers.

5. CRMLS and OneKey operate broker cooperatives that provide real property information-sharing platforms and distribution systems that enable real estate brokers and agents to input and search for properties that are for sale, and to research those listing records to provide opinions (such as on the value of a home), make recommendations for their clients, and provide various consulting services to their clients. Using the MLSs' listing records, subscribers can recommend information about the home selling process, including decisions on listing price which then helps to connect home sellers with the broadest possible pool of informed and knowledgeable prospective buyers. The MLSs' broker cooperative ensures that agents and the consumers they represent have access to up-to-date, comprehensive, and transparent housing market data.

6. This action arises from two formal demand letters, each dated September 8, 2026, sent by outside counsel for Compass. One was sent to Art Carter, CRMLS's Chief Executive Officer (the "Demand Letter"). *See* Exhibit A (Demand Letter). In the Demand Letter, Compass threatened to bring a federal antitrust lawsuit against CRMLS, and unnamed other MLSs, unless CRMLS confirmed, by October 6, 2026, that it would cease enforcing its Rule 7.9. That rule governs the submission of for-sale properties to the CRMLS cooperative when the listing broker has an exclusive right to sell or seller reserved listing agreement with the seller preventing any *buyer agent* from accessing or communicating with that seller. Pursuant to Rule 7.9, submission of the for-sale property for cooperation to CRMLS is triggered upon the public marketing of the property. CRMLS also provides an additional seller option, Rule 7.9.1, called the "No Cooperation Listing," under which a seller may instruct the listing broker in writing that the property not be marketed or advertised to the public and not be disseminated in the MLS. While some mistakenly refer to such a listing as an "office exclusive" listing, this phrase is confusing

and inaccurate since virtually all listings are subject to exclusive commission agreements, and the entire dispute here concerns marketing a for-sale property *outside of the exclusive broker's real estate office*. CRMLS Rules 7.9 and 7.9.1 are attached as Exhibit B and shall be referenced collectively as the "CRMLS Cooperation Rules."

7. Likewise, Compass's outside counsel sent OneKey a nearly identical demand letter, also dated September 8, 2026 (the "OneKey Demand Letter," and together with the Demand Letter sent to CRMLS, the "Demand Letters"), addressed to Richard Haggerty, OneKey's Chief Executive Officer. *See* Exhibit F (OneKey Demand Letter). The OneKey Demand Letter also threatened a federal antitrust lawsuit against OneKey unless it confirmed, by 5:00 PM ET on October 6, 2026, that it "will not fine or punish a real estate professional for publicly marketing office exclusive listings"—that is, that it would cease enforcing OneKey Rule 302.2 as to such listings. Under Rule 302.2, "[w]ithin one (1) business day after a property is publicly marketed, the listing broker must submit the listing to the MLS for cooperation with other MLS Participants." OneKey Rule 316 separately permits a Participant to accept an "Office Exclusive Listing"—an exclusive listing "that is not made available to other MLS customers in the MLS database per the informed consent and instructions of the seller"—without disseminating that listing through the MLS. OneKey Rules 302.2, 303.2, and 316, together with the related definitions in Rule 102, are attached as Exhibit G and shall be referenced collectively as the "OneKey Cooperation Rules." The CRMLS Cooperation Rules and the OneKey Cooperation Rules are referenced collectively as the "Cooperation Rules."

8. In short, the Cooperation Rules are straightforward: they require that when a broker publicly markets a property for sale—through yard signs, websites, social media, flyers, or similar means—and the property is subject to an exclusive listing agreement (preventing any

competing buyer agent from accessing the seller directly), that property must also be submitted to the MLS for cooperation with other participating brokers. At the same time, the rules preserve the option for sellers and their brokers to market properties exclusively within a single brokerage—as "No Cooperation Listings" under the CRMLS Cooperation Rules or "Office Exclusive Listings" under the OneKey Cooperation Rules—without any obligation to submit the property to the MLS for cooperation. The rules thus give sellers and brokers multiple clear choices: keep a for-sale property within one brokerage if that firm exclusively controls access to the seller, or market it publicly to the broader world, including to the entire MLS broker cooperative. What the rules do not permit is having it both ways—selectively publicly marketing a property to attract buyers while simultaneously withholding that property from the MLS cooperative and the thousands of other brokers and their buyer clients who participate in it and who do actually share their listings with the MLS cooperative.

9. The practical effect of what Compass seeks is to have its "cake and eat it too." Compass wants to access and use the comprehensive listing data that CRMLS and OneKey each compile from the contributions of thousands of cooperating brokers—data Compass uses to develop comparative market analyses, advise clients, and compete for business (including recruiting agents)—while simultaneously withholding its own publicly marketed properties from those same cooperative pools. In other words, Compass wants to free-ride on the listing contributions of every other participating brokerage while hoarding its own inventory to gain an unfair competitive advantage because it alone controls access to the seller. If Compass prevails, the result would be a two-tiered and fractured marketplace: smaller brokerages that play by the rules and share their listings, and giant brokerages like Compass that take from the cooperative without giving back.

10. At the heart of this dispute is the very essence of an MLS cooperative where real estate brokers share information about properties for sale so that any broker, regardless of size, can match any buyer with any available property. The MLS exists because brokers agreed to pool their listing information: each broker contributes its listings in exchange for access to everyone else's. This "give-to-get" arrangement is what makes the MLS work. Without it, brokers and buyers would be left with what economists call a "hoot-and-holler" system-calling around to individual brokerages one by one to find out what properties might be available-which would dramatically increase the time, effort, and cost of every real estate transaction and ultimately make brokerage services and houses less affordable for consumers. The rules at issue here simply memorialize this foundational bargain: if a broker publicly markets a property to attract buyers, that broker must also share the listing with the MLS so all participating brokers and their clients can see it.

11. Compass's Demand Letters were copied to the Antitrust Division of the U.S. Department of Justice and the Bureau of Competition of the Federal Trade Commission.

12. The CEO of Compass, Robert Reffkin, backed up those threats of litigation during the recent Council of Multiple Listing Services conference in Fort Lauderdale, Florida. On September 30, 2026, during an interview in front of a packed room of over 900 attendees, Mr. Reffkin stated unequivocally that Compass would begin filing lawsuits against MLSs across the country in mid-October if they failed to commit by October 6, 2026, to stop fining Compass agents for publicly marketing listings withheld from MLS cooperation (which he referred to as "office exclusives")—the very commitment the Demand Letters demanded of CRMLS and OneKey.

13. Compass's threatened claims are meritless. The CRMLS Cooperation Rules have been in effect since May 2020, and the OneKey Cooperation Rules, which likewise implement

the NAR Clear Cooperation Policy adopted in November 2019, have been in effect since OneKey began operating in 2020. Both sets of rules are procompetitive and serve the fundamental purpose for which MLSs were created: ensuring that publicly marketed residential real estate listings are broadly shared and accessible to both participating agents and their customers, consistent with sellers' marketing choices, and that home buyers and the agents they choose have access to the most comprehensive inventory of available properties. In short, the Cooperation Rules ensure transparency, access, and competition in the real estate marketplace, and prevent free-riding by brokers and agents that use the CRMLS and OneKey listing records to obtain new clients or service existing clients.

14. The CRMLS Cooperation Rules require that: "Within one (1) business day of marketing or advertising a residential property to any member of the public for sale which contains one to four units, or is a residential vacant land lot which is subject to any exclusive right to sell or seller reserved listing agreement, the Listing Broker must submit the property into the MLS for cooperation with other CRMLS participants." *See* Exhibit B, Rule 7.9. The OneKey Cooperation Rules similarly require that "[w]ithin one (1) business day after a property is publicly marketed, the listing broker must submit the listing to the MLS for cooperation with other MLS Participants." *See* Exhibit G, Rule 302.2(a).

15. CRMLS Rule 7.9, however, preserves sellers' ability to publicly market, share, and communicate the existence of for-sale properties without submitting their property to CRMLS, while protecting the seller from the negative impacts of an exclusive commission agreement which would limit that seller's opportunity or choices to interact with a different agent that may represent an interested buyer. The CRMLS Cooperation Rules also provide the additional seller choice of allowing an exclusively retained broker to communicate and share the

property with that firm's customers and clients as a "No Cooperation Listing" without any obligation to list those properties on the MLS. *See* Exhibit B, Rule 7.9.1. The OneKey Cooperation Rules likewise permit a seller, after being informed of the benefits of the MLS, to direct that a property be taken as an "Office Exclusive Listing" that is not broadly disseminated to other MLS participants. *See* Exhibit G, Rules 102.8, 316.1. Both sets of rules require that once a seller's broker publicly markets a property subject to an exclusive listing agreement—through flyers, yard signs, digital marketing on public-facing websites, email blasts to consumers, multi-brokerage listing sharing networks, or similar means—the for-sale property information must also be submitted to the MLS for cooperation so that all cooperating buyer agents and their buyer consumers and clients have full and fair access to the for-sale information, and an opportunity to see and buy the home. The purpose and premise of the Cooperation Rules is simple and direct: If access to the seller is restrained by an exclusive commission agreement, and the seller has authorized their own agent to conduct public marketing of their property, then all other brokerage firms (and their agents) participating in the MLS cooperative should have the opportunity to represent a buyer in pursuing a purchase of that for-sale property.

16. CRMLS responded to the Compass Demand Letter citing its concern that capitulating to Compass's demands could result in potential antitrust claims being asserted by buyers and their brokers against CRMLS. In late 2024, Compass made similar demands, to which CRMLS refused to capitulate, again citing antitrust concerns from buyers and buyers' brokers. CRMLS's responses to both of Compass's demands are attached as Exhibits C and E.

17. After receiving a short extension of time, OneKey likewise responded to the OneKey Demand Letter on October 20, 2026, rejecting its factual assertions and legal conclusions and declining to make the requested changes. OneKey explained that its rules preserve seller

choice while preventing free-riding and protecting interbroker competition, transparency, and consumer access. *See* Exhibit H. Compass's recent public statements, as well as other lawsuits Compass has filed, demonstrate the threats against both CRMLS and OneKey are not hollow, and the dispute between the parties is ripe for judicial determination.

18. Plaintiffs seek a declaration from this Court that their respective Cooperation Rules, and their requirement that a publicly marketed for-sale property be submitted to the MLS for cooperation with the other participants of that MLS, are not unlawful under federal antitrust law and, as to CRMLS, California antitrust law, and, as to OneKey, New York antitrust law, and an injunction preventing Compass from pursuing the threatened antitrust claims.

THE PARTIES

19. Plaintiff CRMLS is a California mutual benefit corporation with its principal place of business in Chino Hills, California. CRMLS is one of the largest MLSs in the United States, serving over 94,000 real estate professionals, including brokers and agents, across sixteen California counties. CRMLS operates a broker cooperative that provides a real property information-sharing platform and distribution system that enables real estate brokers and agents to input and search for properties that are for sale, and to research CRMLS listing and sale records so as to provide opinions and consulting services to their clients. Subscribers use the CRMLS listing records to share real estate listing information, develop opinions and make recommendations for their clients.

20. Plaintiff OneKey is a standalone New York limited liability company owned by two Realtor® association shareholders, with its principal place of business in Farmingdale, New York. OneKey is New York State's largest MLS, serving real estate professionals and consumers in its service area, which consists of Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam,

Queens, Rockland, Suffolk, Sullivan, and Westchester Counties. OneKey's participating brokerages share their listing data and "invite other Participants to enter into cooperative relationships with them for the sale of their listings," and OneKey's rules are designed to "ensure the integrity of [its] listing data, and provide a level playing field for [its] Participants and the consumers with whom they do business." OneKey Rules 200, 201.

21. Defendant Compass, Inc. is a Delaware corporation with its principal place of business in New York, New York. Compass is a publicly traded company and, following many mergers, the largest real estate brokerage in the United States. Compass employs thousands of real estate agents nationwide, including in California and New York, and is a participant in both CRMLS and OneKey.

JURISDICTION AND VENUE

22. This Court has subject matter jurisdiction under 28 U.S.C. § 1331 (federal question) because Compass's threatened action presents a substantial question of federal antitrust law under Section 1 of the Sherman Act, 15 U.S.C. § 1. This Court also has supplemental jurisdiction over Plaintiffs' state law claims under 28 U.S.C. § 1367.

23. An actual, justiciable controversy exists between each Plaintiff and Compass. Compass's September 8, 2026 Demand Letters explicitly threatened federal antitrust litigation against CRMLS and OneKey unless each capitulated to Compass's demands by October 6, 2026[1]. The Demand Letters set forth specific legal theories under which Compass claimed the Cooperation Rules violate the Sherman Act. On September 30, 2026, CRMLS responded citing its concerns that agreeing to the rule changes in the Compass Demand Letters would potentially cause CRMLS to be in violation of various antitrust laws. On October 20, 2026, OneKey likewise

[1] Again, OneKey received a short extension of time for response—to October 20, 2026.

rejected Compass's demands, explaining that its rules preserve seller choice while preventing free-riding and protecting competition and consumer access. The dispute is "definite and concrete, touching the legal relations of parties having adverse legal interests." *MedImmune, Inc. v. Genentech, Inc.*, 549 U.S. 118, 127 (2007) (quoting *Aetna Life Ins. Co. v. Haworth*, 300 U.S. 227, 240-41 (1937)).

24. This Court has personal jurisdiction over Compass because it is incorporated in Delaware and has its principal place of business in New York, New York. Compass is therefore subject to general personal jurisdiction in this District. In addition, Compass conducts substantial business in New York, employs agents who operate in this District, participates in OneKey, and directed its Demand Letters to CRMLS and OneKey with the knowledge that the threatened litigation would affect interstate commerce, including commerce in this District.

25. Venue is proper in this District under 28 U.S.C. § 1391(b) and under section 12 of the Clayton Act, 15 U.S.C. § 22, because Compass resides and directs its corporate strategy in this District, a substantial part of the events giving rise to the claims occurred in this District, Compass may be found in this District and transacts business in this District. In addition, the OneKey Cooperation Rules govern listings in counties within this District, including New York, Westchester, Rockland, Putnam, Orange, Dutchess, and Sullivan Counties.

FACTUAL BACKGROUND

A. CRMLS, OneKey, and the MLS System

26. An MLS is a network of real estate professionals (including agents, appraisers, and other subscribers) that agree to cooperate with each other by following the reasonable rules of the cooperative to timely and comprehensively share all the details and access to properties that are for sale or rent, including closing transaction information, resulting in an efficient, fair and

equitable marketplace to benefit their clients. The MLS system has been a cornerstone of the American residential real estate market for more than a century, enabling the efficient matching of home sellers with home buyers.

27. The MLS serves an essential market-making function. As the Federal Trade Commission recognized in its 1983 study of the residential real estate brokerage industry (the "Butters Report"), "both sellers and buyers would be served best if they could reach *all potential buyers* or receive information relating to all homes for sale, through a single, convenient source." (emphasis added). The Butters Report found that the MLS "creates [an] excellent centralized source of information regarding housing values" and that the "market-making effect of the MLSs probably exceeded even the founders' expectations." *See* FTC, The Residential Real Estate Brokerage Industry (1983), at 11, 113.

28. Even before the incredible advances in technology and the internet, the 1983 Butters Report further found that the MLS doubles the probability of a property selling and is "essential to most brokers in order to market their properties efficiently." *Id.* at 128. These findings confirm that the MLS is a procompetitive institution that benefits consumers on both sides of the real estate transaction—both home sellers and home buyers.

29. In 2007, in the FTC and DOJ's joint report, entitled "Competition in the Real Estate Brokerage Industry" (the "2007 Competition Report"), the agencies both recognized that "[m]ost MLSs *require* that a member broker, upon acceptance of a listing, *enter the listing into the MLS database within a short period of time, e.g., twenty-four to seventy-two hours*." 2007 Competition Report at 11 (emphasis added). At no point in the 2007 Competition Report did the agencies state that such a mandatory submission rule was anti-competitive or unfair to participating brokerage firms.

30. To the contrary, later in the 2007 Competition Report, the agencies acknowledged the importance of the MLS to not just sellers and their exclusive agents, but also to buyers and other brokers. Specifically, the agencies stated that buyers benefit from the MLS because they can have access to "a single source (that is, a single broker) for information regarding the vast majority of homes for sale within a given area, instead of visiting multiple brokerages to obtain such information. Access to the largest number of potentially appropriate homes for sale allows buyers to maximize their chances of finding a home that most clearly matches their shared characteristics." *Id.* at 12 (citation omitted).

31. As the agencies readily acknowledged in the 2007 Competition Report, "[t]he efficiencies associated with use of an MLS in the real estate industry are well documented in the real estate, legal, and economic literature." *Id.* at 13 (citation omitted).

1. CRMLS

32. CRMLS values the vital market-making and efficiency enhancing role it plays in the real estate marketplace, and seeks to ensure that its rules balance the benefits for all sellers, buyers, exclusive listing brokers, and cooperating brokers representing buyers. As noted above, in addition to serving 94,000 real estate professionals across California that have subscribed, CRMLS also provides access to its full data set to a number of competing MLSs so that their additional 50,000 agents benefit from access to the CRMLS listing records. Indeed, CRMLS's database contains tens of thousands of active listings and has over six million individual MLS listing records, which constitute the most comprehensive source of residential real estate market data in its service area. CRMLS enables its participants to provide their clients—home sellers and home buyers alike—with access to the most complete and accurate information about properties available for sale, and past transaction data. CRMLS also provides access to licensed

real estate appraisers to use the timely and comprehensive MLS listing records to prepare property appraisals for both consumers and lenders—further facilitating the completion of real estate transactions. Furthermore, CRMLS licenses the CRMLS listing records for use by its participants in the operations of the brokerage's back-end office systems, for which Compass holds such a license. The CRMLS listing records are also licensed to entities that support real estate transactions and need access to timely and accurate real estate transaction records such as lending institutions, Fannie Mae, Freddie Mac, FHA, VA, appraisal review companies, and insurance companies. The support provided by these entities is critical to the speedy due diligence and closing of sales that support those cooperating brokers that use CRMLS.

33. CRMLS operates as a cooperative venture. Its participants—competing brokerages and agents—contribute information and media about for-sale property, which is combined with real property information and the intellectual property of CRMLS to create an MLS listing record. All participating brokerages contribute their for-sale property information to the shared platform in exchange for the reciprocal benefit of access and use of those MLS listing records contributed by other cooperating participants. The value of CRMLS depends on the timeliness, breadth and completeness of its data; the greater the timeliness and accuracy of the MLS listing records shared on the platform, the more useful the platform is to every participant and every consumer those participants serve.

34. That said, CRMLS faces extensive and vigorous competition from other regional MLSs that also operate in overlapping service areas. Indeed, to the south, San Diego MLS operates a successful and competitive MLS, and in the Los Angeles and Westside areas, for decades, CLAW has also operated a competing MLS. CRMLS welcomes this competition, and even supports both SDMLS and CLAW by entering into reciprocal data-sharing agreements to

provide those two MLSs with access to listing records submitted into CRMLS. Furthermore, to the north MLSListings and BridgeMLS, which operate in the Silicon Valley and the Oakland areas of California, also receive access to all CRMLS listing records.

2. OneKey

35. OneKey values the same market-making and efficiency-enhancing role in the real estate marketplace. OneKey serves approximately 40,200 real estate professionals and consumers across the Hudson Valley, Long Island, and the New York City boroughs of Manhattan, Brooklyn, Queens, and the Bronx. Its database contains more than 34,000 active listings and more than four million historical listings, including more than 2.2 million closed transactions, and in 2025 alone more than 125,000 properties were listed through OneKey. OneKey's participants share their listing data so that brokers of every size can compete for clients based on their services, expertise, and value, and so that buyers can learn about properties listed by different firms and sellers can reach prospective buyers represented by those firms. OneKey also makes its listing data available to participants for valuation purposes, including automated valuations. OneKey Rule 605.4. Like CRMLS, OneKey licenses its listing records for use by participants in the operations of their back-office systems, and again, Compass holds such a license to this data feed of information.

36. Like CRMLS, OneKey also operates as a cooperative venture. OneKey describes itself as "a service by which its Participants share their Listing data and invite other Participants to enter into cooperative relationships with them for the sale of their listings and provide information necessary to permit such cooperation," and its stated goals are "to facilitate cooperation among [its] Members, and to provide a convenient real estate data-sharing system, with complete, accurate, and up-to-date data." OneKey Rule 200.

37. OneKey's rules are established through a governance process rather than dictated by any single brokerage. Amendments to the rules are considered and approved by OneKey's Board of Managers, which includes three independent outside managers, and alleged violations are reviewed by a Rules and Procedures Committee made up of twenty-four Participants from OneKey's local Realtor® associations, the Hudson Gateway Association of Realtors® and the Long Island Board of Realtors®. OneKey Rules 202.1(b), 1001, 1201. Each Participant agrees in writing to abide by OneKey's Rules and Procedures as a condition of participation. OneKey's rules apply equally to all participants.

B. Compass and Other Brokerages

38. Turning to the subscribers to the MLS, residential real estate brokerage firms take on oversight and legal responsibility for agents, providing agents with training, tools, and marketing materials, among other services. Traditionally, agents are not employees of their brokerages but, instead, operate as independent contractors. Brokerage firms, including Compass, have a duty, through their responsible brokers, to supervise their affiliated agents' real estate brokerage activities. *See* 19 N.Y.C.R.R. § 175.21(a); Cal. Code Regs. tit. 10, § 2725.

39. Compass is the largest real estate brokerage firm in the United States. It was originally founded in 2012 and, upon information and belief, grew quickly by paying highly productive agents and teams working for competing brokers, among other things, large bonuses and stock options to abandon their existing brokerage firms to join Compass. Compass's growth then continued via numerous mergers with and acquisitions of its competing brokerage firms. In quarterly earnings reports, Compass has continually asserted that its size and continued growth provide it a competitive advantage in the market by controlling the inventory of for-sale properties. In a Q4 2024 Earnings Call on February 18, 2025, CEO Robert Reffkin stated that

"[d]epth of inventory, not breadth" is what will set Compass apart from its competitors, and he went on to state: "By growing our unique inventory and marrying that with our end-to-end platform, which has agent-level search and consumer search at a level that no other brokerage firm in the industry has, we believe that more and more buyers will search Compass.com and use Compass agents, as it will be known that Compass has more inventory than any other website or brokerage." Compass has been a participant in CRMLS since 2015, and it has been a participant in OneKey since OneKey's formation in 2020.[2] Hiding for-sale properties from CRMLS and OneKey, and from their cooperating brokers and agents, to force consumers to instead use a Compass agent is a specific and stated goal of Compass.

40. Across the country, Compass operates real estate brokerage businesses with tens of thousands of real estate agents, more than any other brokerage. Following Compass's January 2026 completion of its acquisition of Anywhere Real Estate Inc., Compass currently operates a brokerage firm of about 85,000 agents (Compass and Coldwell Banker, among other brands, combined) and a U.S. franchise business that has more than 126,000 real estate agents in its franchisee system.

41. Compass earns revenue by collecting a share of the gross sales commissions that its affiliated agents earn from home sales when representing either the buyer or seller of a home. In 2025, Compass reported closing 250,360 residential real estate transactions for a gross transaction value of $267 billion.

42. Compass is in the process of implementing a nationwide and branded "3-Phased Marketing Strategy." The three phases include:

a. Compass Private Exclusive: In phase 1, the seller and agent privately market the property to other agents and their clients. Just as many companies test products

[2] Prior to 2020, Compass participated in OneKey's predecessor MLSs, the Hudson Gateway Multiple Listing Service ("HGMLS") and the Multiple Listing Service of Long Island ("MLSLI").

> with a smaller audience before launch, listing a home as a Private Exclusive allows a seller to test price, gain critical insights, and generate early demand before going public.
>
> b. Compass Coming Soon: In phase 2, the listing moves to "Coming Soon" status and is publicly launched on Compass.com, showcasing it to all agents and consumers without displaying days on market, price drop history, or other negative insights. This is a signal to prospective buyers that increased competition for the listing will be coming soon when it is launched on all other sites, and it provides another chance for the seller and agent to collect valuable feedback.
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> c. Active on MLS and Home Search Portals: The final phase is going active on the MLS and third-party sites, now armed with the benefit of price discovery and other information gained from Phases 1 & 2. With the listing live on the MLS and third-party sites, it will, for the first time, accrue days on market, visible price drop history, and other negative insights created by platforms like Zillow.

Complaint, *Compass, Inc. v. Zillow, Inc.*, No. 25-CV-05201-JAV-SDA (S.D.N.Y.), Dkt. No. 15 ¶ 57.

C. NAR's Clear Cooperation Policy and Its Procompetitive Purposes

43. Throughout 2018 and 2019, CRMLS received complaints from its subscribers representing buyers expressing frustration and asking for new policies requiring cooperation by listing agents. Agents who worked with a buyer (for example, by helping the buyer get qualified for a loan and touring properties on multiple occasions) would receive calls from buyers annoyed that the agent had failed to share with them a for-sale property in the neighborhood in which they had been searching. Buyers complained that they saw advertised properties via lawn signs, social media, or website advertising. The buyer's agent would then search the CRMLS database, only to find no active for-sale information about the property identified by their client. In their complaints to CRMLS, these buyer agents described reaching out to the listing agent by text, email, or phone call. Most of the time, however, the CRMLS subscriber would receive no response from the listing agent, or, in the rare instance of a call back, the listing agent would offer a referral fee between $500 and $1,000 for the CRMLS subscriber to hand over the buyer to the listing agent. With no information to assist their buyer client, and with the listing agent controlling

access to the seller and property (because of the exclusive commission agreement), the buyer would be left with no choice but to abandon their preferred buyer agent and deal with the listing agent to see the property.

44. In response to, among other things, a significant rise in uncooperative seller agents hiding listings from the MLS cooperative, on November 11, 2019, the National Association of Realtors ("NAR") adopted the Clear Cooperation Policy as MLS Statement 8.0. CRMLS and OneKey each subsequently adopted and implemented their respective Cooperation Rules as part of their MLS rules implementing the NAR policy.

45. The NAR Clear Cooperation Policy provides: "Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants." Public marketing is defined to include, among other things, "flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public."

46. CRMLS Rule 7.9 implements NAR's Clear Cooperation Policy, stating similarly, "Within one (1) business day of marketing or advertising a residential property to any member of the public for sale which contains one to four units, . . . the Listing Broker must submit the property into the MLS for cooperation with other CRMLS participants." According to CRMLS Rule 7.9, "Marketing and advertising includes, but is not limited to, any information about the property or its availability for sale displayed on any: signs, websites, social media, brokerage or franchise operated websites, communications (verbal or written), multi-brokerage or franchise listing sharing networks, flyers or written material, on any applications, or by conducting an open

house." Rule 7.9 further provides that any individual or entity that has signed, within the previous year, an agency disclosure form identifying the Listing Broker is not a "member of the public" under the rule. *See* Exhibit B.

47. OneKey Rule 302.2 implements the NAR Clear Cooperation Policy. It provides that "[w]ithin one (1) business day after a property is publicly marketed, the listing broker must submit the listing to the MLS for cooperation with other MLS Participants." Public marketing "includes, but is not limited to, any activity that makes the property available to the general public or to multiple brokers through a single communication or broadly distributed promotion," such as "flyers displayed in windows, yard signs, advertising on public-facing websites, brokerage website displays (including IDX and VOW), digital communications marketing such as email distributions, multi-brokerage listing sharing networks, applications available to the general public, or any similar form of public promotion." "Individual, one-to-one communications between a listing broker and another broker regarding a specific property do not constitute public marketing." OneKey Rule 302.2(a). Commercial, nonresidential properties are not subject to the rule. *Id.* 302.2(b).

48. Among other key issues, the Cooperation Rules address a critical free-rider problem that threatened to undermine the entire cooperative structure of the MLS. Before the Cooperation Rules, some brokerages were accessing the comprehensive listing data provided by MLS participants while simultaneously withholding their own listings from the MLS, including many listings which were publicly marketed outside of the MLS but not accessible to all other participating brokers, as well as consumers. In 2018 alone, over 9,000 for-sale properties were marketed to the public before being submitted for cooperation to CRMLS. This practice allowed certain brokerages to benefit from the cooperative data pool without contributing to it, thereby

degrading the value of the key service CRMLS provided for all other participants and the consumers they serve. Throughout 2019, CRMLS received weekly complaints from buyer agent subscribers who had inquired with the non-cooperating advertising agent about for-sale properties but failed to receive any response. In short, those non-cooperating agents were hoarding their listings, while still benefiting unfairly from the listings of the cooperative. In some cases, the advertising listing agent would respond, but would require the inquiring buyer agent to refer the potential buyer client over to the advertising seller's agent in exchange for a referral fee, and if the buyer's agent refused, the advertising seller agent would refuse to deal. Buyer agents complained to CRMLS that their buyer clients were forced to abandon their representation and engage with the advertising seller's agent as the only way for the buyer to gain information or access to the for-sale property. These buyer agents questioned whether they should continue to use the CRMLS cooperative if CRMLS failed to enforce rules that would protect the concepts and principles of cooperation in a practical and meaningful way.

49. As the *Compass v. Zillow* court recognized, such practices could "degrade [a platform's] ability to obtain fresh, comprehensive, and accurate listings; encourage freeriding; fragment the real estate market; and limit transparency." *Compass, Inc. v. Zillow, Inc.*, No. 25-CV-05201-JAV-SDA (S.D.N.Y.), Op. and Order, Dkt. No. 184 at 13-14.

50. The Cooperation Rules do not result in any harm to competition, which is required to bring any Section 1 claim, as Compass threatens.

51. In fact, the Cooperation Rules serve several important procompetitive purposes:

a) Market Transparency and Information Quality. By requiring that publicly marketed listings be promptly submitted to the MLS, the Cooperation Rules reduce hidden inventory and improve the completeness, accuracy, and timeliness of market information

available to all participants and consumers. This transparency benefits both buyers, who gain access to a fuller picture of available properties, and sellers, who benefit from the most efficient pricing mechanism. Sellers also benefit from the broadest potential access to their property and from assurance that they are likely receiving the best possible price for their property—as even the Butters Report confirmed over 40 years ago. In addition, this market transparency and information quality benefits brokers representing (or seeking to represent) sellers and buyers. First, competing selling brokers can access the MLS's comprehensive database of listing information and determine the most accurate potential pricing and marketing plan for a property, thus helping them obtain potential seller representations. Second, brokers representing buyers (as noted in the 2007 Competition Report) can compete effectively for buyers knowing that they can provide access to the full complement of MLS listing information and advise their potential buyers knowing that they have access to the vast majority of available listings in the MLS. By accessing the MLS, even a sole proprietor brokerage can obtain access to the entire inventory of listings in the same way that agents at the largest brokerage can, thus ensuring consumers have a choice of which brokerages they want to employ.

b) Increased Output and Broader Access. The Cooperation Rules increase the output of the MLS by ensuring that publicly marketed listings are available to all participants. This broader access means more buyers see more listings, leading to more efficient matches between buyers and sellers and ultimately to more completed transactions.

c) Preservation of the Cooperative Product. The MLS depends on the broad, prompt contribution of listing data by its participants—indeed, like many other efficiency enhancing products, the MLS depends on the network effect of having all participating brokers submitting their listings in accordance with the established rules and regulations of the MLS. Without the

Cooperation Rules, the value of the MLS would degrade as participants withhold publicly marketed listings, transforming the MLS from a comprehensive marketplace into an incomplete and unreliable data source.

d) Prevention of Free-Riding. Brokers who access MLS data to assist buyer clients or develop valuation opinions while withholding their own publicly marketed listings from the MLS are free-riding on the contributions of other participants. The Cooperation Rules prevent this free-riding by requiring that the benefits of the cooperative system flow in both directions. Thus, the Cooperation Rules prevent a brokerage from obtaining access to all other cooperating brokerages' listing information, while at the same time refusing to share its listing information with the balance of the cooperative. In addition, brokers access CRMLS data to develop and create comparative market analyses (CMA) for potential sellers by using the MLS listing records of past sales and current for-sale properties (including access to on average 34 photos per listing), and detailed sales information (like closed sale price, dates related to marketing time, and information about provided concessions to compare to the home that they are trying to value). Brokers then use the CMA to convince a seller to retain their services and recommend pricing and advice on timing and other transactional elements impacting the seller. The Cooperation Rules thus prevent non-cooperating brokers from benefitting from the fruits of the labor of the cooperative while refusing to submit their own for-sale property information, which those other brokers then cannot incorporate into their CMAs—in short, the non-cooperating broker has an unfair information advantage by refusing to abide by the Cooperation Rules.

e) More vigorous competition amongst competing, participating brokerage firms. Regardless of the size of the firm, brokers participating in the MLS are able to service any potential buyer because they maintain access to the vast majority of inventory in a service area.

As a result, brokers representing buyers are forced to compete on the quality of their skills, experience and, critically, *on pricing*, rather than buyers being forced to use a specific broker just to gain access to information or to gain access to see a specific property. Moreover, because of the Cooperation Rules, brokers participating in the MLS reduce the costs of matching a potential buyer to a potential seller, and can market their services to a large set of potential customers.

f) Consumer protection from conflicts of interest of the seller's broker. Hiding a for-sale property from the MLS allows a seller agent to use an exclusive commission agreement to prevent any other competing buyer brokers with interested clients from accessing the for-sale property or its seller. This practice also allows the seller's agent to control advertising, marketing and buyer leads exclusively, which the seller's broker may leverage for their own financial benefit, and to the detriment of the seller. For example, Compass has an exclusive marketing agreement with Redfin.com, under which, upon information and belief, Redfin/Rocket provides financial benefits and favored treatment to its horizontal competitor Compass, in exchange for Compass providing for-sale property advertisements exclusively to Redfin.com. Compass only receives these financial incentives for properties that are not sent by Compass or the MLS to Zillow.com, Realtor.com, Homes.com, or any of the CRMLS distributed websites, which total over 22,000. The value Compass extracts comes from hiding the for-sale property from these competing sites. The potential buyer views of the for-sale home advertisements are many times greater on the excluded sites than on Redfin.com or Compass.com alone, causing the seller to lose valuable marketing opportunities just so the listing broker can generate additional revenue from hiding the for-sale property from the MLS and competing websites.

52. The procompetitive nature of the Cooperation Rules has been recognized by the market itself. Anywhere Real Estate, Inc., which was the nation's largest real estate holding

company for many years, *and is now also owned by Compass*, warned in its 10-K for fiscal year 2024 that changes to the Cooperation Rules "could, among other things, reduce the availability of broadly listed properties, leading to more unlisted inventory and potentially limiting access to comprehensive housing market data." This acknowledgment by a major industry participant, which is now part of Compass, confirms that the Cooperation Rules serve to maintain market transparency and data quality—core procompetitive values.

53. The MLS is a legitimate cooperative venture, and the Cooperation Rules are internal rules governing the core product of that venture. Under *Texaco Inc. v. Dagher*, 547 U.S. 1 (2006), internal decisions of a legitimate joint venture regarding its core product are not subject to *per se* antitrust condemnation. The Cooperation Rules govern the terms on which participants contribute to and benefit from the MLS's cooperative data pool—a quintessential internal venture decision.

D. Non-Exclusive Listing, "No Cooperation Listings," and Limited Marketing Options

1. CRMLS

54. Importantly, CRMLS Rule 7.9, which requires for-sale property submission for cooperation upon public marketing, is limited to only properties subject to an exclusive commission agreement. An exclusive commission agreement prevents any competing agent from interacting with or communicating with a seller under the National Association of Realtors Code of Ethics, Article 16, Standard of Practice 16-13. Under an exclusive agreement, it is the fact that a seller's agent will be paid, even if that seller's agent fails to procure the buyer, that provides the necessary incentive and protections for that seller's agent to submit the for-sale property to the MLS cooperative.

55. Brokers may also enter into non-exclusive agreements, where they are only paid compensation from their seller if they procure a buyer for the property. Public marketing of a for-sale property subject to a non-exclusive agreement protects the seller from an unethical agent that may hide interest and/or inquiries from potential competing buyer agents. With a non-exclusive agreement in place, the seller and the seller's agent are subject to the open marketplace, so if the seller's agent refuses to cooperate, refuses to deal, or hides the interests of the buyer agent's inquiry from the seller, then the buyer's agent may go to the seller directly and may deal directly with the seller to show the property and present an offer from the buyer agent's client. Rule 7.9 presents a fair balance: exclusive agreements restraining access to the seller are paired with mandatory submission to the MLS for cooperation, while a seller who does not wish to use the MLS to market the home remains free to do so without the restraint of an exclusive commission agreement, ensuring that the for-sale property remains in the open marketplace.

56. A "No Cooperation Listing" (Rule 7.9.1) is one for which the seller has instructed the Listing Broker in writing to do no marketing or advertising as defined by Rule 7.9 and not to disseminate the listing in the MLS. The seller's instruction must include an advisory that the seller is aware that, among other things, other brokers and their buyer clients may not be aware the property is for sale and that the reduced exposure may lower the number of offers and adversely impact the price. A seller who wishes to limit the access of his or her property to a single brokerage, and still wants to sign an exclusive commission agreement, may do so without triggering any obligation under the CRMLS Cooperation Rules.

57. The existence of both the non-exclusive agreement and No Cooperation Listing options is a critical feature of the CRMLS Cooperation Rules. These options ensure that the CRMLS Cooperation Rules do not compel any seller to list on the MLS. Rather, the CRMLS

Cooperation Rules require that if a seller and broker have an agreement that restrains buyer agents from accessing the seller while choosing to publicly market a property—reaching beyond the brokerage's own agents to the general public—the listing must also be shared on CRMLS so that all participants and their buyer clients can benefit from that information and opportunity.

58. The Cooperation Rules are integral to preventing free-riding by agents that want to hoard for-sale inventory for their own profit. If, as Compass now demands, a brokerage were permitted to publicly market a No Cooperation Listing (what Compass mistakenly calls an "office exclusive") without submitting it for cooperation in the MLS, the public marketing of the No Cooperation Listing would swallow the Cooperation Rules and defeat their procompetitive purposes. Indeed, Compass seeks to have its "cake and eat it too" by claiming that it should be allowed to withhold a No Cooperation Listing from submission to the MLS, but then be free to "publicly market" that listing outside the cooperative—in direct contravention of CRMLS rules.

59. To accommodate different sellers' preferences, CRMLS rules allow for many marketing options for sellers.

60. For example, CRMLS has a "Coming Soon" status as an additional option to sellers, which includes submitting the listing to CRMLS for cooperation, but no "days active on the MLS" are accrued. During the Coming Soon status, the property may be publicly marketed, and it is displayed to other participants in CRMLS, but the listing broker and seller volunteer to not show the property to any potential buyers. The "Coming Soon" status allows a seller to market a property and to create buzz and energy around its full access while the seller or listing agent prepares the property for viewing by the public. Since there are no tours or showings to potential buyers, the listing does not accrue "Days Active in MLS." In addition, a property may stay in the "Coming Soon" status for up to 21 days. Importantly, *all CRMLS users* can see "Coming Soon"

listings and are aware that the property may be coming to the marketplace shortly, so the for-sale property is part of the cooperative process.

61. Furthermore, CRMLS provides listing brokers with the option of making the listing fully "Active," meaning that the listing is displayed fully in the CRMLS database and fully distributed through IDX and VOW data feeds; "Days Active on the MLS" are counted; and showings of the property take place both by the listing broker and any other participant representing a buyer. As expected, all CRMLS users can see "Active" listings.

2. OneKey

62. Like CRMLS's No Cooperation Listing option, OneKey Rule 316 preserves a seller's ability to keep a listing out of the MLS entirely. A Participant may accept an "Office Exclusive Listing," provided the Participant has informed the homeowner about the benefits of the MLS and obtains a signed "Office Exclusive Seller Disclosure" confirming the seller's informed decision to withhold the listing from the MLS. OneKey Rules 102.8, 102.9, 316.1. Office Exclusive Listings are recorded with OneKey but are not disseminated to other participants, and they "remain on file with the Service as confidential material and the details shall not be disclosed to any third party." OneKey Rules 303.2, 316.1, 316.2. OneKey permits limited private marketing of an Office Exclusive Listing; only once the property is publicly marketed must it be shared with the cooperative under Rule 302.2.

63. OneKey also offers sellers a range of additional marketing options. Sellers may choose private listings, MLS-only exposure, or broad public distribution, and may elect to publicly market their properties without displaying the address or opt out of distribution to third-party syndication portals. In addition, OneKey's "Coming Soon – No Showings" status allows a seller up to fourteen days to prepare a property for showings while the listing is displayed in the

MLS system, on IDX and VOW websites, on the listing participant's own website, and on social media, but not syndicated to third-party advertising websites. OneKey Rule 302.3. Importantly, during this "Coming Soon" phase, the property cannot be shown for sale to prospective buyers unless it is switched to "Active" making it available to all OneKey participants. Once a listing is switched to "Active," its "OnMarketDate" resets, meaning that the Days on Market count returns to zero, although an IDX website may still display "Days on Site" for the entire period the listing was available on that site. Likewise, when a listing moves from MLS-only status—in which the listing is in the MLS for cooperation but is not displayed on the internet, akin to the traditional NAR internet opt-out—to public display, the Days on Market count is reset to zero and no price-change history is transmitted to the public through OneKey's data feeds. Because the public is seeing the listing for the first time, history associated with the listing's prior, non-public status is not displayed.

64. These options ensure that the OneKey Cooperation Rules, like the CRMLS Cooperation Rules, do not compel any seller to list on the MLS. The OneKey Cooperation Rules preserve the listing options recognized by New York law while requiring participants who choose to publicly market a property to share it with the cooperative marketplace.

E. Compass's Threatened Litigation Against CRMLS and OneKey

65. On September 8, 2026, Nathan P. Eimer, of Eimer Stahl LLP, acting as counsel for Compass, sent the Demand Letter to Art Carter, the Chief Executive Officer of CRMLS. That same day, Mr. Eimer sent the OneKey Demand Letter to Richard Haggerty, the Chief Executive Officer of OneKey. The OneKey Demand Letter followed an August 27, 2026 email from Compass's Chief Legal Officer, Ethan Glass, to which OneKey had responded that any proposed change to its rules would need to proceed through OneKey's established rule-amendment process.

The OneKey Demand Letter is substantially similar to the Demand Letter sent to CRMLS, differing principally in its references to OneKey and OneKey's rules.

66. In the Demand Letters, Compass asserted that each of CRMLS and OneKey is violating the U.S. antitrust laws by fining real estate professionals for publicly marketing an office exclusive listing "and by threatening further punishment, such as suspension or expulsion from the MLS." As to OneKey, Compass asserted that OneKey fines real estate professionals "up to $15,000," citing OneKey Rule 902.2. That figure is the general ceiling on sanctions for any rule violation; the automatic fine for a violation of Rule 302.2 is $2,500, plus $100 for each day the violation remains uncorrected. OneKey Rules 1101, 1103, 1104 (Note D).

67. CRMLS rules have no "office exclusive" category, but CRMLS understood this to mean No Cooperation Listings per Rule 7.9.1. OneKey understood the demand to refer to Office Exclusive Listings under OneKey Rule 316 that are publicly marketed without being submitted for cooperation as required by OneKey Rule 302.2. Compass demanded that each MLS provide written confirmation by 5:00 PM ET on October 6, 2026 that it would not fine or punish a real estate professional for publicly marketing office exclusive listings, and threatened that each MLS would otherwise be "named as a defendant in a federal antitrust lawsuit."

68. The Demand Letters asserted that each MLS's prohibition on public marketing of office exclusives "is a horizontal agreement among competitors—a joint restraint adopted and enforced by competing brokers acting through the MLS." Compass contended that MLS membership is "not voluntary" but rather "a requirement of trade," and argued that each MLS is "controlling how real estate professionals and homeowners . . . act off of your platform."

69. In the Demand Letters, Compass cited the Fourteen Points antitrust policy discussed in the FTC's 1983 report and argued that fining and punishing real estate professionals

for publicly marketing office exclusives had "returned [the MLS] to the days before the Fourteen Points." Compass further referenced its lawsuit against Northwest Multiple Listing Service (described further below) and identified several MLSs that it claimed allow public marketing of office exclusives, including Bay Area REIS, Bright MLS, Garden State MLS, and MetroList. Compass closed by declaring that it "will spend millions of dollars to sue" CRMLS and OneKey, respectively, "and other MLSs to accomplish those goals."

70. The Demand Letters were copied to the Antitrust Division of the U.S. Department of Justice and the Bureau of Competition of the Federal Trade Commission, and included document preservation notices—further underscoring Compass's intent to pursue litigation if CRMLS and OneKey did not accede to its demands.

71. CRMLS responded to the Compass Demand Letter on September 30, 2026. *See* Exhibit C. CRMLS explained that its rules do not prohibit public marketing, that Rule 7.9 instead prevents free-riding by agents who use competitors' contributed listing data and then hide their own exclusively listed properties from the cooperative, and that Compass had made an almost identical demand in November 2024. CRMLS also noted that, only days before sending the Demand Letter, Compass had settled its lawsuit against Northwest Multiple Listing Service on terms requiring submission of for-sale properties for cooperation that are more restrictive than CRMLS Rule 7.9.

72. On October 20, 2026, OneKey responded to the OneKey Demand Letter, rejecting its factual assertions and legal conclusions and declining to make the requested changes. OneKey explained that "[s]eller choice and an open, fair, and competitive marketplace can—and should—coexist," distinguishing a seller's decision to limit a property's exposure from a participating brokerage's demand to publicly market that property while withholding it from the MLS

cooperative. OneKey explained that neither the historical recognition of office-exclusive listings nor the authorities Compass cited establishes an unrestricted right to engage in the latter practice. ***See*** Exhibit H. OneKey further explained that reciprocal sharing enables brokerages of every size to compete based on their services, expertise, and value, rather than exclusive control over listing information. Allowing a brokerage to access competitors' contributed listings while withholding its own publicly marketed listings would create a free-riding problem, risk giving larger brokerages an information advantage over smaller competitors, and undermine transparency and consumer access. OneKey emphasized that its "rules protect competition, not any particular brokerage or business model," and that it would "continue to uphold and appropriately enforce its policies in accordance with applicable law." *See* Exhibit H.

73. Compass has sought a similar one-sided arrangement for other uses of OneKey's cooperative data. On September 23, 2026, Victor Lund, writing from a Compass email address on behalf of Compass International Holdings and its affiliated brands, demanded that OneKey exclude those brands' listing and agent data from feeds supplied by OneKey to third-party technology vendors whose products help brokerages identify and recruit agents. Mr. Lund asserted that "[m]andatory listing submission to the MLS" in these circumstances "results in damage claims to the MLS" and offered to "release any claims" if OneKey implemented the demand within thirty days. Yet Compass itself licenses OneKey's cooperative listing data for its own back-office operations. Compass thus seeks to use competitors' contributed data to support its business while restricting competing brokerages' use of Compass-contributed data to support theirs. Like its demand to publicly market listings while withholding them from the MLS, this request seeks the benefits of the cooperative without reciprocal sharing—another attempt to free-ride on the cooperative.

74. In addition, CRMLS operates a compliance department that processes reports of all manner of CRMLS Rule violations to keep the MLS data as accurate as possible, with an average of 25,000 reports annually. Only a small percentage of those reports relate to Rule 7.9-failure to submit a listing upon public marketing. In 2025, CRMLS issued 89 fines for violation of Rule 7.9, with only 8 of those going to a Compass agent. For context, CRMLS had over 271,000 listings enter the system in 2025. To date in 2026, CRMLS has processed approximately 300 cases related to violations of Rule 7.9, with about 75 of those involving a Compass for-sale property. CRMLS has noticed a significant increase in reports against Compass since the spring. As of the date of filing, CRMLS has ten open cases involving Compass agents, with eight of those having been appealed by the violating Compass agent. CRMLS had approximately 25 cases where Compass violated Rule 7.9 and for which CRMLS did not issue a fine to Compass. This occurred during the period when CRMLS was implementing its new Coming Soon Limited Exposure process, so CRMLS did not issue citations or fines in an effort to assist Compass in educating its agents to use the new option CRMLS created at Compass's request. Additional reports of Compass advertising for-sale properties while failing to submit those same properties to CRMLS for cooperation continue to be received for future processing.

75. OneKey likewise enforces Rule 302.2 through its established rules-enforcement process, under which fines for violations are subject to Written Administrative Review, a hearing before a panel of the MLS Rules and Procedures Committee, and appeal to the Board of Managers. OneKey Rules 901–902, 1201–1210. A violation of Rule 302.2 carries an automatic fine of $2,500, plus $100 for each day the violation remains uncorrected, a penalty structure that has remained unchanged since OneKey's formation. OneKey Rules 1101, 1103, 1104 (Note D). OneKey has enforced Rule 302.2 uniformly across its service area, without regard to the identity

of the participating brokerage. Since January 2025, OneKey has issued 156 fines for violations of Rule 302.2—93 in 2025 and 63 to date in 2026—to 90 different participating brokerage offices, ranging from sole-office firms to the largest brokerages in its service area. Only five of those fines were issued to Compass. OneKey's enforcement process is also measured, fair, and not punitive. Of the approximately $407,800 in total fines issued, approximately $307,400 has been waived, and roughly two-thirds of all fines (104 of 156) were waived by OneKey staff, often upon a showing that the listing had been promptly submitted or that submission was not required. Other fines were reduced or overturned through Written Administrative Review or following a hearing. Consistent with that approach, of the $13,800 in fines issued to Compass, $9,300 has been waived through staff waiver, administrative review, or hearing determination; only a single fine, reduced by a hearing panel to $1,500, has been paid, and one fine, issued on September 21, 2026, remains unpaid.

76. Compass's threatened litigation against CRMLS is part of a broader pattern. Compass had previously demanded that CRMLS remove the Cooperation Rules entirely in 2024. Specifically, in November 2024, Compass demanded that CRMLS remove the Cooperation Rules or face an antitrust lawsuit in January of 2025. *See* Exhibit D. CRMLS evaluated the antitrust claims made by Compass and concluded that removing the Cooperation Rules and implementing the rule modifications Compass demanded could subject CRMLS to potential antitrust liability from buyer agents and buyers, and to potential intentional misrepresentation claims from sellers. In a lengthy email, dated December 3, 2024, CRMLS rejected Compass's demand to modify the Cooperation Rules and detailed its antitrust concerns arising from CRMLS's potential participation in an agreement to create rules for the benefit of giant brokers and their preferred business model. *See* Exhibit E.

77. Compass's threats against OneKey likewise predate the OneKey Demand Letter by months. On March 20, 2026, OneKey issued a notice to its participants explaining the listing options available to sellers within OneKey, including full public marketing, Coming Soon status, MLS-only configurations in which a listing is shared within the MLS but not broadly displayed, and private or office exclusive listings. The next day, March 21, 2026, Compass's Chairman and CEO, Robert Reffkin, wrote directly to OneKey's Chief Executive Officer, copying Compass's Chief Legal Officer, Ethan Glass. Mr. Reffkin asserted that OneKey's rules are "an illegal restraint of trade," declared that Compass is "on a clear path to pursue antitrust claims with three times damages (treble damages) if MLSs continue using their monopoly control to restrict seller choice," and demanded that OneKey adopt the public marketing policies of other MLSs or "just stop fining agents for publicly marketing off-MLS." Mr. Reffkin warned that "litigation is likely to start next month." *See* Exhibit I.

78. On March 24, 2026, OneKey responded that it disagreed with several of Mr. Reffkin's assertions, that OneKey offers sellers multiple listing-exposure options and supports transparency for buyers, and that it remained open to dialogue through its normal governance channels. The same day, Mr. Reffkin replied with a draft public statement that again characterized MLS enforcement of "Clear Cooperation" rules as coercive and demanded that OneKey make three changes to its rules. *See* Exhibit I. Compass's subsequent August 27, 2026 email and September 8, 2026 OneKey Demand Letter renewed the same demand. Thus, as with CRMLS, OneKey has repeatedly declined Compass's demands, and Compass has repeatedly escalated its threats of litigation.

79. The reality and immediacy of this controversy are underscored by Compass's pattern and practice of bringing antitrust claims against MLSs and other parties that maintain rules

similar to the Cooperation Rules. Compass recently sued the Northwest Multiple Listing Service ("NWMLS"). *See Compass, Inc. v. Nw. Multiple Listing Serv.*, No. 2:25-cv-00766, 2026 WL 776138 (W.D. Wash. Mar. 19, 2026). NWMLS and Compass ultimately entered a settlement whereby NWMLS agreed to change certain of its rules related to for-sale listing distribution, but not its requirement that before a real estate listing could be publicly marketed, it had to be provided to NWMLS for inclusion for cooperation in its database of available properties. Compass's Demand Letters expressly cited the NWMLS litigation as precedent for its threatened action against CRMLS and OneKey, but neglected to mention this key provision in its settlement with NWMLS.

80. Additionally, in *Compass, Inc. v. Zillow, Inc.*, No. 25-CV-05201-JAV-SDA (S.D.N.Y.), Compass brought antitrust claims against Zillow, Zillow Group, Inc., and Trulia, LLC, alleging that Zillow's Listing Access Standards violated Sections 1 and 2 of the Sherman Act. Compass sought a preliminary injunction to enjoin Zillow's implementation of display standards that excluded from Zillow's platform listings that had previously been advertised and marketed before submission to the local MLS in violation of the Cooperation Rules. That court denied Compass's motion for a preliminary injunction on February 6, 2026, finding that Compass had failed to demonstrate a likelihood of success on the merits of its Section 1 claim and had not made a clear showing that Zillow possessed monopoly power in the online home search market. Compass subsequently dismissed the action.

81. Taken together, these cases and Plaintiffs' concerns arising from Compass's demands to create rules favorable to giant brokers demonstrate a broad pattern of conduct whereby Compass is engaged in a ceaseless campaign to limit access to residential real estate listings and to force both consumers and brokers to use a Compass-affiliated agent simply to gain access to

information about a for-sale property. In the NWMLS litigation, Compass sought to prevent an MLS from enforcing rules requiring that publicly marketed listings be shared on the MLS. And in the *Compass v. Zillow* litigation, Compass sought to prevent Zillow from implementing listing standards that promoted transparency and access consistent with the same principles as the Cooperation Rules. In each case, Compass's conduct was directed at undermining rules or policies designed to ensure transparency and broad access to listing information, and to benefit itself—a giant brokerage with a large inventory of for-sale properties. This pattern underscores the credibility of Compass's threat to bring similar claims against CRMLS, OneKey, and other MLSs that received copies of the Demand Letters.

82. In addition, Compass's CEO has recently made public statements and published social media posts—including one stating unequivocally that Compass intended to file a lawsuit against CRMLS concerning the issues raised in this declaratory judgment action.

83. Compass has publicly signaled its intent to pursue similar litigation against other MLSs, including OneKey. The Demand Letters make clear that Compass is contemplating litigation against other MLSs across the country. Moreover, upon information and belief, similar demand letters were also sent to numerous other MLSs across the country, including the same threat that each of those MLSs cease the enforcement of its rules relating to the submission of "office exclusives" that are publicly marketed, and threatening those MLSs with a federal antitrust lawsuit if they failed to capitulate.

84. Compass is a OneKey participant, and its affiliated agents are OneKey subscribers. OneKey therefore faces the same choice that CRMLS faces: continue to enforce rules its participants adopted and abide by, and face the litigation Compass has expressly threatened, or abandon those rules and expose itself to potential claims from buyers, buyer agents, and the many

participating brokerages that contribute their listings to the cooperative. Mr. Reffkin's September 30, 2026 statement that Compass would begin suing MLSs across the country that did not capitulate applies with equal force to OneKey.

85. Compass has since carried out its threat against CRMLS. On October 16, 2026, just 11 days after this suit was initially filed, Compass, Inc. and two of its California brokerage subsidiaries sued CRMLS in the United States District Court for the Central District of California, asserting claims under Section 1 of the Sherman Act and the Cartwright Act that challenge CRMLS Rules 7.8 and 7.9. *See Compass, Inc. v. Cal. Reg'l Multiple Listing Serv., Inc.*, No. 5:26-cv-06121 (C.D. Cal. filed Oct. 16, 2026). That filing confirms that the identical threat Compass made against OneKey is real and imminent.

F. History of Antitrust Enforcement Regarding MLS Rules

86. The federal government has a long history of engagement with competition issues in the residential real estate industry. The Fourteen Points, first articulated by NAR in 1971 in response to Justice Department consent orders and later analyzed by the FTC, established a framework for evaluating the antitrust implications of MLS rules. The Fourteen Points addressed concerns that mandatory listing submission rules could restrict the competitive freedom of broker-members, and provided, among other things, that MLSs should not prohibit office exclusives, which neither the CRMLS Cooperation Rules nor the OneKey Cooperation Rules prohibit.

87. Published in 1983, the FTC's Butters Report provided a comprehensive analysis of the residential real estate brokerage industry. The Butters Report recognized the procompetitive benefits of the MLS system while also noting that "office exclusives" allowing sellers to withhold listings from the MLS "may have ameliorated any competitive injury which would otherwise have resulted from 'mandatory' submissions of listings." The Butters Report at

130. The Cooperation Rules' preservation of the "office exclusive" exception is consistent with this insight. CRMLS's specific adoption of "No Cooperation Listings" and the non-exclusive commission agreement options it offers participating brokers, and OneKey's Office Exclusive Listing option, implement these policy decisions.

88. The FTC's 1983 Butters Report also highlighted the exact problem with "vest-pocket" listings—which is exactly what Compass now demands of CRMLS and OneKey—stating: "While there may be cases where a seller does not want his or her listing submitted to the MLS, the MLS remains the most efficient method of maximizing exposure of property in large markets. Historically, however, a common problem for sellers and for the MLSs has been 'vest pocket' listings. An ability to easily withhold underpriced listings may increase the incentives of some brokers to undervalue listings initially. Thus, one rationale for mandatory listing requirements traditionally has been that it helps in suppressing a practice which can do substantial injury to consumers." *Id.* at 130.

89. In 2007, the DOJ and FTC jointly published a report on competition and real estate, further documenting the federal government's engagement with these issues. As noted above, the 2007 Competition Report examined various MLS rules and practices and their effects on competition, reaffirming the government's recognition that MLS rules can serve procompetitive purposes when properly structured.

90. Indeed, as the *Zillow Group, Inc. v. Midwest Real Estate Data, LLC* court recently noted, the DOJ's 2008 consent judgment with NAR established an "'objective criteria' requirement" for MLS data feeds, and subsequent DOJ enforcement has focused on ensuring that "NAR's policy requiring listings to be placed immediately into an MLS" does not "restrict competition from alternative brokerage and listing models." No. 1:26-cv-5451 (N.D. Ill. Sept.

16, 2026), Memo. Op. and Order, Dkt. No. 141 at 44. The DOJ's approach confirms that federal enforcement has sought to refine mandatory MLS submission rules such as the Cooperation Rules, not eliminate them.

91. Finally, in the Supplemental Statement of Interest it filed in the action, *Nosalek v. MLSpin, et al.*, No. 1:20-cv-12244-PBS (D. Mass.), Dkt. No. 358 at 7 n.2, the DOJ clarified that: "Of note, industry participants have made public statements about the Division's purported position on clear cooperation policies that are misleading and out of context. The Division has not taken a position that such policies standing alone (i.e., without mandated MLS publication of offers of compensation or exceptions benefitting primarily large brokerages) are anticompetitive" (emphasis omitted). CRMLS is informed and believes that this statement from the DOJ was directed at public statements made by Compass. Importantly, CRMLS eliminated "mandated MLS publication of offers of compensation" years ago, and OneKey removed its rules requiring publication of offers of compensation on August 8, 2024, and its rules now prohibit any offer of compensation through the MLS. *See* OneKey Rule 502. As noted above, Plaintiffs' rules seek to balance the interests of all brokerage firms, large or small, as well as the interests of sellers and buyers. Thus, neither Plaintiff's rules contain the compensation-related feature that would raise the concerns the DOJ identified in the *Nosalek* Statement of Interest.

G. Prior Judicial Consideration of Transparency Rules

92. In *Zillow Group, Inc. v. Midwest Real Estate Data LLC*, No. 1:26-cv-5451 (N.D. Ill. Sept. 16, 2026), the court similarly denied a preliminary injunction to Zillow, which had challenged restrictions on its access to MLS listing data. Significantly, the court held that "the Seventh Circuit has evaluated restrictions associated with multiple listing services under the rule of reason." 26-cv-5451, Dkt. No. 141 at 33. The court further found that where an MLS enforces

its own rules and "the record [does] not show that the rules were intended solely to suppress competition," *per se* treatment is inappropriate. *Id.* at 33. The court emphasized that "*[p]er se* treatment is therefore appropriate only where the restraint is 'manifestly anticompetitive' and experience permits the Court to condemn it without a detailed examination of its anticompetitive effects." *Id.* at 31 (citation omitted). Importantly, the court also found that the relationship between an MLS and brokerages *is vertical—"a supplier to recipient of inputs"—not horizontal*. *Id.* at 32. The court further held that "the existence of these plausible alternative explanations . . . prevents the Court . . . from characterizing the alleged agreement as a 'naked restraint of trade with no purpose except stifling of competition.'" *Id.* at 33 (citation omitted).

93. These recent holdings strongly support the conclusion that the Cooperation Rules are not a *per se* unlawful group boycott and, to the contrary, are critical to the procompetitive impact that MLSs have on the residential real estate marketplace.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

DECLARATORY JUDGMENT THAT THE COOPERATION RULES DO NOT VIOLATE SECTION 1 OF THE SHERMAN ACT (15 U.S.C. § 1)

94. Plaintiffs incorporate by reference each of the foregoing paragraphs as though set forth fully herein.

95. An actual, justiciable controversy exists between each Plaintiff and Compass regarding whether its Cooperation Rules violate Section 1 of the Sherman Act, 15 U.S.C. § 1. Compass has expressly threatened to bring federal antitrust claims against both CRMLS and OneKey on this basis. Moreover, each Plaintiff has to decide right now whether to continue to enforce its Cooperation Rules; worse, as MLSs affiliated with NAR, if either stops enforcing its Cooperation Rules, it faces potential penalties from NAR, including loss of its charter.

96. The Cooperation Rules do not violate Section 1 of the Sherman Act under the rule of reason. The rule of reason, not *per se* condemnation, is the appropriate framework for evaluating the Cooperation Rules because the Cooperation Rules are rules governing the internal operations of a legitimate cooperative venture—the MLS. *See Texaco Inc. v. Dagher*, 547 U.S. 1, 3 (2006) (internal pricing decisions of legitimate joint venture not *per se* unlawful); *see also Nat'l Collegiate Athletic Ass'n v. Bd. of Regents of the Univ. of Okla.*, 468 U.S. 85, 101 (1984) (rule of reason applies where restraint is essential to the product's availability). Indeed, the Seventh Circuit "has evaluated restrictions associated with multiple listing services under the rule of reason." *Zillow Grp., Inc. v. Midwest Real Est. Data LLC*, Case No. 1:26-cv-5451 (N.D. Ill. Sept. 16, 2026), Dkt. No. 141 at 33.

97. Critically, the Cooperation Rules do not produce any anticompetitive effects. The rules do not raise prices, reduce output, exclude competitors from the market, or diminish innovation. To the contrary, the Cooperation Rules increase the output of the MLS by ensuring that publicly marketed for-sale properties are shared with all participants, thereby expanding the pool of available properties for buyers and the pool of potential buyers for sellers. The rules do not restrict any broker's ability to compete; they simply require that brokers who wish to benefit from the cooperative's data also contribute to it. Sellers retain complete freedom to choose whether to publicly market their properties, to use No Cooperation Listings or Office Exclusive Listings, or to enter into non-exclusive agreements that do not require MLS submission. And brokers of all sizes—from sole proprietors to the largest national firms—compete on a level playing field because they all have access to the same comprehensive listing data. In short, the Cooperation Rules promote competition rather than restrain it.

98. Under the rule of reason, the Cooperation Rules are lawful because they have substantial procompetitive justifications that outweigh any anticompetitive effects. The Cooperation Rules enhance market transparency, increase the output of the MLS, preserve the cooperative product, prevent free-riding, and ensure that consumers on both sides of the marketplace—home buyers and home sellers—benefit from comprehensive and accurate listing information. Courts have recognized that MLS rules serve the legitimate purpose of maintaining "fresh, comprehensive, and accurate listings," and that alternatives to the Cooperation Rules risk "fragment[ing] the real estate market" and "limit[ing] transparency." *Compass, Inc. v. Zillow, Inc.*, No. 25-CV-05201-JAV-SDA (S.D.N.Y.), Dkt. No. 184 at 13-14.

99. The Cooperation Rules do not constitute a group boycott. A group boycott requires an agreement to exclude competitors from the market. The Cooperation Rules do not exclude anyone from the market; they require only that participants who publicly market for-sale properties while exclusively controlling access to the seller and property also share those properties on the MLS. Participants remain free to use No Cooperation Listings or Office Exclusive Listings, to use non-exclusive commission agreements, or to use only a single brokerage firm to find a buyer. The Cooperation Rules impose no restriction on any participant's ability to compete in the real estate brokerage market. Moreover, "antitrust law does not permit the application of the *per se* rule in the boycott context in the absence of a horizontal agreement." *Zillow Grp., Inc. v. Midwest Real Est. Data LLC*, No. 1:26-cv-5451 (N.D. Ill. Sept. 16, 2026), Dkt. No. 141 at 32 (citation omitted). As that court recognized, the relationship between an MLS and its participating brokerages is vertical—"a supplier to recipient of inputs"—not horizontal. *Id.*

100. No less restrictive alternative to the Cooperation Rules exists that would achieve their procompetitive objectives. Under the CRMLS Cooperation Rules, the non-exclusive commission agreement—which does not require submission for cooperation into the MLS because access to the property and seller remains unrestrained by an exclusive commission agreement—already provides a balanced accommodation that allows sellers the option to never place their for-sale property into the MLS while still conducting any marketing or advertising activity they desire. Under both sets of Cooperation Rules, sellers may keep a listing out of the MLS entirely as a No Cooperation Listing or Office Exclusive Listing. The CRMLS and OneKey Coming Soon statuses provide a delay to broad MLS exposure while ensuring that publicly marketed listings remain in the cooperative for access by buyer agents. Eliminating the Cooperation Rules altogether would reintroduce the free-rider problem and degrade the quality and comprehensiveness of the MLS's cooperative data pool.

101. Plaintiffs are concerned that submitting to Compass's demands to hide for-sale properties from the MLS and the marketplace, while the seller is prevented from interacting with any competing buyer agents because of the restraints of the exclusive commission agreement, will cause buyers or buyer agents to bring credible antitrust claims against them.

102. Moreover, unlike in prior situations with Compass, the threat of litigation is imminent—Compass provided a deadline of October 6, 2026, for purported compliance by CRMLS, and October 20, 2026 for OneKey, and its CEO made public statements at the CMLS Conference on September 30, 2026, stating Compass would file suit. In addition, the Demand Letters were copied to the DOJ and FTC and contained litigation-hold notices, Compass recently initiated litigation against NWMLS seeking similar relief, Compass has separately asserted that

OneKey faces "damage claims" arising from its mandatory listing submission requirements, and Compass has now sued CRMLS after the initial filing of this action.

103. In sum, the dispute is ripe, and Plaintiffs are entitled to a declaration that their respective Cooperation Rules do not violate Section 1 of the Sherman Act.

SECOND CAUSE OF ACTION

DECLARATORY JUDGMENT THAT THE CRMLS COOPERATION RULES DO NOT VIOLATE THE CALIFORNIA CARTWRIGHT ACT (CAL. BUS. & PROF. CODE § 16720)

104. CRMLS incorporates by reference each of the foregoing paragraphs as though set forth fully herein.

105. An actual, justiciable controversy exists between CRMLS and Compass regarding whether the CRMLS Cooperation Rules violate the California Cartwright Act, Cal. Bus. & Prof. Code § 16720 et seq.

106. Claims under the Cartwright Act are analyzed under the same standard as claims under the Sherman Act. *See Cnty. of Tuolumne v. Sonora Cmty. Hosp.*, 236 F.3d 1148, 1160 (9th Cir. 2001) ("The analysis under California's antitrust law mirrors the analysis under federal law because the Cartwright Act, Cal. Bus. & Prof. Code § 16700 et seq., was modeled after the Sherman Act." (citation omitted)).

107. For the same reasons set forth in the First Cause of Action, the CRMLS Cooperation Rules do not violate the Cartwright Act. The CRMLS Cooperation Rules are procompetitive rules that are not unlawful under the rule of reason, do not constitute a group boycott, and for which no less restrictive alternative exists.

108. CRMLS is entitled to a declaration that the CRMLS Cooperation Rules do not violate the California Cartwright Act.

THIRD CAUSE OF ACTION

DECLARATORY JUDGMENT THAT THE ONEKEY COOPERATION RULES DO NOT VIOLATE THE NEW YORK DONNELLY ACT (N.Y. GEN. BUS. LAW § 340)

109. OneKey incorporates by reference each of the foregoing paragraphs as though set forth fully herein.

110. An actual, justiciable controversy exists between OneKey and Compass regarding whether the OneKey Cooperation Rules violate the New York Donnelly Act, N.Y. Gen. Bus. Law § 340 et seq.

111. The Donnelly Act was modeled on the Sherman Act and is generally construed in light of federal precedent. *See X.L.O. Concrete Corp. v. Rivergate Corp.*, 83 N.Y.2d 513, 518 (1994).

112. For the same reasons set forth in the First Cause of Action, the OneKey Cooperation Rules do not violate the Donnelly Act. The OneKey Cooperation Rules are procompetitive rules that are not unlawful under the rule of reason, do not constitute a group boycott, and for which no less restrictive alternative exists.

113. OneKey is entitled to a declaration that the OneKey Cooperation Rules do not violate the New York Donnelly Act.

PRAYER FOR DECLARATORY AND INJUNCTIVE RELIEF

WHEREFORE, Plaintiffs CRMLS and OneKey respectfully request that this Court enter judgment in their favor, and grant the following relief:

A. A declaration, pursuant to 28 U.S.C. §§ 2201–2202, that the Cooperation Rules do not violate Section 1 of the Sherman Act, 15 U.S.C. § 1;

B. A declaration, pursuant to 28 U.S.C. §§ 2201–2202, that the CRMLS Cooperation Rules do not violate the California Cartwright Act, Cal. Bus. & Prof. Code § 16720 et seq.;

C. A declaration, pursuant to 28 U.S.C. §§ 2201–2202, that the OneKey Cooperation Rules do not violate the New York Donnelly Act, N.Y. Gen. Bus. Law § 340 et seq.;

D. An injunction permanently enjoining Compass from bringing or pursuing any claim against CRMLS or OneKey alleging that the Cooperation Rules violate the federal or state antitrust laws;

E. An award of Plaintiffs' reasonable attorneys' fees and costs incurred in this action; and

F. Such other and further relief as this Court deems just and reasonable, including preliminary and temporary relief, and fees and costs as may be requested or required.

Dated: October 27, 2026

Respectfully submitted,

/s/ Claude G. Szyfer

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Attorneys for Plaintiffs California Regional Multiple Listing Service, Inc. and OneKey® MLS LLC

Exhibit A

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September 8, 2026

VIA E-MAIL

Art Carter, Chief Executive Officer
California Regional Multiple Listing Service
artc@crmls.org

Re: Formal Legal Demand to Stop Fining/Punishing Agents for Public Marketing

Dear Mr. Carter:

We represent Compass, Inc. in potential antitrust litigation against California Regional Multiple Listing Service.

Following on the August 27 email from Ethan Glass, to which you did not respond, this letter is formal notice that CRMLS is violating the U.S. antitrust laws by fining real estate professionals "1% of list price, no less than $500 and not to exceed $2,500" for publicly marketing an office exclusive listing and by threatening further punishment, such as suspension or expulsion from the MLS.[1]

To avoid being named as a defendant in a federal antitrust lawsuit, CRMLS must provide written confirmation to me by 5:00 PM ET on October 6, 2026, that **CRMLS will not fine or punish a real estate professional for *publicly* marketing office exclusive listings.** If you confirm, Compass will waive and release CRMLS from the Compass claims described in this letter.

An antitrust case against CRMLS would be straightforward and compelling. MLSs are inherently vulnerable to antitrust claims because they are combinations of direct competitors dictating how other competitors are allowed to compete. It is thus not surprising that MLSs and NAR have lost virtually every antitrust suit and government investigation challenging their mandatory rules over the last 60 years.

Our antitrust claim against CRMLS is even stronger than those prior cases. CRMLS has a rule requiring real estate professionals to submit listings to the MLS and consequently market their clients' homes only as allowed by CRMLS. Since 1971, as recognized by the FTC in its landmark study, for an MLS with a mandatory submission rule to comply with the antitrust laws, it must give real estate professionals and homeowners true alternatives to the MLS limitations and restrictions on selling a home—alternatives that existed for over 50 years, that the industry called "office exclusive" listings by the industry.[2] That means consumers are entitled to a choice: market a home using the MLS (e.g., its distribution services) under the MLS's limitations and restrictions; or market a home, as an office exclusive, without MLS distribution and without the its limitations and restrictions. Despite attempts last year to change the definition of "office exclusive," for over 50 years, this is exactly how those listings worked—they were not subject to the MLS limitations and restrictions, and were publicly marketed however the real estate professional and homeowner legally wanted. As the FTC wrote, this choice is critical to antitrust compliance because, "[w]here 'office exclusives' are allowed, that is, where the seller can specify that his or her listing not be placed on the MLS, the broker and seller appear to be free to contract as they see fit."[3] On the other hand, without the freedom to use office exclusives, CRMLS's mandatory submission rule violates the antitrust laws, as detailed below.

Moreover, at a time when government regulators and public interest organizations have been advocating for listings to be marketed more publicly, CRMLS's fines and punishments for public marketing make listings *less available*. CRMLS punishes a real estate professional for any public marketing of an office exclusive, including on public facing websites available to everyone. This hurts competition and consumers. We are sure that there is not a single real estate professional who wants to be fined by an MLS for following their client's lawful marketing instructions, which is their fiduciary and statutory duty to their clients. We are sure that real estate professionals want to compete for clients with creative marketing strategies. Homeowners lose the benefits of the loyalty of their real estate professional, the competition between real estate professionals, and the choice of how to publicly market their own homes. And, of course, buyers would benefit if all office exclusive listings were allowed by CRMLS to be publicly marketed.

CRMLS has a simple choice: (a) stop fining and punishing real estate professionals for publicly marketing office exclusives; or (b) defend, in a federal antitrust case, the choice to block competition, force office exclusives to be less accessible to buyers, undertake discovery burdens, pay your costs of litigation, pay us triple our damages, and reimburse us all of our attorneys' fees and costs.[4]

A. Restrictive MLS rules have created antitrust liability for over 75 years.

MLS rules have been the target of federal antitrust enforcement for decades. The legal battles began in the 1940s when the DOJ brought civil *and criminal* charges for rules that enforced a 6% commission rate.[5] More recently, a federal appeals court held that a challenge to an MLS policy limiting public marketing conduct, as characterized by the plaintiff, "shares all the hallmarks of a group boycott" that stated a valid antitrust claim.[6] The DOJ noted that the same policy "restricts the choices available to home sellers and listing brokers who want to market homes outside the NAR-affiliated MLS systems . . . ."[7] In a case brought by the FTC against a Michigan MLS, a federal court of appeals held that the MLS's website policy—which limited the public distribution and display of limited-service property listings based on the nature of the listing contract—"unreasonably restrained competition."[8] And, in a case led by Compass Chief Legal Officer, Ethan Glass, when he was at the DOJ, a federal court ordered that an MLS "shall not adopt, maintain, or enforce any Rule . . . that directly or indirectly . . . prohibits, restricts, or impedes any truthful advertising or marketing activities of any home seller or discriminates against or disadvantages any Member or Licensee for any truthful advertising or marketing activity in which any home seller is engaged."[9]

Most recently, Compass sued the Northwest Multiple Listing Service. There, the Court rejected every legal argument CRMLS might make, and more: Compass did not state a plausible Section 1 claim; the rules were necessary to stop free-riding; MLSs cannot be sued because of the "two-sided-market" and "refusal-to-deal" doctrines; and NWMLS was simply enforcing rules that Compass agreed to.[10] Within 5 months of the Court's decision, NWMLS agreed to change its rules.[11]

In short, over 60 years, MLSs have spent time and money in court defending their unreasonably restrictive practices, with the same result in almost every case: those practices end.

B. CRMLS is repeating the same illegal acts from before the "Fourteen Points."

As the FTC described in its seminal report,

> By the late 1960's and early 1970's, MLSs had been named in a number of private antitrust actions and Justice Department investigations. Justice Department investigations culminated in 15 consent orders banning price fixing and other alleged anti-competitive activities. In response to these legal problems, the National Association of Realtors developed and enforced a list of policy points. The NAR's November 15, 1971 statement,

setting out and mandating these policies on the Realtor MLSs, is referred to in the industry as the "Fourteen Points."[12]

Specifically, the Fourteen Points antitrust policy addressed the fact that, "[o]n its face, requiring that MLS members submit all of their listings of a designated type restricts the competitive freedom of the broker-members. Alternative methods of selling houses are effectively foreclosed."[13] To address this antitrust violation, Points 10 and 11 of the "Fourteen Points" antitrust policy provide:

10. MLS shall not: Make any rule regulating the advertising or promotion of any listing.

11. MLS shall not: Prohibit or discourage a member from accepting a listing from a seller (owner) preferring to give [an] "office exclusive."[14]

The FTC found that the Fourteen Points antitrust policy in general, and Point 11 in particular, "may have ameliorated any competitive injury which would otherwise have resulted from 'mandatory' submissions of listings. Where 'office exclusives' are allowed, that is, where the seller can specify that his or her listing not be placed on the MLS, the broker and seller appear to be free to contract as they see fit."[15]

The recent attempt to change the definition of an office exclusive only increases the exposure for MLSs. From 1971 to 2025, mandatory submission rules complied with the antitrust laws because real estate professionals and homeowners had a true alternative: they could use office exclusives *without any limit to public marketing*. MLS rules simply provided "[i]f the seller refuses to permit the listing to be disseminated by the service, the participant may then take the listing (office exclusive) and such listing shall be filed with the service but not disseminated to the participants."[16] The DOJ and a federal judge similarly defined "Office Exclusive" to be "a listing in which the owner refuses to grant permission for distribution of the listing to the MLS."[17] None of these definitions of office exclusive limited public marketing. In fact, Bright MLS, one of the largest MLSs in the country, defines "Office Exclusive/Limited Marketing" as "Properties *being marketed* on a limited basis outside the MLS and not shared within the MLS for cooperation with all subscribers."[18] However, in August 2025, right after Compass started publicly marketing office exclusives, NAR started using a definition of office exclusives that conflicts with 50 years of history: a listing "where the seller has directed that their property not be disseminated through the MLS *and not be publicly marketed*."[19] Such attempts to block public marketing by wordplay subjects CRMLS to the antitrust risk that it has avoided for decades.

Simply stated, fining and punishing real estate professionals for publicly marketing office exclusives has returned CRMLS to the days before the Fourteen Points. In doing that, CRMLS is violating the antitrust laws.

C. Compass has a strong antitrust claim against CRMLS.

In addition to this compelling history, straightforward antitrust analysis shows that fining or punishing real estate professionals for publicly marketing office exclusives violates the antitrust laws and is illegal.

First, CRMLS's prohibition on public marketing of office exclusives is a horizontal agreement among competitors—a joint restraint adopted and enforced by competing brokers acting through the MLS. By definition, an MLS is a combination of competitors that dictates how other competitors are allowed to compete. (Some MLSs also conspire with other MLSs through the Council of Multiple Listing Services.) The public marketing prohibition unreasonably restrains trade by eliminating an entire method of competition that homeowners demand and that brokers would otherwise provide: the public marketing of office exclusives. CRMLS forces homeowners to forfeit their preferred marketing strategy or their

preferred listing type; and CRMLS blocks real estate professionals from competing on marketing strategies.

Second, real estate professionals cannot leave CRMLS to avoid fines and punishments. As is common knowledge, and as courts have almost universally found under the antitrust laws, MLS membership is not voluntary. Membership in CRMLS is not a choice, it is a requirement of trade.

Third, CRMLS is not just controlling what real estate professionals do on the MLS platform, but is explicitly and intentionally controlling how real estate professionals and homeowners (who are not even members) act off of your platform. As an example, CRMLS fines real estate professionals for marketing an office exclusive on public websites.

Fourth, CRMLS might seek to blame NAR and say that CRMLS is just following mandatory NAR policy, but CRMLS is responsible for the fines and punishments you impose against real estate professionals. In fact, NAR has expressly stated that, even for mandatory MLS policy, "[e]nforcement is the responsibility of the local MLS."[20]

* * *

Today, many successful MLSs allow public marketing of office exclusives, including Bay Area Real Estate Information Services, Bright MLS, Garden State MLS, MetroList Services, Inc., MLS Property Information Network, Miami Realtors MLS, RealTracs, and West Penn Multi-List. These MLSs collectively cover 12 states plus Washington, D.C., representing about 350,000 real estate professionals (about 25% of the U.S.). After all, the purpose of the MLS is not to tell real estate professionals and homeowners how to market properties; instead, it is "the orderly correlation and dissemination of listing information to participants so they may better serve the buying and selling public."[21]

Let there be no confusion about our objectives: Compass is advocating for more public marketing of listings, expanded consumer choice, and increased market competition, and we will spend millions of dollars to sue CRMLS and other MLSs to accomplish those goals.

In light of imminent litigation, CRMLS, its officers, directors, committee members, and employees are hereby placed on notice to suspend all automatic deletion policies and to preserve all documents and electronic data relating to (1) office exclusives, (2) marketing of listings on and off-MLS, (3) competition between MLSs and real estate professionals, and (4) your business strategies.

Sincerely,

Nathan P. Eimer

cc: Nicole Sarrine, Deputy Assistant Attorney General for Civil Conduct
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[1] CRMLS, *MLS Citation Policy*, at 3 (July 10, 2026).

[2] FTC, *The Residential Real Estate Brokerage Industry*, at 129 (Dec. 1983); *see also* Final Judgment, *United States v. Multiple Listing Serv. of Hilton Head Island, Inc.*, Case No. 9:07-cv-03435-SB (D.S.C. May 28, 2008), ECF No. 16, at 5 (defining "Office Exclusive" as "a listing in which the owner refuses to grant permission for distribution of the listing to the MLS.").

[3] FTC, *The Residential Real Estate Brokerage Industry*, at 129 (Dec. 1983).

[4] 15 U.S.C. § 15(a) ("[A]ny person who shall be injured in his business or property by reason of anything forbidden in the antitrust laws may sue therefor . . . and shall recover threefold the damages by him sustained, and the cost of suit, including a reasonable attorney's fee.").

[5] *See United States v. Nat'l Ass'n of Real Est. Bds.*, 339 U.S. 485, 487 (1950).

[6] *PLS.com, LLC v. Nat'l Ass'n of Realtors*, 32 F.4th 824, 834 (9th Cir. 2022).

[7] Final Br. Of Appellants United States of America, et al., *Nat'l Assn of Realtors v. United States*, No. 23-5065 (D.C. Cir. Aug. 18, 2023), ECF No. 2013267, at 10.

[8] *Realcomp II, Ltd. v. FTC*, 635 F.3d 815, 819 (6th Cir. 2011).

[9] Final Judgment, *United States v. Consolidated Multiple Listing Serv., Inc.*, Case No. 3:08-cv-01786-SB (D.S.C. Aug. 27, 2009), ECF No. 68, at 4.

[10] *Compass, Inc. v. Nw. Multiple Listing Serv.*, No. 2:25-cv-00766-JNW, 2026 WL 776138 (W.D. Wash. Mar. 19, 2026).

[11] https://www.compass.com/newsroom/press-releases/a7Jxi0oJq1JansK7dBFWO (Aug. 31, 2026).

[12] FTC, *The Residential Real Estate Brokerage Industry*, at 109 (Dec. 1983).

[13] *Id*. at 130.

[14] *Id*. at 134 n.354.

[15] *Id*. at 130.

[16] Nat'l Ass'n of Realtors, *Handbook on Multiple Listing Service Policy*, § 1.3 (2024).

[17] Final Judgment, *United States v. Multiple Listing Serv. of Hilton Head Island, Inc.*, Case No. 9:07-cv-03435 (D.S.C. May 28, 2008), ECF No. 16, at 5.

[18] Bright MLS, *Rules Governing Use of Bright's Services*, at 6 (July 22, 2026) (emphasis added).

[19] Compare FTC, *The Residential Real Estate Brokerage Industry*, at 129 (Dec. 1983), *with* Nat'l Ass'n of Realtors, *Handbook on Multiple Listing Policy*, Policy Statement 8.14 (2025) (emphasis added).

[20] https://www.nar.realtor/about-nar/policies/mls-policy/office-exclusive-listings/pre-marketing-guidance.

[21] Nat'l Ass'n of Realtors, *Handbook on Multiple Listing Policy*, Antitrust Compliance Policy (2026).

Exhibit B

CRMLS Rules & Policies

Effective July 10, 2026

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1. AUTHORITY.

The Associations of REALTORS® (AOR)/Multiple Listing Service may maintain a Multiple Listing Service ("MLS") or other "Services" for the use of licensed real estate Brokers and Salespersons and licensed or certified Appraisers under the terms of these rules as from time to time amended.

2. PURPOSE.

CRMLS as a Multiple Listing Service is in the business of operating a broker cooperative by providing information and services to real estate brokers, agents, or appraisers for use in their professional activities by:

a) Collecting from real estate agents, brokers or appraisers real-estate information and data, including but not limited to listing information.
b) Enhancement and organization of that information and data with other property information to create property records.
c) Distribution and display of those collected property records to real estate brokers and appraisers for their use in listing, selling, leasing, and valuing real estate for the benefit of consumers.
d) Distribution of those collected property records to non-broker entities that use the property records to support real estate transactions or the real estate industry.
e) Providing services, rules and systems that facilitate the cooperation between different brokers, and agents to represent clients in real estate transactions.

3. THE AOR/MLS COMMITTEE.

The AOR/MLS shall be governed by its board of directors (hereinafter "Board of Directors") in accordance with its articles of incorporation and its bylaws. Committees may be established to perform such functions as may be delegated, but all actions of committees shall be subject to the approval and confirmation of the Board of Directors.

4. PARTICIPATION AND AUTHORIZED ACCESS.

4.1 Participant. A Participant is any individual who applies and is accepted by the MLS, and meets and continues to meet all of the following requirements of either a Broker Participant or an Appraiser Participant as defined below in Sections 4.1.1 and 4.1.2.

The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants.

4.1.1 Broker Participant. A Broker Participant is a Participant who meets all the following requirements:

a) The individual or corporation, for whom the individual acts as a Broker/officer, holds a valid California Real Estate Broker's license;
b) The individual is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal;
c) The individual or corporation for whom the individual acts as a Broker/officer

agrees to cooperate with other Participant Brokers in the capacity of a Real Estate Broker;
d) The individual has signed a written agreement to abide by the rules of the MLS in force at that time and as from time to time amended;
e) The individual pays all applicable MLS fees; and

4.1.2 Appraiser Participant. An Appraiser Participant is a Participant who meets all the following requirements:

a) The individual holds a valid California Appraiser's certification or license issued by the Bureau of Real Estate Appraisers ("BREA") (also referred to as "Office" of Real Estate Appraisers or OREA);
b) The individual is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal;
c) The individual has signed a written agreement to abide by the rules of the MLS in force at that time and as from time to time amended;
d) The individual pays all applicable MLS fees; and

4.1.3 Redundant Participant Qualifications. Participant type (Broker or Appraiser) must be selected during application for participation. A Participant with both a California Real Estate Broker's license and a California Appraiser's certification or license must join as a "Broker Participant" to be a Listing Broker (see Section 4.7), or Buyer Broker (see Section 4.8).

4.2 Subscriber. A Subscriber is an individual who applies and is accepted by the AOR/MLS, and meets and continues to meet all of the following requirements of either a R.E. Subscriber or Appraiser Subscriber as defined below in sections 4.2.1 and 4.2.2:

4.2.1 R.E. Subscriber. A R.E. Subscriber is a Subscriber who meets all the following requirements:

a) The individual holds a valid California real estate salesperson's or broker's license;
b) The individual is employed by or affiliated as an independent contractor with a Broker Participant;
c) The individual agrees to cooperate with other Subscriber Agents and Participant Brokers in the handling of any real estate transaction;
d) The individual has signed a written agreement to abide by the rules and regulation of the service in force at that time and as from time to time amended;
e) The individual pays all applicable MLS fees; and

4.2.2 Appraiser Subscriber. An Appraiser Subscriber is a Subscriber who meets all of the following requirements:

a) The individual holds a valid California real estate appraiser's certification or license issued by the BREA;
b) The individual is employed by or affiliated as an independent contractor with an Appraiser Participant;

c) The individual has signed a written agreement to abide by the rules and policies of the service in force at that time and as from time to time amended;

d) The individual pays all applicable MLS fees; and

4.2.3 Redundant Subscriber Qualifications. Subscriber type (R.E. or Appraiser) must correlate to the participant type. A Subscriber who is both a California Real Estate Licensee and a California certified or licensed Appraiser must join as a "R.E. Subscriber," unless the employing or affiliated Participant is an Appraiser Participant.

4.3 Clerical Users. Individuals (whether licensed or unlicensed) under the direct supervision of an MLS Participant or Subscriber that perform only administrative and clerical tasks that do not require a real estate license or an Appraiser's certificate or license. Each Participant and Subscriber shall provide the AOR/MLS with a list of all Clerical Users employed by or affiliated as independent contractors with the Participant or Subscriber and shall immediately notify the AOR/MLS of any changes, additions, or deletions from the list.

4.4 Registered Assistant Access. Individuals (whether licensed or unlicensed) that use the MLS for clerical tasks such as entering listings and/or searching the database and are under the direct supervision of a Participant, Subscriber or Appraiser, may be given access to the MLS by a unique and individual passcode. The Assistant passcode will be directly linked to the Assistant's employer and will be terminated if said employer should become inactive in the MLS. An Assistant must adhere to the following requirements:

4.4.1 Assistant Fees. The Assistant fees will be up to date as set forth by the service center or AOR/MLS that the Assistant's employer participates at;

4.4.2 Assistant Written Agreement. The Assistant will have signed a written agreement to abide by the rules and policies of the service center or AOR/MLS and will be required to either attend MLS orientation or pass a standardized test administered by staff covering the service center or AOR/MLS rules and policies;

4.4.3 Assistant Information. The Assistant will only relay MLS information to his/her employer and not to members of the public, other service centers, and/or other AOR/MLS participants, subscribers or appraisers (this does not prohibit licensed assistants from performing duties of a real estate licensee or appraiser licensee outside of the MLS as long as the duties performed do not involve data retrieved from the service center or AOR/MLS database);

4.4.4 Assistant Identification. The Assistant may not be identified as an agent or contact person for a property listed with the service center or AOR/MLS;

4.4.5 Assistant Eligibility. Assistants may be eligible for lockbox access services, unless otherwise prohibited, and are prohibited from using any other Participant, Subscriber or Appraiser's access device.

4.5 Notification of Licensees. Each Participant shall provide the AOR/MLS with a list of all real estate licensees or certified or licensed Appraisers employed by or affiliated as independent contractors with such Participant or with such Participant's firm and shall immediately notify

the AOR/MLS of any changes, additions, or deletions from the list. This list shall include any licensees under any Broker associate affiliated with the Participant.

4.6 **Participation Not Transferable.** Participation in the MLS is on an individual basis and may not be transferred or sold to any corporation, firm, or other individual. Any reimbursement of MLS fees is a matter of negotiation between those transferring the business or determined by internal contract arrangement within the firm. However, providing the first Participant consents, the AOR/MLS shall allow a firm to designate a different person as a Participant within the firm without additional initial participation fees. The AOR/MLS may charge an administrative fee for this service of reassigning Participants within a firm.

4.7 **Listing Broker Defined.** For purposes of these MLS rules, a Listing Broker is a Broker Participant who is also a listing agent in accordance with California Civil Code Section 1086, et. seq., who has obtained a written listing agreement by which the Listing Broker has been authorized to act as an agent to sell or lease the property or to find or obtain a buyer(s) or tenant(s). Whenever these rules refer to the Listing Broker, the term shall include a Subscriber in addition to the Participant or a licensee retained by the Listing Broker but shall not relieve the Listing Broker of responsibility for the act or rule specified.

4.8 **Buyer Broker Defined.** For purposes of these MLS rules, a Buyer Broker is a Broker Participant who is also a buyer's agent as defined in California Civil Code Section 1086, et. seq., who acts in cooperation with a Listing Broker to find or obtain a buyer(s) or tenant(s) for a listed property. The Buyer Broker may be the agent of the buyer(s) or, if subagency is offered and accepted, may be the agent of the seller(s). Whenever these rules refer to the Buyer Broker, the term shall include a Subscriber in addition to the Participant or licensee retained by the Buyer Broker but shall not relieve that Broker Participant of responsibility for the act or rule specified.

4.9 **Appraiser Defined.** For purposes of these MLS rules, an Appraiser is an Appraiser Participant, Appraiser Subscriber, or a licensed or certified Appraiser acting for the Appraiser Participant or Appraiser Subscriber. Whenever these rules refer to the Appraiser, the term shall also include the Appraiser Subscriber, or a licensed or certified Appraiser employed by or affiliated as an independent contractor with the firm that employs the Appraiser but shall not relieve that Appraiser Participant of responsibility for the act or rule specified.

4.10 **Authorization for Mandatory Training.** 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.

4.11 **Subject to MLS Rules.** By becoming and remaining a Participant, Subscriber or Clerical User, each Participant, Subscriber and Clerical User agrees to be subject to these MLS Rules and Policies.

5. MLS FEES AND CHARGES.

5.1 Service Fees and Charges. The AOR/MLS Board of Directors shall establish a schedule of MLS fees applicable to the MLS, which may include the following service fees and charges:

5.1.1 Initial Participation and/or Application Fee. Applicants for MLS services may be assessed initial participation and/or application fees.

5.1.2 Recurring Participation Fee. The recurring participation fee of each Broker Participant shall be an amount equal to the fee set for each individual times the total number of (1) the Broker Participant, plus (2) the number of Salespersons who have access to and use of the MLS, whether licensed as Brokers or as Salespersons, who are employed by or affiliated as independent contractors with such Participant or the Participant's firm. If more than one principal Broker in the same firm elects to be a Participant, the number of Salespersons in the firm will only be used once in calculating the recurring participation fees. A Broker Participant is not obligated to pay recurring participation fees or other MLS fees and charges for real estate licensees affiliated with the Participant or the Participant's firm if such licensees work out of a branch office of the Participant or the Participant's firm that does not participate in or otherwise use the MLS.

The recurring participation fee of each Appraiser Participant shall be an amount times the total number of (1) the Appraiser Participant, plus (2) the number of Appraisers who have access to and use of the MLS, who are employed by or affiliated as independent contractors with such Participant or the Participant's firm. If more than one principal Appraiser in the same firm elects to be a Participant, the number of Appraisers in the firm will only be used once in calculating the recurring participation fees. An Appraiser Participant is not obligated to pay recurring participation fees or other MLS fees and charges for licensed or certified Appraisers affiliated with the Participant or the Participant's firm if such Appraisers work out of a branch office of the Participant or the Participant's firm that does not participate in or otherwise use the MLS.

5.1.3 Listing Fee. A listing fee may be charged for each listing submitted to the MLS.

5.1.4 Computer Access Fees. The recurring computer access fee for each Participant shall be an amount established and approved by the AOR/MLS Board of Directors equal to the total number of Subscribers and Salespersons licensed or certified as Appraisers, Brokers, or Salespersons, who are employed by or affiliated as independent contractors with such Participant.

5.1.5 Certification of Nonuse. Participants may be relieved from payment under Sections 5.1.2 and 5.1.5 hereunder by certifying to the AOR/MLS that a licensed or certified person in the office is engaged solely in activities that do not require a real estate license or certification (clerical, etc.), or that the real estate Licensee or licensed or certified Appraiser will not use the MLS or MLS compilation in any way. In the event a real estate Licensee or Appraiser is found in violation of the nonuse certification, the Participant shall be subject to all MLS fees dating back to the date of the certification. The Participant and Subscriber may also be subject to any other sanction imposed for violation of MLS rules, including, but not limited to, a citation and

suspension or termination of Participation rights and access to the MLS.

5.1.6 Other Fees. Other fees that are reasonably related to the operation of the MLS may be adopted.

5.2 Responsibility for Fees. In the event the AOR/MLS allows for direct billing or payment by a Subscriber for fees under these rules, such fees shall be the exclusive obligation of that Subscriber regardless of whether such Subscriber becomes affiliated with a different Participant. If the MLS does not allow for direct billing or payment by a Subscriber for MLS fees, such fees shall be the responsibility of the Participant with whom the Subscriber was affiliated with at the time the MLS fees were incurred. This section does not preclude in any way the ability of Participants to pursue reimbursement of MLS fees from current or past Subscribers or to establish agreements with Subscribers regarding payment or reimbursement of MLS fees.

6. REGIONAL AND RECIPROCAL AGREEMENTS.

The AOR/MLS Board of Directors may approve and enter into regional or reciprocal agreements with AORs or MLS corporations owned or governed solely by AORs or licensed real estate brokers to allow the other MLS participants and subscribers access to the MLS in exchange for comparable benefits to the Participants and Subscribers of this MLS. In the event of such agreements, the Participants and Subscribers agree to abide by the respective rules of the other MLSs receiving and publishing a listing pursuant to such agreements and to abide by such rules when accessing the other databases or datasets.

7. LISTING PROCEDURES.

7.1 Listings Subject to Rules and Policies of the MLS. Any listing filed with the MLS by a Listing Broker are subject to the rules of the MLS.

7.2 Property Already Listed by Another Agent/Broker. The MLS allows one listing per property type for a specific property. There may be situations where more than one Broker believes they have a valid listing agreement for the same property. The MLS and/or Association cannot determine the validity of claims of competing contracts. It is the responsibility of the Brokers and seller to resolve the validity question prior to entering a listing into the MLS. Entering a listing into the MLS without a valid listing agreement is a violation of MLS Rules. Failure to remove a listing from the MLS following cancelation or expiration is a violation of MLS Rules.

7.3 Listing and Co-Listing Agents/Brokers. Only the listings of Participants and Subscribers will be accepted by the MLS. Inclusion of co-listings where the co-listing broker/agent is not a Participant or Subscriber in the MLS, or a Participant or Subscriber of a datashare partner MLS, is prohibited.

7.4 Range Pricing. If a listing is specified as a Range Price Listing, the Listing Agent or Broker must enter a valid range for the list price of that listing. In all cases, the default List Price shall be the high end of the range and the low end of the range can be no less than 85% of this price.

7.5 Types of Listings; Responsibility for Classification. The MLS shall accept exclusive right to sell, seller reserved, open, and probate listings in accordance with California Civil Code Section 1086, et seq., and auction listings that satisfy the requirements of these MLS rules. As used in these rules, "probate" includes conservatorships, guardianships, and similar protective proceedings in the Superior Court of California. Exclusive right to sell listings that contain any exceptions whereby the owner need not pay a commission if the property is sold to particular individuals shall be classified for purposes of these rules as an exclusive right to sell listing, but the Listing Broker shall notify all of the exceptions. It shall be the responsibility of the Listing Broker to properly classify the type of listing, and if necessary, obtain a legal opinion to determine the correct classification. By classifying the type of listing, the Listing Broker certifies that the listing falls under the legal classification designated. The MLS shall have no affirmative responsibility to verify the listing type of any listing filed with the MLS. However, the MLS shall have the right to have legal counsel make a determination as to the classification of the listing type, and if the Listing Broker does not reclassify it accordingly, the MLS shall have the right to reject or remove any such listing that the MLS determines falsely represents the classification of listing type.

7.5.1 Scope of Service; Limited Service Listings. Limited Service listings are listings whereby the Listing Broker, pursuant to the listing agreement, will not provide one, or more, of the following services:

a) Provide Buyer Brokers with any additional information regarding the property not already displayed in the MLS, but instead gives Buyer Brokers authority to contact the seller(s) directly for further information;
b) Accept and present to the seller(s) offers to purchase procured by Buyer Brokers, but instead gives Buyer Brokers authority to present offers to purchase directly to the seller(s);
c) Advise the seller(s) as to the merits of offers to purchase;
d) assist the seller(s) in developing, communicating, or presenting counter-offers; or
e) Participate on the seller's(s') behalf in negotiations leading to the sale of the listed property.

Said Limited Service listings will be identified with an appropriate code or symbol (e.g., "LS") in MLS compilations so potential Buyer Brokers will be aware of the extent of the services the Listing Broker will provide to the seller(s), and any potential for Buyer Brokers being asked to provide some or all of these services to Listing Broker's clients, prior to initiating efforts to show or sell the property.

7.5.2 Scope of Service; MLS Entry-Only Listings. MLS Entry-Only listings are listings whereby the Listing Broker, pursuant to the listing agreement, will not provide any of the following services:

a) Provide Buyer Brokers with any additional information regarding the property not already displayed in the MLS, but instead gives Buyer Brokers authority to contact the seller(s) directly for further information;
b) Accept and present to the seller(s) offers to purchase procured by Buyer Brokers, but instead gives Buyer Brokers authority to present offers to purchase directly

to the seller(s);
c) Advise the seller(s) as to the merits of offers to purchase;
d) Assist the seller(s) in developing, communicating, or presenting counter-offers; or
e) Participate on the seller's(s') behalf in negotiations leading to the sale of the listed property.

Said MLS Entry-Only listings will be identified with an appropriate code or symbol (e.g. "EO") in MLS compilations so potential Buyer Brokers will be aware of the extent of the services the Listing Broker will provide to the seller(s), and any potential for Buyer Brokers being asked to provide some or all of these services to Listing Broker's clients, prior to initiating efforts to show or sell the property.

7.5.3 Scope of Service; Legal Obligations. The scope of service classifications set forth in these Rules do not alter any obligations otherwise imposed on real estate licensees under California law, including Department of Real Estate Policies, statutory law and/or common law. The MLS's acceptance or publication of listings eligible for MLS submission in no way constitutes a validation that said obligations have been met.

7.6 Types of Properties; Responsibility for Classification. The MLS shall accept listings that satisfy the requirements of these rules on the following types of property:

a) Residential
b) Residential Lease
c) Residential Income
d) Lots and Land
e) Mobile Home
f) Commercial
g) Commercial Lease
h) Business Opportunity

It shall be the responsibility of the Listing Broker to properly classify the type of property listed, and if necessary, obtain a legal opinion to determine the correct classification. By classifying the type of property listed, the Listing Broker certifies that the listing falls under the classification designated. The MLS shall have no affirmative responsibility to verify the property type of any listing filed with the MLS. However, the MLS shall have the right to have legal counsel decide as to the classification of the property type, and if the Listing Broker does not reclassify it accordingly, the MLS shall have the right to reject or remove any such listing that it determines falsely represents the classification of property type listing.

7.7 Compliance with California and Federal Law. Notwithstanding any other provision of these MLS rules to the contrary, the MLS shall accept any listing that it is required to accept under California or federal law.

7.8 Mandatory Delivery of Listing Agreement. Listing Broker shall input into the MLS all properties located in the MLS Service Area within two (2) Days of the Effective Date of any listing agreement on any exclusive right to sell/lease or seller reserved listing agreement on one to four-unit residential property and vacant lots. The Effective Date of a listing agreement

is the later of all necessary signatures of the seller(s) have been obtained, or at the beginning date of the listing as specified in the contract. All necessary signatures are those needed to create an enforceable listing, which generally means all named signatories to the listing agreement. In the event there are known additional property owners not made a signatory to the listing, the Listing Broker shall disclose said fact to the MLS and state whether the listed seller will make the sale contingent on the consent of the additional property owners. In the event the listing agent is prevented from complying with the 2-day time period due to seller's delay in returning the signed listing agreement, the Listing Broker must deliver the listing to the MLS within 2 days of receipt back from seller. The AOR/MLS may require the Listing Broker to present documentation to the AOR/MLS evidencing the seller's delayed transmission. Only those listings that are within the service area of the MLS must be input. Open listings or listings of property located outside the MLS's service area (see Section 7.10) are not required by the MLS but may be input at the Broker Participant's option. Violations of this Rule may result in modifications being made to the DAM count of any listing at issue as provided for in Rule 14.5.

7.8.1 Registered Listings. Listings that are subject to the above identified listing agreements, but which have not been placed in the MLS for cooperation must be Registered with the MLS in accordance with the requirements of Rule 7.8. Registered listings shall not be made available for viewing, or cooperation in the MLS database to cooperating Participants and DAM shall not calculate on a Registered listing. Registered listings are by definition subject to the requirements of Rule 7.9.

7.9 Mandatory Submission upon Marketing. Within one (1) business day of marketing or advertising a residential property to any member of the public for sale which contains one to four units, or is a residential vacant land lot which is subject to any exclusive right to sell or seller reserved listing agreement, the Listing Broker must submit the property into the MLS for cooperation with other CRMLS participants. Marketing and advertising includes, but is not limited to, any information about the property or its availability for sale displayed on any: signs, websites, social media, brokerage or franchise operated websites, communications (verbal or written), multi-brokerage or franchise listing sharing networks, flyers or written material, on any applications, or by conducting an open house. Any individual or entity that has signed, within the previous year a Disclosure Regarding Real Estate Agency Relationship form in compliance with CA Civil Code section 2079.16 that identifies the Listing Broker shall not be considered a "member of the public" under this rule.

7.9.1 No Cooperation Listing. If the seller in writing refuses to permit the property listing to be marketed or advertised as defined by Rule 7.9, and also instructs the Listing Broker to not disseminate the listing in the MLS , the Listing Broker shall obtain a written instruction from the seller instructing the Listing Broker to do no marketing or advertising and refuses to authorize the listing to be disseminated by the MLS. The instruction shall include an advisory to seller that, in keeping the listing off the MLS, (1) No marketing or advertising of any kind will occur, (2) real estate agents and brokers from other real estate offices, and their buyer clients, who have access to the MLS may not be aware seller's property is for sale, (3) seller's property will not be included on any real estate Internet sites or applications that are used by the public to search for property listings, (4) real estate agents, brokers and members of the public may be

unaware of the terms and conditions under which seller is marketing the property, and (5) the reduction in exposure of the listing may lower the number of offers made on the property and may adversely impact the overall price.

7.10 **Service Area.** The MLS shall service the area which shall include the entire county that contains any of the territorial jurisdiction of (1) any member association, or (2) any data share partner AOR/MLS. At the option of the AOR/MLS, the MLS may adopt a policy to accept listings of properties located outside the territorial jurisdiction of the AOR/MLS. At the option of the AOR/MLS, the MLS may adopt a policy to accept listings of properties located outside the territorial jurisdiction of the AOR/MLS. If the AOR/MLS have entered into regional MLS agreements or a regional MLS corporation with other MLSs and have enlarged the service area as part of the agreement, submission of listings is mandatory for the enlarged service area covered by the combined territorial jurisdictions of the AOR's signatories to the regional MLS agreement or part of the regional MLS corporation.

7.11 **Change of Listing Information.** Listing Brokers shall submit any change in listing information, including the listed price or other change in the original listing agreement, to the MLS within 2 days after the authorized change is received by the Listing Broker. By submitting such changes to the MLS, the Listing Broker represents that the listing contract has been modified in writing to reflect such change or that the Listing Broker has obtained other legally sufficient written authorization to make such change.

7.12 **Withdrawal of Listing Prior to Expiration.** Listings of property must be withdrawn from the MLS by the Listing Broker before the expiration date of the listing agreement if the Listing Broker has received written instructions from the seller to withdraw the listing from the MLS. Listing Broker may withdraw any listing from the MLS 48 hours after providing seller with written notice of the broker's intention to withdraw the listing based on a dispute with the seller regarding the terms of the listing agreement. The MLS may require the Listing Broker to provide a copy of any notice of dispute or any written instructions from the seller. Sellers do not have the unilateral right to require the MLS to cancel any listing. However, the MLS reserves the right to remove a listing from the MLS data base if the seller can document that his or her listing agreement with the Listing Broker has been terminated or is invalid. Withdrawal from the MLS with the seller's consent does not relieve the obligation of the Listing Broker to report the sale and sales price if it closes escrow while the seller is represented by the Listing Broker.

7.13 **Contingencies.** Any contingency or condition of any term in a listing shall be specified and noticed to the participants.

7.14 **Detail on Listings Filed With the MLS.** Electronically input data or a property data form, when filed with the MLS by the Listing Broker, shall be complete in every detail as specified on the property data form, including full gross listing price, termination date, , and any other item required to be included as determined by the AOR/MLS Board of Directors. Property data forms may be returned if incomplete, and if not completed and returned within 2 days from the day the incomplete property data form was returned to the Listing Broker, the Broker Participant and R.E. Subscriber may be subject to penalties for failure to submit the completed property data form in a timely manner.

7.15 No Offers of Compensation in the MLS. For all Property Types, a Listing Broker may not input, or otherwise use the MLS in any capacity, in any field, media, or document uploaded to the MLS, to offer or convey any willingness to offer or consider, any type of compensation to a Buyer/Tenant Broker. This prohibition on compensation in the MLS applies whether any actual amount or specific type of compensation is offered, and regardless of how the offer or willingness is expressed or characterized.

7.15.1 Offers of Concessions in the MLS. A Listing Broker may input in the MLS any information, amount, offer, invitation to offer, or expression of willingness to provide or consider concessions to a Buyer/Tenant from the Seller/Landlord in a transaction on the listing, so long as any such communication of a concession does not limit or condition the concession on being used to pay any Buyer/Tenant Broker or other Buyer representative. Listing Brokers must place any such information regarding Seller concessions in the Public Remarks/Property Description field.

7.16 Disclosure of Compensation. Listing Broker must disclose to prospective sellers or landlords that broker compensation is not set by law and is fully negotiable. This must be included in conspicuous language as part of any listing agreement. Listing Broker must conspicuously disclose in writing to sellers, and obtain seller's authority, for any payments or offer of payment that the Listing Broker or seller will make to another broker, agent or other representative (e.g., real estate attorney) acting for buyers. The disclosure must include the amount or rate of any such payment and be made in writing in advance of any payment or agreement to pay.

7.17 Consent to Act as Dual Agent. By listing a property and offering to cooperate with Buyer Broker, the Listing Broker is <u>not</u> automatically representing that the seller(s) have consented to the Buyer Broker acting as a dual agent representing both the buyer(s) and the seller(s). No Buyer Broker shall act as both an agent of the buyer(s) and the seller(s) without first contacting the Listing Broker and ascertaining that the seller(s) have consented to such dual agency.

7.18 Auction and New Construction Listings.

7.18.1 Auction Listings. Only auction listings which comply with these MLS Rules and Policies, including, but not limited to Sections 7.12 and 7.13, may be submitted to the Service. Auction listings entered into the MLS system shall have listing contracts as required under these Rules, be clearly labeled as auction listings, and provide all the terms and conditions of the auction. Reserve auctions are not permitted on the MLS. Auction listings shall further specify the following:

a) The list price, which shall be seller's minimum acceptable bid price;
b) The date, time and place of the auction;
c) All required procedures for Buyer's Broker to register their representation of a potential bidder;
d) The amount of the buyer's premium, if any;
e) The time or manner in which potential bidders may inspect the listed property;
f) Whether or not the seller will accept a purchase offer prior to the scheduled auction; and
g) Any other material rules or procedures for the auction, and;

h) Upon acceptance of any bid that concludes the auction such that no additional bids are accepted, the listing status shall be changed to Pending.

Subsections (b) through (g) above shall not appear in a listing's Public Remarks.

7.18.2 New Construction Listings.

a) Any Residential Property listed in the MLS that requires the disclosure of a Final Public Report pursuant to the Subdivided Lands Law prior to a sale of the property, or that requires a new construction building permit, shall be designated a NEW CONSTRUCTION LISTING (NCL). All MLS Rules shall apply to an NCL except as modified as follows:
b) Submitting an NCL shall cause to be exempted from the Mandatory Delivery Rule 7.8 each individual lot within the subdivision covered by the same Final Public Report as the NCL.
c) NCL's may remain in a Coming Soon status until such time as a certificate of occupancy is issued.

Upon final closing of any property subject to the same Final Public Report as the NCL, Listing Broker shall report or input in the MLS as "sold" and report the selling price within 2 days of the final closing date.

7.19 No Disclosure of Listing Broker or Total Commission. Listing Broker may not in any field, media or document inputted into the MLS disclose the Listing Broker's commission or the total amount of commission charged by the Listing Broker to the Seller. Nothing in this rule shall limit the ability of the Listing Broker to report the fact that a Seller has paid an amount either directly to or through the Listing Broker to a Buyer's Broker for a specific property. MLS will not collect the total amount charged or collected by a Buyer Broker but will only collect the amount paid by a Seller to a Buyer's Broker.

7.20 Broker Participant or R.E. Subscriber as Principal. If a Listing Broker, including any Subscriber has any interest in a property, the listing which is disseminated through the MLS shall contain a disclosure of that interest on the MLS.

7.21 Multiple Unit Properties. All properties which are to be sold or which may be sold separately must be indicated individually in the MLS and will be published separately. When part of a listed property has been sold, the Listing Broker shall input the appropriate changes on the MLS within 2 days.

7.22 Expiration, Extension, and Renewal of Listings.

a) Listings shall be changed to the appropriate off-market status on the expiration date specified on the listing unless the listing is extended or renewed by the Listing Broker.
b) The Listing Broker shall obtain written authorization from the seller(s) before filing any extension or renewal of a listing.
c) The Listing Broker may modify the status of an expired listing within seven (7) days of the Expiration date. At any time and for any reason, the MLS has the right to request a copy of the seller's written authorization to extend or renew a listing.

d) The calculation of Days Active in MLS (DAM) is based on the MLS #. The calculation of Cumulative Days Active in MLS (CDAM) is based on APN # or address and will accumulate until a change of ownership has occurred or the property is not available for sale and no listing agreement is in effect for a period of 30 days or more.

e) At any time and for any reason, the MLS has the right to request a copy of the seller's(s') written authorization to extend or renew a listing. If a Listing Broker is requested to provide a copy of such authorization and does not do so within 1 day of the request, the listing shall be subject to immediate removal from the MLS.

7.22.1 Extension for Protected Buyer. In the event a Listing Broker's listing has Expired or been Canceled, but a commission extension right for a protected buyer has been timely activated in the listing agreement and Listing Broker represents seller in said transaction, Listing Broker may be considered the "listing broker" for MLS reporting of sale so long as satisfactory documentation is presented to MLS.

7.23 Listings of Participants or Subscribers Suspended, Expelled, or Resigned.

7.23.1 Failure to Pay MLS Fees; Resignation. When a Participant or Subscriber of the MLS is suspended or expelled from the MLS for failure to pay MLS fees or charges, or if the Participant or Subscriber resigns from the MLS, the MLS shall cease to provide services to such Participant or Subscriber, including continued inclusion of listings in the MLS compilation of current listing information. In the event listings are removed from the MLS pursuant to this section, it shall be the sole responsibility of the Participant to notify the sellers(s) that the property is no longer listed in the MLS.

7.23.2 Violations of MLS Rules. When a Participant or Subscriber is suspended or expelled from the MLS for a violation of the MLS Rules, the AOR/MLS shall cease to provide MLS services to such Participant or Subscriber except that the listings in the MLS at the time of suspension or expulsion shall, at the suspended or expelled Participant's option, be retained in the MLS compilation of current listing information 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. In the event listings are removed from the MLS pursuant to this section, it shall be the responsibility of the Participant to notify the seller(s) that the property is no longer listed in the MLS.

7.24 No Control of Commission Rates or Fees Charged by Participants. The AOR/MLS shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the AOR/MLS shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating Participants or between Participants and non-participants.

7.25 Removed.

7.26 Right of Listing Broker and Presentation of Counter-Offers. The Listing Broker has the right to participate in the presentation of any counter-offer made by the seller(s) or lessor(s). The Listing Broker does not have the right to be present at any discussion or evaluation of a counter-offer by the buyer(s) or lessee(s) (except where the Buyer Broker is a subagent).

However, if the buyer(s) or lessee(s) give written instructions to the Buyer Broker that the Listing Broker not be present when a counter-offer is presented, the Listing Broker has the right to a copy of the buyer's(s') or lessee's(s') written instructions.

7.27 REO Disclosure. Listing Brokers submitting foreclosure, bank-owned or real estate owned ("REO") listings to the service shall disclose said status upon submission of the listing to the service.

8. DOCUMENTATION; PERMISSION; ACCURACY OF INFORMATION.

8.1 Listing Agreement and Seller's Permission. Prior to submitting a listing to the MLS, the Listing Broker shall obtain the written agreement of the seller(s) expressly granting the Listing Broker authority to:

a) file the listing with the MLS for publication and dissemination to those authorized by the MLS;
b) act as an agent for the seller(s);
c) abide by the rules of the MLS;
d) provide timely notice of status changes of the listing to the MLS;
e) provide sales information, including selling price, to the MLS upon sale of the property for publication and dissemination to those authorized by the MLS; and
f) publish sales information after the final closing of a sales transaction in accordance with these MLS rules (See Section 10.1).

8.2 Written Documentation.

a) Any Listing Broker filing any property as a listing with the MLS shall have a written listing agreement with all necessary signatures in their possession. Only listings that create an agency relationship between the seller(s) and the Listing Broker are eligible for submission to the MLS. By submitting a listing to the MLS, Listing Broker represent that they have in their possession such written agreements establishing agency and the represented type of listing agreement.
b) The AOR/MLS shall have the right to demand, at any time, a copy of:
   i. any documentation necessary to verify the adequacy or accuracy of any information reported to the MLS or included in any listing record;
   ii. any written authorization required under these rules;
   iii. any documentation relevant to a rules enforcement inquiry or investigation.
c) If the Participant or Subscriber fails to provide documentation requested by the AOR/MLS within 1 day, the AOR/MLS shall have the right to immediately remove the listing from the database.

8.3 Accuracy of Information; Responsibility for Accuracy. By inputting information into the MLS computer database, the Listing Broker represents that the information input is accurate to the best of the Listing Broker's knowledge. The Listing Broker shall use good faith efforts to determine the accuracy of the information and shall not submit or input information which the Listing Broker knows to be inaccurate. Upon receipt of the first publication or electronic transfer by the MLS of such information, the Listing Broker shall make all necessary corrections. The MLS merely publishes the MLS information and has no affirmative responsibility to verify the accuracy of the MLS information. The AOR/MLS, however,

reserves the right to require Participants and Subscribers to change their MLS information if the AOR/MLS is made aware of alleged inaccuracies in the MLS information and the AOR/MLS determines that such inaccuracies do in fact exist. The MLS also reserves the right to remove a listing that contains said inaccurate information from the MLS compilation of current listings should Participant or Subscriber refuse or fail to timely correct. A Participant or Subscriber is required to correct inaccurate information within 2 days after being notified of the inaccuracies by the MLS. If a Participant or Subscriber fails to make necessary or required corrections to their MLS information, the Participant and Subscriber shall indemnify and hold harmless the AOR/MLS for any claims, cost, damage, or losses, including reasonable attorney fees and court costs, incurred by the MLS as a result of such failure. The AOR/MLS also reserves the right to remove information and listings from the database when it is clear that inaccurate data has been entered, in addition to disciplining the Participant and Subscriber for violations of the MLS rules. In no event will the AOR/MLS be liable to any Participant, Subscriber, or any other party for any indirect, special, or consequential damages arising out of any information published in the MLS, and all other damages shall be limited to an amount not to exceed the MLS fees paid by the Listing Broker.

8.4 Input Defined. All references or uses of the word "input" shall also include information which is submitted to the MLS for input in the MLS database by the AOR/MLS staff, whether such information was provided to the AOR/MLS staff on a "property data form" or otherwise.

8.5 Buyer, Seller, Purchase, and Sale Defined. All references to the buyer(s) shall also include tenant(s) and lessee(s). All references to the seller(s) shall also include landlord(s) and lessor(s). All references to a purchase shall also include a lease. All references to a sale shall also include a lease.

9. SELLING PROCEDURES.

9.1 Showings. Buyer Broker shall follow all showing instructions as set forth in the MLS. Buyer Broker shall only provide access for showing, touring or inspecting a listed property to a client with whom the Buyer Broker has a written agreement that includes the following in a conspicuous location: a) a specific, objectively ascertainable compensation amount or rate, including how any such amount will be determined and the amount of compensation may not be open-ended such as "buyer broker fee shall be whatever amount a seller or listing broker is offering to pay buyer broker or buyer" and b) a term that prohibits Buyer Broker from receiving any fee or compensation that exceeds the amount or rate in the agreement with the buyer, regardless of the source of the payment of the fee and c) a statement that broker fees and commissions are not set by law and are fully negotiable. Nothing in this policy shall impose any restriction or requirement upon the Listing Broker.

9.2 Disclosing the Existence of Offers. Listing Brokers, in response to inquiries from buyers or Buyer Brokers, shall, with the seller's approval, disclose the existence of offers on the property. Where disclosure is authorized, the Listing Broker shall also disclose whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a Buyer Broker only if asked.

9.3 Availability to Show or Inspect. Listing Brokers shall not misrepresent the availability of access to show or inspect a listed property. For any property in which Listing Broker selected

a status of Coming Soon or Hold, Listing Broker represents that the property shall have no showings or tours, whether conducted by Listing Broker or otherwise, until such time as the Property is placed in the Active or Active Under Contract status.

9.4 **Presentation of Offers**. The Listing Broker must make arrangements to present the offer as soon as possible or give the Buyer Broker a satisfactory reason for not doing so. If a seller(s)/landlord(s) has directed that offers from Buyer Brokers are not to be presented for any length of time, seller's direction authorizing such arrangement shall be in writing and Listing Broker shall provide clear and accurate notice of the date of presentation of offers to Participants and Subscribers in the MLS. In the event the Listing Broker will not be participating in the presentation of offers, the Listing Broker shall clearly indicate this fact in the listing information published by the MLS.

9.5 **Submission of Offers and Counter-Offers.** The Listing Broker shall submit to the seller(s) all offers and counter-offers until closing unless precluded by law, governmental rule, or expressly instructed in writing by the seller(s)/landlord(s) otherwise. If requested by Buyer Broker in writing, Listing Broker shall provide Buyer Broker with Listing Broker's written verification that Buyer Broker's offer was presented (or a written notification that the seller has waived the obligation to have the offer presented), said verification to be provided to Buyer Broker within 3 days of Buyer Broker's written request. The Buyer Broker acting for a buyer(s)/tenant(s), shall submit to buyer/tenant all offers and counter- offers until acceptance unless precluded by law, governmental rule, or expressly instructed by the buyer(s)/tenant(s) otherwise.

9.6 **Right of Buyer Broker in Presentation of Offer.** The Buyer Broker has the right to participate in the presentation of any offer to purchase he or she secures. The Buyer Broker does not have the right to be present at any discussion or evaluation of that offer by the seller(s) and the Listing Broker. However, if the seller(s) give written instructions to the Listing Broker requesting that the Buyer Broker not be present when an offer the Buyer Broker secured is presented, the Buyer Broker shall convey the offer to the Listing Broker for presentation. In such event, the Buyer Broker shall have the right to receive a copy of the seller's(s') written instructions from the Listing Broker. Nothing in this section diminishes or restricts the Listing Broker's right to control the establishment of appointments for offer presentations.

9.7 **Removed.**

9.8 **Listing Broker Approval Showings and Negotiations.** Appointments for showings and negotiations with the seller(s) 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 Buyer Broker specific authority to show and/or negotiate directly with the seller(s), or;
b) After reasonable effort and no less than 24 hours, the Buyer Broker cannot contact the Listing Broker or his or her representative. However, the Listing Broker, at his or her option, may preclude such direct negotiations by the Buyer Broker by giving notice to all Participants through the MLS. In the event all showings and negotiations will be conducted solely by the seller(s), the Listing Broker shall clearly set forth such fact in the

listing information published by the MLS.

9.9 Buyer Broker as a Buyer. If a Buyer Broker wishes to acquire an interest in property listed with a Listing Broker, such contemplated interest shall be disclosed to the Listing Broker prior to the time an offer to purchase is submitted to the Listing Broker.

9.10 Physical Presence of Participant or Subscriber. A Participant or Subscriber must be physically present on the property at all times when providing access to a listed property unless the Seller has consented otherwise.

10. REPORTING SALES AND OTHER INFORMATION TO THE MLS.

10.1 Statuses. The following statuses shall apply to listings on the MLS and Listing Broker shall place a listing in the correct status:

Coming Soon: A valid listing contract exists, and no offer has been accepted. The Listing Broker is in possession of a seller signed instruction to submit the listing as "Coming Soon". Marketing and Advertising as defined in Rule 7.9 is permitted and shall include language that the property is "Coming Soon" and shall include the date the property will become Active. The property is not available for showings consistent with Rule 9.3.

Active: A valid listing contract exists, and no offer (with or without contingencies) has been accepted. Marketing and Advertising as defined in Rule 7.9 is permitted.

Active Under Contract: Offer accepted and either: 1) seller requests that property remain in an On-Market status and is looking for back-up offers, or; 2) the sale is subject to court or other third -party approval. Marketing and Advertising as defined in Rule 7.9 is permitted.

Hold: A valid listing contract exists, and no offer has been accepted. The Listing Broker is in possession of a seller written instruction to submit the listing as "Hold" This instruction may be due to various reasons such as multiple quality offers already received, repairs, illness, guests, etc. Marketing and Advertising as defined in Rule 7.9 is permitted. The property is not available for showings consistent with Rule 9.3.

Withdrawn: A valid listing contract is in effect. However, the property is no longer being marketed and as such no Marketing or Advertising shall occur consistent with Rule 7.9.

Pending: The seller has accepted an offer and is not soliciting offers through the MLS. Any Marketing or Advertising of the property while in Pending status will not be considered a violation of Rule 7.9.

Canceled: The listing agreement has been canceled.

Expired: The listing agreement has expired. The time frame of the existing listing contract has run out.

Sold: Escrow has closed.

Leased: The property has been leased.

10.2 Reporting of Sales.

a) Listings with accepted offers shall be reported to the MLS or input into the MLS database as "pending" or "active under contract" within 2 days of the acceptance by the Listing Broker unless the negotiations were carried on under Section 9.1 (a) or (b), in which case, the Buyer Broker shall notify the Listing Broker of the "pending" or "active under contract" status within 2 business days after acceptance, whereby the Listing Broker shall then report or input the status change to the MLS within 2 days of receiving notice from the Buyer Broker.

b) The listing shall be published on the MLS as "pending" or "active under contract" with no price or terms prior to the final closing.

c) Upon final closing, the Listing Broker shall report or input the listing in the MLS as "sold" and report the selling price within 2 days of the final closing date unless the negotiations were carried on under Section 9.1 (a) or (b), in which case, the Buyer Broker shall notify the Listing Broker of the "sold" status and selling price within 2 days after the final closing date, whereby the Listing Broker shall then report or input the status change and selling price to the MLS within 2 days of receiving notice from the Buyer Broker.

d) Listings which were not input into the MLS for cooperation as a result of the seller's instructions may be input into the MLS "sold" data at the Listing Broker's option. However, listings which were input into the MLS but subsequently withdrawn must still be reported under this section if the seller is represented by the Listing Broker when it closes.

e) The MLS may accept the reporting of sales information for comparable purposes about other properties which were not otherwise eligible for input into the MLS but are located in the MLS's service area and "sold" by a Participant who represented a party in the transaction (i.e. broker who represented the seller or broker who represented the buyer), as long as such reporting is authorized by a party in the transaction to the broker who represented it, (if requested by the MLS documentation must be presented to MLS within 2 days), and the circumstances of the representation are disclosed on the Service by the reporting participant or subscriber. Any submission of sales information for comparable purposes must occur within 30 days after close of escrow.

10.3 Removal of Listings for Refusal/Failure to Timely Report Status Changes. The AOR/MLS is authorized to remove any listing from the MLS compilation of current listings where the Listing Broker has refused or failed to timely report status changes. Prior to the removal of any listing from the MLS, the Listing Broker shall be advised of the intended removal so the Listing Broker can advise his or her client(s).

10.4 Reporting Cancellation of Pending Sale. The Listing Broker shall report to the MLS within 2 days the cancellation of any pending sale and the listing shall be reinstated immediately so long as there is still a valid listing.

10.5 Refusal to Sell. If the seller(s) of any listed property filed with the 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.

11. OWNERSHIP OF MULTIPLE LISTING SERVICE COMPILATIONS AND COPYRIGHTS.

11.1 MLS Compilation Defined. The term "MLS compilation" includes, but is not limited to, the MLS computer database, all printouts of data from the MLS computer database, and all MLS publications.

11.2 Active Listing MLS Compilation Defined. "Active listing MLS compilation" shall mean that portion of the MLS compilation which includes listings currently for sale and all other indexes and other information relating to the current listing information.

11.3 Comparable Data MLS Compilation Defined. "Comparable Data MLS compilation" shall mean that portion of the MLS compilation that includes the off-market data, sold and appraisal information regarding properties that are not currently for sale, and all indexes and information relating to the sold information compilation.

11.4 Authority to Put Listings in MLS Compilation. By submitting any property listing content (e.g., photographs, images, graphics, audio and video recordings, virtual tours, drawings, renderings or any other representation, descriptions, remarks, narratives, pricing information, and other details or information related to listed property) to the MLS or inputting listing information into the MLS compilation, Participants and Subscribers represent and warrant that they have been authorized to grant license and also thereby do grant authority for and license the MLS to include the property listing content in its copyrighted MLS compilation. By submitting any property listing content to the MLS, Participants and Subscribers represent and warrant that they have been authorized to report information about the sales, price and terms of a listing, have authority to grant and also thereby do grant authority for the MLS to include the sold information in its copyrighted MLS compilation.

11.5 Media on the MLS. Media is defined as any depiction or expression of works including, but not limited to, photographs, images, drawings, renderings, audio, video, and virtual tours. The Participant/Subscriber submitting Media to the MLS grants CRMLS an irrevocable, unrestricted, transferable, perpetual, royalty-free, non-exclusive license (with right to sublicense) to use, store, reproduce, compile, display and distribute the media as part of its compilation. Submitted Media is any content placed in a listing, or content that is accessible by external links placed in a listing. Media submitted to the MLS is subject to the following:

a) **Content Restrictions.** Content of Media submitted to the MLS shall be limited to visual representations of the property, anything included in the sale of the property, and/or any amenities or features related to the property. Inclusion of text is permitted in aerial or overview photos only as reasonably necessary to identify features of the land, utilities, size, location, or streets/roads. Written communication, content that may be determined to create a safety hazard or concern, or content that is otherwise deemed to be inappropriate by MLS staff is prohibited. MLS staff shall have the right to remove from the MLS any Media that is in violation of any MLS rule, including but not limited to this section.

b) **Prior Authorization.** By submitting any media to the MLS, the Participant and Subscriber represent and warrant that they own the right to reproduce and display the media or they have procured such rights and all necessary licenses from appropriate parties. Rights that have been obtained by the Participant/Subscriber from another party

shall be fully set forth in a writing that must be in place prior to the submission of the subject Media to the MLS.

c) **Truthful Representation.** Media submitted to the MLS must be a truthful representation of the property in all respects, including but not limited to the interiors of and views from the property and anything included in the sale of the property. Photos depicting views that are not of the property or from the property, or that are depicting HOA amenities must be captioned as such. "Renderings" of the property and its condition, defined as representations created to show how the property will or may be built or improved, regardless of the means used to create the representation, are permitted to be used in the MLS. Such Renderings that represent conditions that will be in place at closing, or that are included in the purchase price, may be used in accordance with the requirements of Rule 11.5.2, whether digitally rendered or not. Renderings that represent potential conditions that will not be present at closing or are not included in the purchase price, may be placed in the Supplements for the listing, and must be truthful in all respects, including but not limited to provision of a notification that the improvements or conditions in the Rendering are not included in the purchase price.

d) **Subsequent Use of Media.** Use of Media that is included in the MLS Compilation by any subsequent Participant/Subscriber requires prior written authorization from the Participant/Subscriber who previously submitted the Media and any party with the legal right to grant such authorization. Notwithstanding the foregoing, subsequent use of Media which results in double watermarks appearing in the Media is prohibited.

e) **Branded Media.** Branding of any Media submitted to the MLS is prohibited. Branding is defined as the inclusion of any content in media that can be used to identify any person or entity including but not limited to the listing broker or agent or any franchise or company the broker or agent are affiliated with, contact information for the broker or agent et al, or any other material that is or may be associated with the broker or agent et al. Media content that may be considered Branding includes, but is not limited to: signs, contact information, identifiable persons, logos, slogans, catchphrases, external links or references, team names, or any other items related to the broker or agent et al.

11.5.1 Mandatory submission Photograph/Rendering

a) At least one photograph or rendering accurately depicting a substantial portion of the exterior of the subject property must be submitted to the MLS within two (2) days of entry of listing and must remain in the listing at all times for all statuses.

b) Exemptions
   i. Business Opportunity entries are exempted from 11.5.1.
   ii. If applicable, a seller's written instruction to the listing broker expressly directing that photographs/renderings of the subject property not appear in the MLS compilation must be provided to the MLS/AOR within two (2) days of listing entry.

c) The MLS/AOR reserves the right, after notice has been given to the Participant and Subscriber, to remove any listing from the database for failing to comply with this section.

11.5.2 Digitally Altered Images. A Subscriber who submits to the MLS any Digitally Altered Image must also (i) submit the original, unaltered version of the digitally altered image, (ii) ensure that the original, unaltered version is displayed in the

listing immediately before or after the digitally altered image, and (iii) ensure that the digitally altered image is labeled as "Photo Modified", "Virtually Staged", "Digitally Altered," or "AI Altered," or some accurate substantially similar term in the text field section for the altered photo in the add/edit module.

"Digitally Altered Image" means an image or photo, created by or at the direction of the real estate broker or salesperson, or person acting on their behalf, that has been altered through the use of photo editing software or artificial intelligence to add, remove, or change elements in the image related to furniture or appliances.

"Digitally Altered Image" does not include an image where only slightly enhanced lighting, sharpening, white balance, color correction, angle, straightening, cropping, exposure, or other common photo editing adjustments are made that do not change the representation of the real property.

Pursuant to this section and CRMLS Rules 11.5(c) and 12.10 regarding Truth in Advertising, Subscribers may not add to a listing record any image or photo that has been altered to add, remove, or modify any (i) real property elements including but not limited to flooring, walls, windows, structural elements, cabinetry, paint color, hardscape, landscape, façade, fixtures, or floor plans unless the listed property will be improved to match the altered photo at time of close as part of the listed price, or (ii) elements outside of, or visible from, the property, including, but not limited to, streetlights, utility poles, views through windows, and neighboring properties.

11.5.3 Removal of Media. The MLS/AOR reserves the right, without notice, to remove any Media that does not comply with the MLS Rules and Policies.

11.6 Copyright Ownership. Notwithstanding 11.5, the MLS may brand any media submitted as part of a listing entry to protect its rights under this section. 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. The MLS shall have the right to license such compilations or portions thereof to any entity pursuant to terms agreed upon by the Board of Directors. All right, title, and interest in each copy of every compilation created by any technology solution aggregator, shall, pursuant to agreement with the MLS, at all times remain vested in the aggregator.

11.7 Leasing of MLS Compilations. Each Participant shall be entitled to lease from the MLS the number of copies of each MLS compilation of active listing information sufficient to provide the Participant and Subscriber with one copy of such MLS compilation. Participants and Subscribers shall acquire by such lease only the right to use the MLS compilations in accordance with these rules. Clerical Users may have access to the information solely under the direction and supervision of the Participant or Subscriber. Clerical Users may not provide any MLS compilation or information to persons other than the Participant or the Subscriber under whom the Clerical User is registered.

11.8 Removal of Media or Property Information from the MLS. Information entered in the MLS by users falls into two categories: Media and Property Information. Media consists of photographs, videos, or other imagery. Property Information consists of all information that

is not Media.

a) Property Information may be edited or removed by users at any time so long as the listing is not in a finalized status such as Sold, Leased, Cancelled, or Expired.
b) Media may be edited or removed by users at any time so long as the listing is in Active, Coming Soon, Hold or Withdrawn status.
c) For sales, editing or removing Media while the listing is subject to a purchase contract, or at closing, by any means including, but not limited to, manipulation of listing status, is a violation of this rule.
d) All listings remain subject to the minimum photo requirements of Rule 11.5.1 at all times, for all statuses.

11.9 Removal of and Responsibility for Content. The MLS has the right, but not the obligation, to reject, pull down, restrict publication of, access to or availability of content the MLS in good faith considers to be obscene, lewd, lascivious, filthy, excessively violent, harassing, unlawful or otherwise objectionable. Participants and Subscribers remain solely responsible and liable for the content they provide. In no case will any monitoring or removal of Participants' or Subscribers' content by the MLS make it responsible or liable for such content.

11.10 Indemnification; Limitation of Liability. Participant and Subscriber shall defend, indemnify and hold harmless the service and every other Participant and Subscriber ~~for~~ from and against any liability, claims, costs, damage or losses, including reasonable attorney fees and court costs, resulting from or arising out of any content Participant and/or Subscriber submit to or in any way wrongfully reproduce from the Service. In no event will the MLS be liable to any MLS Participant, Subscriber or any other party for any indirect, special or consequential damages arising out of any information published in the MLS and all other damages shall be limited to an amount not to exceed the MLS fees paid by the Listing Broker.

11.11 Pursuing Complaints of Unauthorized Use of Listing Content. MLS Participants and Subscribers may not take legal action against another Participant or Subscriber for alleged rules violation(s) unless the complaining Participant or Subscriber has first exhausted the remedies provided in these rules.

a) **Notice.** Any Participant or Subscriber who believes another Participant or Subscriber has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, and virtual tours, shall send notice of such alleged unauthorized use to the MLS. Such notice shall be in writing, specifically identify the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. No Participant or Subscriber may pursue action over the alleged unauthorized use and display of listing content in a court of law without first completing the notice and response procedures outlined in this section of the MLS rules.

b) **Response.** Upon receiving a notice, the applicable Committee/Board of Directors will send the notice to the Participant or Subscriber who is accused of unauthorized use. Within ten (10) days from receipt, the Participant or Subscriber must either: 1) remove the allegedly unauthorized content, or 2) provide proof to the Committee/Board of Directors that the use is authorized. Any proof submitted will be considered by the

Committee/Board of Directors, and a decision of whether it establishes authority to use the listing content will be made within thirty (30) days.

c) **Determination.** If the Committee/Board of Directors determines that the use of the content was unauthorized, the Committee/Board of Directors may issue sanctions pursuant to the MLS rules, including a request to remove and/or stop the use of the unauthorized content within ten (10) days after transmittal of the decision. If the unauthorized use stems from a violation of the MLS rules, that too will be considered at the time of establishing an appropriate sanction.

d) **Court Action If Uncured.** If after ten (10) days following transmittal of the Committee's/Board of Director's determination the alleged violation remains uncured (i.e., the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law.

11.12 Participant Access and Entitlement to Their Own Listing Information; Data Portability. The Service must, upon request, promptly provide a Participant (or the Participant's designee) a data feed containing, at minimum, all active MLS listing content input into the MLS by or on behalf of the Participant and all the Participant's off-market listing content available in the MLS system. The delivery charges for the Participant's listing content shall be reasonably related to the actual costs incurred by the MLS. The data feed must be in compliance with the prevailing RESO (Real Estate Standards Organization) standards required by NAR MLS Policy. The Service will not limit the use of the Participant's listing content by the Participant or Participant's designee.

12. PROHIBITIONS AND REQUIREMENTS.

12.1 Notification of California Department of Real Estate (DRE) or California Bureau of Real Estate Appraisers (BREA) Action. Participants and Subscribers are required to notify the AOR/MLS within 24 hours of any final action taken by the DRE or the Bureau of Real Estate Appraisers (BREA) against the Participant, Subscriber, or any licensee affiliated with the Participant or Subscriber, including, but not limited to, any final decisions restricting, suspending, or revoking a real estate license or Appraiser's certification or license of a Participant, the Participant's firm or corporation under which the Participant or Subscriber acts, or any licensee affiliated with the Participant or the Participant's firm or licensee or Appraiser who was affiliated with the Participant or Participant's firm at the time of the underlying act.

12.2 Violations of the Law. If a Participant, Subscriber, Appraiser, or a licensee affiliated with a Participant or Subscriber commits a felony or a crime involving moral turpitude or violates the Real Estate Law or the laws relating to Appraisers, the Participant and Subscriber shall be in violation of this section. However, a Participant or Subscriber shall not be found to have violated this section unless the Participant, Subscriber, Appraiser, or salesperson licensed to the Participant has been convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of (1) a felony, or (2) a crime involving moral turpitude, or (3) on a determination by any court of competent jurisdiction, or official of the State of California authorized to make the determination, that the Participant or Subscriber violated a provision of the California Real Estate Law or a Regulation of the Real Estate

Commissioner or law relating to Appraisers.

12.3 Supervision of R.E. Licensees and Appraisers. In addition to the notification requirements of Section 12.1, a Participant may not allow any licensee, under the Participant's license, whose license has been revoked, suspended or restricted by the DRE to use the MLS in any manner while the DRE discipline is in effect except that the licensee may use the MLS under a restricted license providing such use is consistent with and does not violate such license restrictions.

12.4 Solicitation of Listing Filed With the MLS. Participants and Subscribers shall not solicit a listing filed with the MLS unless such solicitation is consistent with Article 16 of the N.A.R. Code of Ethics, its Standards of Practice, and its Case Interpretations. The purpose of this section is to encourage sellers to permit their properties to be filed with the MLS by protecting them from being solicited through unwanted phone calls, visits, and communications, prior to expiration of the listing, by Brokers and salespersons seeking the listing upon its expiration. This section is also intended to encourage Brokers to participate in the MLS by assuring them that other Participants and Subscribers will not attempt to persuade the seller(s) to breach the listing agreement or to interfere with the Listing Broker's attempts to market the property. This section does not preclude solicitation of listings under circumstances otherwise permitted under Article 16 of the N.A.R. Code of Ethics, its Standards of Practice, and its Case Interpretations.

12.5 Misuse of Public Remarks. Information in the public remarks shall only relate to the description, features and condition of the property and related amenities. The following types of information may not be included in the public remarks:

- Contact information of any kind;
- Branded content (as defined in Rule 11.5(e));
- Links to external websites of any kind, including but not limited to, agent or broker sites, video tours, virtual showing or open house tools, vendor sites, or offer submission/application/auction platforms;
- Showing instructions or open house information;
- Information regarding lockboxes, alarms, gate or other security codes, or occupancy status of the property (a statement that the property shall be delivered vacant is not a violation of this section).
- Information deemed to create an unsafe or unsecure circumstance related to the listed property, property occupants, real estate practitioners, or the public;
- Information directed toward agents or brokers, including but not limited to, references to compensation, commission sharing or bonuses;
- Solicitations or invitations for the public to contact the listing agent or broker or any third parties affiliated with the listing agent or broker, and;
- Content that violates Fair Housing law or that is deemed discriminatory, illegal, defamatory, offensive, or otherwise inappropriate. CRMLS reserves the right to remove and issue citations for any inappropriate content.

By submitting remarks to the MLS, Participant and/or Subscriber represents and warrants he or she has the authority to grant, and hereby grants the MLS and the other Participants and Subscribers the right to reproduce and display the remarks in accordance with these rules.

Copying of remarks by a subsequent listing agent for use in his or her own listing requires prior written authorization from the originating listing agent or other appropriate party with the legal right to reproduce and display such remarks.

12.5.1 Misuse of Other Remarks and Media. Participants and Subscribers may not use any remarks or other media fields in a property data profile sheet or listing submitted to the MLS or inputted directly into the MLS database for purposes of disparaging other real estate agents or conveying information about other offices or for conveying any other information that does not directly relate to the marketing of the listing.

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

12.7 "Sold" Signs and Use of the Term "Sold." Only Real Estate Brokers or R.E. Subscribers who participated in the transaction as the Listing Broker or Buyer Broker may claim to have "sold" the property. Prior to closing, a Buyer Broker may post a "sold" sign on a property only with the consent of the Listing Broker. This section does not, however, prohibit any Broker from advertising the addresses and prices of the properties that have sold in a neighborhood after the information regarding the properties has been published as long as the advertisement does not imply the agent was involved in the transaction unless such is the case and as long as the advertisement otherwise presents a `true picture' as is meant under Article 12 of the N.A.R. Code of Ethics, its Standards of Practice, and its Case Interpretations.

12.8 Advertising of Listing Filed With the MLS. A listing shall not be advertised in any media or used for any advertising purposes, including the Internet, by any Participant or Subscriber other than the Listing Broker, without the prior consent of the Listing Broker except as provided in Section 19.2 relating to display of listings on the Internet.

12.8.1 Advertising of Listing in Printed Neighborhood Market Report. Subject to the conditions set forth in (a) through (c) below, as well as throughout these Rules, Participants and Subscribers may include the listings of others in their printed "Neighborhood Market Reports." The "Neighborhood Market Report" is defined as an advertising and/or information sheet (typically appearing in the form of a postcard, flier or newsletter) compiled by and/or for use by a licensee which sets forth a list of home activity in a particular neighborhood area. Advertising appearing in newspapers, magazines or other classified forms is not included in the definition of "Neighborhood Market Report" and is not authorized by this Rule 12.8.1.

a) **Consent**. The listing brokers' consent for such advertising is presumed, in satisfaction of Rule 12.8, unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit others to advertise his listing in the "Neighborhood Market Report" (i.e. "opts-out") either on a blanket or listing by listing basis. Listing brokers that refuse to permit other Broker Participants or Subscribers to advertise their listings on a blanket basis may not display the listings of the other brokers' listings in their own "Neighborhood Market Reports". Even where Listing Brokers have given blanket authority for other Broker Participants and Subscribers to advertise their listings in the "Neighborhood Market Report", such consent may be withdrawn on a listing-

by-listing basis where the seller has prohibited it. Participants and Subscribers are not permitted to include listings in their Neighborhood Market Report from which listing broker has opted out and will be responsible for verifying that they have permission to advertise all listings contained in their Neighborhood Market Reports.

b) **Listing Attribution**. All On-Market listings in the "Neighborhood Market Report" must identify the name of the listing firm(s) and the name of the listing agent(s) in a manner designed to easily identify such listing firm(s) or agent(s). Such identification shall be 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.

c) **Allowable Listing Content**. Broker Participants and Subscribers may include only those portions of the MLS compilation consisting of the following: property address (and whether attached or detached), status, price, , number of bedrooms, number of bathrooms, number of garages (and whether attached or detached), square footage, lot size, year built, tract or development name, and if there's a pool. Display of other fields, as well as confidential information and photographs, is prohibited.

12.9 Limitations on Use of MLS Information in Advertising. Except as provided in Sections 12.7, 12.8, 12.11 and 12.15, truthful use of information from the MLS compilation of current listing information, from the MLS' "statistical report," or from any "sold" or "comparable" report of the MLS for public mass media advertising by an MLS Participant or Subscriber or in other public representations for purposes of demonstrating market share is not prohibited. However, any print or non-print forms of advertising or other forms of public representations must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice in a manner readily visible to consumers but not less than 7pt type:

"Based on information from California Regional Multiple Listing Service, Inc. as of [date the AOR/MLS data was obtained] and /or other sources. All data, including all measurements and calculations of area, is obtained from various sources and has not been, and will not be, verified by broker or MLS. All information should be independently reviewed and verified for accuracy. Properties may or may not be listed by the office/agent presenting the information".

12.10 False or Misleading Advertising and Representations; True Picture Standard of Conduct. Participants and Subscribers may not engage in false or misleading advertising, including, but not limited to, advertisements or representations regarding the Participant's or Subscriber's relationship to the MLS, about the MLS itself, or about any property listed with the MLS. MLS Participants and Subscribers shall present a true picture in their advertising and representations to the public, including internet content, images and the URLs and domain names they use, and Participants and Subscribers may not:

12.10.1 Engage in deceptive or unauthorized framing of real estate brokerage websites;

12.10.2 Manipulate (e.g., presenting content developed by others) listing content and other content in any way that produces a deceptive or misleading result;

12.10.3 Deceptively use metatags, keywords or other devices/methods to direct, drive or divert Internet traffic;

12.10.4 Present content developed by others without either attribution or without permission, or;

12.10.5 Otherwise mislead consumers, including use of misleading images.

12.11 Use of MLS Information. In recognition that the purpose of the MLS is to operate a broker cooperative and to market properties for cooperation with other Broker Participants and R.E. Subscribers for the sole purpose of selling the property, and that sellers of properties filed with the MLS have not given permission to disseminate the information for any other purpose, Participants and Subscribers are expressly prohibited from using MLS information for any purpose other than to market property to bona fide prospective buyers or to support market evaluations or appraisals as specifically allowed by Sections 12.14, 12.15 and 19.2. MLS information may also be used to develop Statistics, Market Condition Reports, and Broker or Agent Metrics. Any use of MLS information inconsistent with these sections is expressly prohibited. Nothing in this section, however, shall limit the MLS from entering into licensing agreements with MLS Participants and Subscribers or other third parties for use of the MLS information.

12.11.1 Use of MLS Data in AI/Machine Learning. Participants and Subscribers shall not provide, submit, transmit, upload, or otherwise make available any MLS Listing Records, or any portion, derivative, or compilation thereof, to any Artificial Intelligence (AI) platform, machine learning system, large language model, generative AI tool, or automated data training environment, except for:

Limited Permitted Use. A Participant or Subscriber may submit MLS Listing Records into an AI platform solely for the purpose of conducting a specific, defined real estate transaction or project on behalf of a client, provided that:

- The AI platform does not retain, store, index, copy, or incorporate the MLS Listing Records or any portion thereof into any training dataset, foundational model, or persistent data store beyond the immediate session or defined project;

- The Participant or Subscriber has verified that the AI platform's terms of service, privacy policy, or data use agreement prohibit the retention or use of submitted data for model training or improvement;

- The MLS Listing Records are used solely for the benefit of the specific client engagement for which they were submitted and are not repurposed, shared, or made available to any third party through the AI platform; and

- The Participant or Subscriber does not submit bulk, aggregated, or systematically compiled sets of MLS Listing Records into any AI platform for any purpose other than the specific transaction or project at hand.

12.12 Confidentiality of MLS Information. Any information provided by the MLS to the Participants and Subscribers shall be considered and treated as confidential by Participants and Subscribers and shall be for the exclusive use of the Participants and Subscribers for purposes described in Sections 2, 12.7, 12.11, 12.14, 12.15, 19.2 and this section. Participants and Subscribers 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 Participants and Subscribers. Participants and Subscribers are responsible for the security of their pass codes and shall not give or allow use of or make available their pass codes to any person. Participants and Subscribers may reproduce or display the information as provided in these rules.

12.12.1 Clerical Users. Clerical Users may have access to MLS information solely under the direction and supervision of the Participant or Subscriber. Clerical Users are expressly prohibited from displaying or distributing MLS information to anyone other than the Participant or Subscriber under whom they are registered. Access by Clerical Users to the database is solely for clerical and administrative functions for the Participant or Subscriber under whom the Clerical User is registered.

12.13 Access to Comparable and Statistical Information. AOR/MLS 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 or lease, 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. This information is provided for the exclusive use of AOR/MLS members and individuals affiliated with AOR/MLS 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.

12.14 Display. Subject to Sections 12.15 and 19.2, Broker Participants and R.E. Subscribers shall be permitted to display the MLS compilation in either electronic or printed format to specifically identify and bona fide prospective buyers 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. Broker Participants and R.E. Subscribers shall be permitted to display the MLS compilation in either electronic or printed format to specifically identified and bona fide sellers or prospective sellers only in conjunction with their ordinary business activities in listing properties. Appraiser Participants and Appraiser Subscribers shall be permitted to display the MLS compilation to the person requesting the appraisal only in conjunction with their ordinary business activities of producing a written appraisal. Such displays under this section shall be only in the immediate presence of the MLS Participant or Subscriber.

12.15 Reproduction. "Reproduction" shall include, but not be limited to, making photocopies, computer printouts, electronic transfers (including email), or downloading of MLS data or compilations. Participants and Subscribers or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof except as provided in Section 19.2 and in the following limited circumstances:

12.15.1 Copies to Prospective Buyers. Broker Participants and R.E. Subscribers may reproduce from the MLS compilation, and distribute to prospective real estate buyers, copies of those portions of the MLS compilation consisting only of a description of the property, including the address, features, financing, and price, as well as photographic images and recordings of the property.

12.15.2 Information Reproduced. Unless the Participant or Subscriber obtains prior written consent from the Listing Broker, the information reproduced pursuant to this section shall not include the following:

a) Property owner's name, phone number, and address (if different than the listed property);
b) Instructions or remarks intended for Buyer Brokers, including, but not limited to, showing instructions or security references (ex: lock box, burglar alarm, or security system, vacancies) regarding the listed property;
c) Type of listing;
and.
d) Other information which goes beyond a description of the property.

12.15.3 Copies for Appraisals. Participants and Subscribers may reproduce from the MLS compilation and attach to an appraisal as supporting documentation copies of those portions of the MLS compilation consisting only of such information on properties necessary to support a written appraisal or estimate of value on a particular property.

12.15.4 Downloading into Computers. Participants and subscribers may download MLS information into a computer or computer system as long as:

a) Access to the computer or computer system receiving the information is strictly limited to authorized Participants, Subscribers, and Clerical Users as defined in these rules; and
b) The information is only retransmitted to the Participants, Subscribers, and Clerical Users authorized to access the computer or computer system by these rules; and
c) The information is not reformatted or used to create another product except as may be used by the Participant who downloaded the data and such use strictly complies with Sections 12.7, 12.11, 12.15 and 19.2.

12.15.5 Sold Information. Individuals legitimately in possession of current listing information, "sold" information, "comparable" or statistical information may utilize 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 rules with the exception of usage as defined under Section 19.2.

12.16 RELOCATED. Refer to Section 19.2.

12.17 Applicability of Rules to MLS. These Rules are binding on the MLS Participants and Subscribers. Nothing in these Rules shall limit the right of the MLS to enter into licensing agreements with third parties for use of the MLS compilations or any portion thereof in accordance with terms approved by the Association or MLS Board of Directors.

12.18 Listing Broker's Right to Opt Out of Internet Advertising of MLS Information. If the MLS advertises MLS information on the Internet or licenses MLS information for advertising on the Internet, the Listing Broker shall have the right to opt out of such advertising in accordance with the MLS's procedures for opting out. The Listing Broker shall have the right to refuse to have listings displayed on a blanket basis or on a listing- by-listing basis in accordance with Section 19.2 by affirmatively notifying the AOR/MLS in accordance with the MLS procedures for opting out. Notwithstanding anything in these Rules to the contrary, the AOR/MLS Board of Directors reserve the right to determine whether to provide Internet advertising services and whether such services are to be made available to non-REALTOR® members.

12.19 Website Name and Status Disclosure. MLS Participants' firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner. Websites of Subscribers affiliated with a Participant's firm shall disclose the firm's name and the Subscriber's state(s) of licensure in a reasonable and readily apparent manner.

12.20 Use of the Terms MLS and Multiple Listing Services. No MLS Participant or Subscriber shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants and Subscribers shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to Participants and Subscribers. This does not prohibit Participants and Subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise.

12.21 Participant and Subscriber Standards of Conduct. The services which MLS Participants 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, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.
MLS participants 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.

12.22 Required Email Address. Every MLS Participant/Subscriber shall be required to maintain on file with the AOR/MLS a current, accurate, and active email address at which they may be contacted.

12.23 Definition of Calendar Days/Business Days. For purposes of this Ruleset: All references to

Days shall mean Calendar Days, which is defined as any day Monday through Sunday, excluding holidays. Where the term Business Days is used, the term is defined as any day Monday through Friday, excluding holidays.

13. LOCKBOXES.

13.1 Access Rights. MLS Participants and Subscribers are granted access rights to Active or Active Under Contract listed properties consistent with the instructions of the listing broker as set forth in the MLS. Listing Brokers shall make Active and Active Under Contract properties reasonably available to Cooperating Brokers for showings when it is in the best interest of the Seller. It is incumbent on the Listing Broker to verify the validity of the requesting party prior to providing access or access information.

13.2 Reasonable and Timely Means of Access. Any property access system or mechanism must provide reasonable, timely access to listed property. Specifically, such system or mechanism must allow access by reliance solely on data/information submitted to and residing in the MLS, or via an MLS provided third-party licensed product. Data/information conveying access information must be complete and accurate and shall be entered in the Showing Instructions field. Timely access is defined as access or any further information required for access being provided within four (4) hours of initial contact. This four (4) hour response obligation shall be in effect every day between 8 am and 6 pm.

13.3 Unauthorized Access. The following are prohibited:

a) Providing access or information as to the means of access to anyone other than the Participant or Subscriber intended to use the information or access the property, unless specifically pre-authorized by Listing Broker.
b) Accessing or providing access or information as to the means of access to the property for any reason other than facilitating the sale/lease of the property.
c) Accessing property by Appraiser Participants without the Listing Broker's pre-authorization.
d) Entering a property or engaging any means of access without entering the property, without or in any manner inconsistent with the Listing Broker's permission. Unless otherwise set forth in the MLS or communicated by the Listing Broker, such permission is granted by the Listing Broker providing information necessary to access the property.

13.4 Written Authority. Listing Brokers shall not create an access method on a property without written authority from the Seller and occupant if other than the Seller.

13.5 Terminating Access. Any access method shall be removed or otherwise terminated within one (1) day after the close of escrow, expiration/cancellation of the listing, or effective date of a lease agreement.

14. VIOLATIONS OF RULES AND POLICIES.

All references to *California Code of Ethics and Arbitration Manual* refer to the publication of the California Association of REALTORS® as amended from time to time.

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

a) For violation of any MLS rule.
b) On the Participant's or Subscriber's being convicted, adjudged, or otherwise recorded as guilty by a final judgment of any court of competent jurisdiction of (1) a felony, or (2) a crime involving moral turpitude, or (3) on a determination by any court of competent jurisdiction, or official of the State of California authorized to make the determination, that the Participant or Subscriber violated a provision of the California Real Estate Law or a Regulation of the Real Estate Commissioner or the laws relating to Appraisers or a Regulation of the Office of Real Estate Appraisers (OREA).
c) For any violation of subsection (a) by any person, including, but not limited to, a Clerical User or a salesperson, who is not a Participant or Subscriber but is employed by or affiliated with such Participant or Subscriber and was providing real estate related services within the scope of the Participant's or Subscriber's license. Lack of knowledge by the Participant or Subscriber of such salesperson's conduct shall only go to mitigation of discipline imposed.
d) For any violation of the N.A.R. Code of Ethics while a member of any Association of REALTORS®.

14.2 Sanctions. Sanctions or disciplinary action for violation of an MLS Rule may consist of one or more of those specified in the *California Code of Ethics and Arbitration Manual.*

14.3 Citations. The AOR/MLS may implement a schedule of fines (as outlined in the MLS Citation Policy) for certain MLS Rules violations and direct staff to issue citations for the specified MLS rules violations and implement a procedure whereby the Participant and Subscriber receiving the citation may either pay the amount specified on the citation or request a full hearing in accordance with the procedures set forth in the California Code of Ethics and Arbitration Manual.

14.3.1 Mandatory Hearing for Multiple Citations. For any MLS Rule violation that would result in a fourth (or further) Citation in any calendar year, the violator and the violator's Office Manager or Designated Broker, if applicable, shall appear before a Professional Standards hearing panel to: 1) adjudicate the alleged MLS Rule violation(s), 2) determine additional sanctions the panel deems appropriate for the violator's continuing failure to follow the MLS Rules, and 3) determine sanctions the panel deems appropriate for the Office Manager or Designated Broker's failure to properly supervise and correct the violator's continuing failure to follow the MLS Rules. If the violator is the Designated Broker, determination of sanctions for failure to supervise shall not apply.

14.4 Duty to Correct and Cooperate.

a) A Participant and Subscriber, within 1 day of a Citation, must correct any violation of the Rules and Policies and bring the listing into compliance.
b) Failure to correct violations or cooperate with an investigation under the Rules and

Policies within the 1-day correction period may subject a non- conforming listing to removal from the MLS database.

c) Any fines levied against a Participant under this Section as a result of the actions of a Subscriber under the Participant may be transferred to an appropriate manager under the Participant at Participant's discretion. Copies of all notices related to such fines shall be retained by the Participant.

14.5 MLS Modification of Information. In connection with the enforcement of MLS Rules and Policies or as otherwise needed to correct listing information, MLS Staff may modify any field or data point within any listing.

14.6 Abusive Conduct. Participants or Subscribers shall not engage in abusive conduct towards MLS or Association staff at any time in any interaction by any method of communication. Abusive conduct includes, but is not limited to, issuing threats or intimidation, using profanity or insulting language, harassment, bullying, coercion, shouting or otherwise behaving in a manner that creates apprehension in the recipient of the conduct.

14.7 Disclosure Limitations. Any information received by the MLS in response to an investigation that results in a "no violation" ruling may be shared with any reporting party.

15. PROCEDURES FOR MLS RULES HEARINGS.

All MLS Rules hearings shall be processed in accordance with the *California Code of Ethics and Arbitration Manual* as from time to time amended which is hereby incorporated by reference. Failure to abide by the procedures of the *California Code of Ethics and Arbitration Manual* shall be a violation of these MLS rules.

16. ARBITRATION.

16.1 Mandatory Arbitration. By becoming and remaining a Participant or Subscriber in the MLS, each Participant and Subscriber agrees to submit disputes arising out of the real estate business which also arises out of, or is in conjunction with, any listing filed with the MLS or any appraisal, to binding arbitration with any other Participant or Subscriber of this MLS, or participants or subscribers of any other MLS who are authorized to have access to this MLS under Section 6 of these rules. Such arbitrations shall be governed by the *California Code of Ethics and Arbitration Manual* as from time to time amended which is hereby incorporated by reference. This shall be deemed an arbitration agreement within the meaning of Part 3, Title 9 of the California Code of Civil Procedure. Failure to submit to arbitration and abide by the arbitration award, including but not limited to timely payment of the arbitration award as provided herein shall be a violation of these MLS Rules and subjects Participants and Subscribers to possible suspension from the MLS and/or other penalties.

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

16.3 Arbitration Between Association Members. Notwithstanding any other provision of these Rules:

a) If all disputants are members of the same AOR, they shall arbitrate under that AOR in accordance with its rules.
b) If the disputants are members of different AORs, they shall arbitrate in accordance with any applicable regional or shared professional standards agreement. In the absence of such an agreement, the disputants remain obligated to arbitrate in accordance with the Interboard Arbitration Rules of the California Association of REALTORS® ("C.A.R.").

16.4 Arbitration Involving Non-Association Members. Notwithstanding any other provision of these Rules:

a) If one of more of the disputants are non-AOR members and all disputants receive MLS services through the same AOR, they shall arbitrate at the AOR unless the AOR participates in a regional MLS, in which case, they shall arbitrate in accordance with any applicable regional agreements between the AOR and the regional MLS
b) If one or more of the disputants are non-AOR members and the disputants receive MLS services through different AORs and the AORs participate in a regional MLS, they shall arbitrate in accordance with any applicable regional agreements between the AORs and the regional MLS.
c) In the absence of a regional agreement regarding the location of the arbitration, any dispute under subsection (a)-(c) may be conducted at any AOR where the respondent(s) holds AOR membership or receives MLS services.

16.5 Same Firm. Arbitration between persons from the same firm shall not be available and is not mandated by these Rules unless covered by arbitration rules relating to the obligations of AOR members to arbitrate.

16.6 Timing. For purposes of this Section 16, the duty to arbitrate shall be determined when facts giving rise to the dispute occurred. Therefore, a Participant or Subscriber shall have a duty to arbitrate if the person was an MLS Participant or Subscriber when facts giving rise to the dispute occurred. Termination of MLS participation or subscription shall not relieve the arbitration duty under this section for disputes that arose when the person was an MLS Participant or Subscriber. Requests for arbitration must be filed within one hundred and eighty (180) days after the closing of the transaction, if any, or after the facts constituting the matter could have been known in the exercise of reasonable diligence, whichever is later.

17. NONPAYMENT OF MLS FEES.

17.1 Nonpayment of MLS Fees. If MLS fees, fines, charges, or other amounts owed the MLS are not paid on the due date specified on the invoice, the nonpaying Participant and/or Subscriber's MLS services shall be subject to suspension until such outstanding amounts are paid in full. The MLS may suspend MLS services under this section provided the MLS gives the Participant and/or Subscriber at least twenty (20) calendar days' prior notice of the proposed suspension date. Such notice may be included with the original billing statement for MLS fees, fines, or charges or any time thereafter. In the event the amounts owed remain unpaid for three months after the due date, the nonpaying Participant and/or Subscriber's

MLS services shall automatically terminate regardless if notice of such termination is given.

17.2 Disputed Amounts. If a Participant and/or Subscriber disputes the accuracy of amount owed, the Participant and/or Subscriber may request a hearing before the Association or MLS Board of Directors. In order to request such a hearing, the Participant and/or Subscriber must first pay the disputed amount in whole which may be refunded in whole or part in accordance with the Board of Directors' determination. Hearings under this section shall be conducted in accordance with the *California Code of Ethics and Arbitration Manual*. In the event the Board of Directors confirms the accuracy of the amount owed, the Participant and/or Subscriber shall also be subject to paying interest at the rate of ten (10%) per annum on such past due amounts.

17.3 Reinstatement. Any Participant and/or Subscriber whose MLS services have been terminated for nonpayment of MLS fees may reapply for participation in the MLS. However, prior to being granted access, such Participant and/or Subscriber must pay all fees applicable to new applicants and all past due amounts owed, including paying interest at the rate of ten (10%) per annum on such past due amounts.

18. CHANGE IN RULES AND POLICIES.

The Rules of the MLS may be amended by a majority vote of the CRMLS Board of Directors based on recommendations from a Rules and Policies subcommittee made up of members from each participating AOR/MLS. Any changes to these rules which are mandated by the National Association of REALTORS® shall automatically be incorporated into these rules and do not require subcommittee or CRMLS Board of Directors approval. All changes to the rules shall be submitted to all reciprocating MLS.

19. PARTICIPANT DATA ACCESS.

19.1 Participant Definition and Requirements for MLS Data Use Outside MLS Front End.

a) **Representation.** These rules govern the use of MLS data by a Participant outside of the Participants use and access to the MLS provided front end search and add/edit systems. Participant use of any MLS Data outside of the subscribed to front end systems licensed by MLS, and that is provided through a data feed of any portion of the MLS compilation is limited to Participants that are actively engaged in the direct representation, with all legally applied fiduciary duties as the agent of 1) buyers or tenant that show and make offers on properties listed in the MLS Database, or 2) Sellers or landlords that list properties in the MLS Database. Participants shall comply with all California Department of Real Estate (DRE) regulations related to the representation of buyers and sellers including but not limited to the signing of written agreements, conducting agent visual inspections and providing all disclosures.

b) **Actively Engaged.** Mere possession of a Broker's License is not sufficient to qualify for MLS data access participation. Rather, the requirement is that an individual or firm provides actual real estate brokerage services that requires a valid California license directly to clients The Participant is actively engaged when they endeavor during the operation of its real estate business to list real property on the MLS including making information and the property available for showings when in the client's best interest

and/or to represent buyers or tenants in showing and making offers on MLS listed properties. "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 data access participation by a Participant or potential Participant that operates a real estate business on 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 data access 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 MLS data access 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 provide licensed real estate brokerage services directly to clients by cooperating with one another in respect to properties of the type that are listed on the MLS in which participation is sought. An MLS may evaluate whether a Participant or potential Participant meets the Representation and Actively Engaged standards above only if the MLS has a reasonable basis to believe that the Participant or potential Participant is in fact not doing so.

c) **Referral Activity.** Note that solely engaging in referral activities is not sufficient to qualify for MLS data access, but if a broker Participant is actively engaged in providing brokerage services as described above and to an extent that does permit MLS data access, it may also engage in making some referrals to others. Nothing in this rule shall prohibit or limit the ability of MLS to grant access or a data license to an entity or person that does not qualify under these Participant Data Use Rules.

19.2 Internet Data Exchange ("IDX"). "Internet Data Exchange" is a means by which each Participant subscribing to the program (IDX) permits the limited electronic display of Participant's listings appearing in Internet Data Exchange Database on each Participant's IDX Internet websites and on applications for mobile devices that said participating Broker Participants and. Subscribers control. The "Internet Data Exchange Database" (IDX Data) is the current aggregate compilation of all Marketed or Advertised listings information as defined in Section 10.1, Pending and Sold/Leased listings of all Internet Data Exchange Participants except those listings where the property seller has opted out of Internet publication by so indicating on the listing contract. The intent of IDX is to allow Participants that represent real estate sellers or buyers (or both) to permit other such Participants to advertise their listings in electronic displays including, but not limited to: websites, mobile applications, audio devices, and additional technologies. IDX is only available to Participants and Subscribers. MLS Participants may use the IDX data feed to advertise listings in any digital medium. Any participant, including any Subscriber affiliated with the Participant, that inputs a listing into the MLS consistent with the MLS rules is a "Listing Broker." An "Advertising Broker" means any Participant, including any Subscriber affiliated with that Participant, that uses the data feed to electronically display any information about a property filed with the MLS for which that Participant is not the Listing Broker.

19.2.1 Authorization. Subject to sections 19.2.2 through 19.2.15 below, and notwithstanding anything in these rules and policies to the contrary, Participants and Subscribers may electronically display aggregated MLS listing information in a

status of Coming Soon, Active, Active Under Contract, Pending and Sold/Leased statuses through either downloading or by framing such information on the MLS or association public access website (if such a site is available). The download will include Publicly Accessible sold listing data closed after January 1, 2012. "Publicly Accessible" sold information as used in the IDX policy and rules, means data that is available electronically or in a hard copy to the public from city, county, state and other government records. The downloading of raw data will be through the Participant only.

19.2.2 **Consent.** The Listing Brokers' consent for such Internet display is presumed, in satisfaction of Rule 12.8, unless a Listing Broker affirmatively notifies the MLS that the Listing Broker refuses to permit display on either a blanket or on a listing-by listing basis. Listing Brokers that refuse to permit other MLS Participants or Subscribers to display their listing information on a blanket basis may not display MLS listing information of other Brokers' listings. Even where Listing Brokers have given blanket authority for other Broker Participants and R.E. Subscribers to partake in IDX display of their listings, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display.

19.2.3 **Control.** Broker Participants and R.E. Subscribers may only partake in IDX display on websites and applications for mobile devices which they control. Under IDX policy, "control" means that Broker Participants and R.E. Subscribers must have the ability to add, delete, modify and update information as required by the IDX policy. All displays of IDX listings must also be under the actual and apparent control of the Broker Participant and/or R.E. Subscriber and must be presented to the public as being that Broker Participant's and/or R.E. Subscriber's display. Actual control requires that Broker Participants and R.E. Subscribers have developed the display or caused the display to be developed for themselves pursuant to an agreement giving the Broker Participant and/or R.E. Subscriber authority to determine what listings will be displayed, and how those listing will be displayed. Apparent control requires that a reasonable consumer viewing the Broker Participant's and/or R.E. Subscriber's display will understand the display is the Broker Participant's and/or R.E. Subscriber's, and that the display is controlled by the Broker Participant and/or R.E. Subscriber.

19.2.4 **Display Content.** Participants and Subscribers shall not display confidential information fields, as determined by the MLS in the MLSs' sole discretion, such as that information intended for Buyer Brokers rather than consumers. Participants and Subscribers shall not display any photo or Media other than the primary photo for any CRMLS Listing Record in a status of Closed/Leased, Expired, or Cancelled.

19.2.5 **Listing Credit.** All Listing Brokers grant permission for any Advertising Broker to display any listing submitted to the service by the Listing Broker only if the listing display or advertisement is clear so that a reasonable real estate consumer understands:

a) Who is the Listing Agent and Broker;
b) Who is the Advertising Broker, and;

c) How to contact that Listing Agent or Broker.

MLS may develop business rules to establish Advertising Attribution Fields for a Listing Brokers use during listing input that are required to be displayed by Advertising Brokers. MLS may provide Standards of Practice that assist in the interpretation of this rule which may contain examples and additional details to assist Advertising Brokers in understanding the Listing Credit rule.

19.2.6 Source. Information displayed shall indicate the source MLS of the information being displayed and the most recent date updated. Participants and Subscribers shall update all downloads and refresh all MLS downloads and IDX displays fed by those downloads of data at least once every 7 days.

19.2.7 Usage. Participants and Subscribers shall indicate on their displays that the information being provided is for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing. Displays of minimum information (e.g. a one-line thumbnail search result, 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.

19.2.8 Security. Participants' and Subscribers' websites must protect MLS data from misappropriation by employing reasonable efforts to monitor for and prevent "scraping" and other unauthorized accessing, reproduction or use of the MLS database.

19.2.9 Display Purpose. Broker Participants and R.E. Subscribers may not use IDX-provided listings for any purpose other than display as provided in these rules. This does not require Broker Participants and R.E. Subscribers to prevent indexing of IDX listings by recognized search engines.

19.2.10 Restricted Display. Listings, including property addresses, can be included in IDX displays except where sellers have directed their Listing Brokers 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). This does not preclude listing Participants or Subscribers from displaying on their IDX sites or their other website(s) the listing or property address of consenting sellers.

19.2.11 Restricted Access and Distribution. Sharing of the MLS compilation with any third party not authorized by the MLS is prohibited. 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 distributed, provide or make any portion of the MLS database available to any person or entity.

19.2.12 Excluded Listings. Not all listings from the MLS must be displayed on the Participant's and/or Subscriber's IDX sites so long as any exclusions are based on objective criteria, e.g., type of property, listed price or geographical location. Selection of listings displayed on any IDX site must be independently made by each

Participant.

19.2.13 Website Identification. Any IDX display controlled by a Broker Participant or R.E. Subscriber must clearly identify the name of the brokerage firm under which they operate and the subscriber's name, if applicable, in a readily visible type font and color.

19.2.14 Removed.

19.2.15 Third Party Comments and Automated Value Estimates. Any IDX display controlled by a Broker Participant or RE 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, shall disable or discontinue either or both of those features as to the seller's listing 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 these features disabled or discontinued on all displays controlled by Broker Participants and R.E. Subscribers. Except for the foregoing and subject to section 19.2.15 below, a Broker Participant's or R.E. Subscriber's IDX site may communicate the Broker Participant's or R.E. Subscriber's professional judgment concerning any listing. Nothing shall prevent an IDX site from notifying its viewers that a particular feature has been disabled at the request of the seller.

19.2.16 Making Corrections. Broker Participants and R.E. Subscribers 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 Broker Participants and R.E. Subscribers beyond that supplied by the MLS and that relates to a specific property displayed on the IDX site. Broker Participants and R.E. Subscribers 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 that property explaining why the data or information is false. However, the Broker Participants and R.E. Subscribers shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment.

19.2.17 Compliance. All IDX sites are subject to ongoing compliance auditing by the AOR/MLS. Changes to an IDX site necessary to cure a violation of MLS Rules must be accomplished within ten (10) calendar days of the transmittal of notice from the AOR/MLS of such violation. Violations may subject a Participant to sanctions as defined in the MLS Citation Policy, including but not limited to the immediate termination of the download agreement to receive or republish the IDX information.

19.2.18 Notification by Authorized Participants and Subscribers. Participants and Subscribers partaking in the display of MLS On-Market, Pending and/or Sold/Leased listing information of other Brokers' listings pursuant to Section 19.2 must notify the

MLS before displaying said MLS active listing information and must give the MLS direct access as well as allow access for other Participants for purposes of monitoring/ensuring compliance with applicable rules and policies.

19.2.19 Right to Charge for Download. The MLS has the right to charge the costs of adding or enhancing its downloading capacity to Participants and Subscribers who request downloading of listing information pursuant to Section 19.2.

19.2.20 Modifications and Augmentations. Participants and Subscribers shall not modify or manipulate information relating to other participants listings. Participants and Subscribers may augment their IDX display of MLS data with applicable property information from other sources to appear on the same webpage or display, clearly separated by the data supplied by the MLS. The source(s) of the information must be clearly identified in the immediate proximity to such data. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized fields.

19.2.21 No Display of Offers of Compensation. Participants and Subscribers shall not display on ay IDX website or application controlled or operated by Participant or Subscriber, any offers of compensation from either a Listing Broker or seller to any Buyer Broker or buyer representative on any property listing that is provided in the IDX data feed, other than an advertisement of potential sharing of compensation on a property subject to an exclusive listing agreement with the displaying Participant only.

19.3 Virtual Office Websites ("VOW").

19.3.1 VOW Definitions.

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.

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.

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 non-confidential pending and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

19.3.2 VOW Operating Parameters.

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.

19.3.3 VOW Registrant Access Requirements.

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 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.

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.

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.

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.

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.

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.

19.3.4 VOW Contact Requirements. A Participant's VOW must prominently display an email 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.

19.3.5 VOW Data Security. 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.

19.3.6 VOW Listing Display Restrictions.

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.

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.

19.3.7 Posting Consumer Comments and Automated Value Estimate.

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.

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."

19.3.8 Correction of VOW Listing Information. A Participant's VOW shall maintain a means (e.g., email 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 2 days 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.

19.3.9 VOW Mandatory Listing Refresh. A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

19.3.10 VOW MLS Listing Distribution Limitations. 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.

19.3.11 VOW Privacy Policy. 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.

19.3.12 VOW Selective Listing Display. 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, and whether the listing broker is a REALTOR®.

19.3.13 Notification of MLS of Intent to Operate a VOW. 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.

19.3.14 Operation of Multiple VOWs. 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.

19.3.15 VOW Data Display Limitations. NOT ADOPTED.

19.3.16 Changes to Listing Content. 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 so 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.

19.3.17 Listing Accuracy Disclaimer. A Participant shall cause to be placed on his or her VOW in a manner readily visible to consumers but not less than 7pt type, the following, or substantially similar notice: "Based on information from California Regional Multiple Listing Service, Inc. as of [date the AOR/MLS data was obtained] and/or other sources. All data, including all measurements and calculations of area, is obtained from various sources and has not been, and will not be, verified by broker or MLS. All information should be independently reviewed and verified for accuracy. Properties may or may not be listed by the office/agent presenting the information."

19.3.18 Listing Broker or Agent Identification. NOT ADOPTED.

19.3.19 Listing Search Result Limitation. A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 500 current listings and not more than 500 sold listings in response to any inquiry.

19.3.20 Mandatory Registrant Password Change. A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

19.3.21 VOW Co-Branding and Advertising. 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.

19.3.22 Identifying Listing Source. 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.

19.3.23 Separate Source Listing Search. 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.

19.3.24 MLS Licensing Agreement for VOW. Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

19.3.25 Seller's Direction to Withhold from Internet. Where a seller affirmatively directs their 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 2 days.

19.3.26 No Display of Offers of Compensation. Participants and Subscribers shall not display on any VOW they control or for which they receive a data feed, any offers of compensation from either a Listing Broker or seller to any Buyer Broker or buyer representative on any property listing that is provided in the VOW data feed, other than an advertisement of potential sharing of compensation on a property subject to an exclusive listing agreement with the displaying Participant only.

20. REJECTION OF APPLICATION.

In the event an application for participation in the MLS, whether as a licensee or as a clerical support, is rejected by the Association, the applicant, and his or her broker, if any, will be promptly notified in writing of the reason for the rejection. The broker shall have the right to respond in writing, and to request a hearing before a panel selected from the Board of Directors. The hearing will be held in accordance with rules adopted from time to time by the Board of Directors, which will make provision for adequate notice of the time and place of the hearing and shall provide that the parties involved shall have the right to appear and present evidence, both oral and written, and be represented by legal counsel.

Exhibit C

Ed Zorn
Vice President & General Counsel

Via E-Mail
Nathan P. Eimer
Eimer Stahl LLP

Mr.Eimer,

Art Carter has forwarded your September 8, 2026, letter wherein Compass, Inc. demands that the California Regional Multiple Listing Service (CRMLS) agree with your client to not enforce rules, which would result in limited competition, force buyers to use Compass agents, force buyer representatives to join Compass to secure access to Compass' hidden for-sale properties, and create rules that assist Compass in committing fraud in the inducement and intentional misrepresentation. Please be advised that on November 24, 2024, your client made an almost identical demand to CRMLS. Since most of the arguments made by Compass are the same as those asserted in 2024, I attach CRMLS' response, dated December 3, 2024.

Since some of the assertions and supporting documentation are different than the earlier communication, I will now respond to those new arguments.

1) **CRMLS rules already permit full advertising and marketing of a For-Sale Property without submission to CRMLS for Cooperation.**

   You define an "Office Exclusive" to be "a listing in which the owner refuses to grant permission for distribution of the listing to the MLS." Based on your stated definition, however, CRMLS Rule 7.9 fully allows for the public marketing and advertising of a property without that property needing to be submitted to the MLS for cooperation. This principle should be clear to Compass. I have had hours of conversations with Robert Reffkin, Kathy Mehrenger, the Compass Designated Officer, and Compass General Counsel on this exact subject over the years.

2) **CRMLS does not have any rule that prohibits "Public Marketing."**

   Your letter's claim that CRMLS rules prohibit public marketing of listings are incorrect. Here is a link to those rules for your convenience: https://go.crmls.org/crmls-rules-and-policies/.

   CRMLS Rule 7.9 does not prohibit public marketing of a for-sale property. It prevents free riding by an agent that has agreed to cooperate and thereby has access to all the shared MLS listing records contributed by competing brokers. Prior to securing a personal services and commission agreement, agents can create a comparative market analysis using their competitors' contributed MLS listing data, which is then the basis of the agent's opinions of value and recommendations to a seller. Here, the seller also directly benefits from the MLS cooperative by receiving timely and accurate information, including interior photos, property and transactional details for previously sold homes which can be compared to the seller's house. If that agent goes on to secure an exclusive commission agreement where a seller pays a broker fee to that listing agent, even if that agent fails to procure a buyer for the home, then CRMLS rules require that this listing agent contribute the information about the seller's for-sale property to the broker cooperative.

Ed Zorn
Vice President & General Counsel

Under CRMLS rules, if both the seller and listing agent benefited from the use of the MLS listing records in establishing a potential sale price and analyzing time-to-market data, they should both agree to participate in sharing their for-sale property with that same group of brokers that also shared their valuable information.

If instead, the seller and broker agree to a non-exclusive agreement, keeping the seller's choices open to use other competing brokers who may have a buyer for the property, then there is no CRMLS rule requiring submission of the for-sale property information for cooperation at any time, including upon full public marketing. Since any buyer agent can have direct access to the seller in this case, such MLS cooperating broker can secure a buyer and participate in a transaction. A seller's broker should not control access to both a seller and a for-sale property by using an exclusive listing agreement, while simultaneously hiding that for-sale property from the cooperating buyer brokers who contributed information to the MLS that the listing broker used to secure the exclusive commission agreement in the first place.

If agents hiding for-sale properties from the cooperative were permitted to free ride off the hard work and contributions of CRMLS' contributing brokers, by not submitting their clients' listings into the MLS, then the cooperative system would break. These are the actual findings of the 1983 FTC Butter report, any reference to which is conspicuously missing from your letter. There, the FTC argues that:

While there may be cases where a seller does not want his or her listing submitted to the MLS, the MLS remains the most efficient method of maximizing exposure of property in large markets. Historically, however, a common problem for sellers and for the MLSs has been "vest pocket" listings. An ability to easily withhold underpriced listings may increase the incentives of some brokers to undervalue listings initially. Thus, one rationale for mandatory listing requirements traditionally has been that it helps in suppressing a practice which can do substantial injury to consumers.

FTC, *The Residential Real Estate Brokerage Industry*, at 130 (Dec. 1983).
In short, it appears that your letter demands that CRMLS implement rules to support and facilitate "Vest Pocket Listings" which the FTC specifically describes as "causing substantial injury to consumers". CRMLS will not enter into any agreement with Compass to create rules that can harm consumers and are antithetical to rules supporting competition through cooperation.

3) **Agents may access all CRMLS Listing Records without being subscribers to CRMLS by joining a data share MLS like SDMLS, CLAW, MLS Listings, or BridgeMLS.**

CRMLS shares all its MLS listing records with several competing multiple listing services. As a result, it is entirely possible for a Compass agent who does not subscribe to CRMLS (and therefore not subject to the CRMLS rules) to join a separate and distinct MLS and fully retain access to all the CRMLS listing content.

We understand that Mr. Reffkin has visited numerous Compass competitors including several Century 21 and Coldwell Banker franchisees. We have received direct reports about attendees of these meetings being shocked when Mr. Reffkin offered to pay them $1,000 each if they would leave CRMLS and join SDMLS instead.

Our understanding is that Mr. Reffkin made this offer to pressure CRMLS into abandoning the concepts of cooperation and instead implement rules that favor giant

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brokerage firms with significant listing market share. At the same time, I attended the T3 Sixty Leadership Conference in Dallas where Mr. Reffkin appeared virtually and stated to the over 400 attendees that by the end of 2026 CRMLS would lose over 10,000 subscribers to our neighboring MLS competitors. Because the combined CRMLS agent count of both Compass, Inc. and Coldwell Banker Residential is only 4,252 agents, nearly 6,000 agents from competing brokerage firms would need to boycott CRMLS to make Mr. Reffkin's prediction come true.

While CRMLS contemplated litigation against Compass for violations of the antitrust and consumer protection laws, it instead initiated a proposed solution to Compass. This resulted in face-to-face meetings between me, Art Carter, Mr. Reffkin, and Compass General Counsel Ethan Glass. Mr. Reffkin requested that Compass Coming Soon listings be withheld from all portals and IDX websites, with the exception of Redfin.com. He admitted that, because of the size of Compass, he could sell access to these advertised Coming Soon listings to Redfin/Rocket for a substantial monetary gain. However, that value could only be derived if those same listings were excluded from Zillow.com, Homes.com, Realtor.com, and local broker IDX websites. It appears that Mr. Reffkin sought to sell access to the advertising of those for-sale properties to the highest bidder, even though doing so lowered the exposure and removed access to valuable information from potential buyers using competing websites, potentially to the harm of the seller.

CRMLS proposed a modification to its then-current "Coming Soon" status which would provide for additional listing broker options for MLS Listing Record distribution. Messrs. Reffkin and Glass both praised that solution and admitted that it resolved their objections to the CRMLS rules. During this meeting, Mr. Reffkin asserted that he supported rules that would ensure that buyer agents have access in the MLS to any for-sale property that the buyer agent's client could see. Mr. Reffkin said no buyer agent should be embarrassed or lose a buyer client because that buyer saw a for-sale property advertised that the buyer agent had no information about. But receipt of your letter only a couple of months later clearly indicates that none of the representations from Compass leadership were genuine or truthful.

4) **CRMLS is a broker cooperative, not a listing platform.**

You cite several other MLS entities, and I am aware that these multiple listing services actually operate more like listing platforms, rather than as broker cooperatives with a set of rules that support mandatory cooperation. This list of other MLSs does not influence CRMLS to change its operations from a broker cooperative to a listing platform.

Ample antitrust caselaw supports the proposition that CRMLS may enforce reasonable rules to prevent free riding by agents (and firms) that take the benefits of access to all of the cooperative MLS listing content, but then hide from cooperation and access their own listing content to sell those same listings for public display on portal websites, and use those hidden listings to force buyers to abandon their chosen agent just so they can get access to hidden for-sale properties.

CRMLS rules accommodate numerous opportunities for sellers to choose any number of marketing, advertising, and MLS Listing Record distribution options. See the attached December 3, 2024 email for details.

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Ed Zorn
Vice President & General Counsel

Only eight days prior to sending this letter to CRMLS, Compass agreed to settle the lawsuit you brought against Northwest MLS (NWMLS) based on similar antitrust claims and arguments you assert against CRMLS here. Based on my review, the NWMLS mandatory submission rules, to which Compass presumably assisted in the creation of as part of the written settlement agreement, are substantially more restrictive than CRMLS Rule 7.9. Specifically, Compass has agreed in NWMLS to submit for cooperation ALL for-sale properties. NWMLS has no "One Business Day" time frame for submission as is included in CRMLS Rule 7.9. NWMLS rules also do not have an equivalent CRMLS Rule 7.9.1 No Cooperation Listing option which you erroneously refer to as an "Office Exclusive". Since Compass presumably either participated in the creation of, or at a minimum, acknowledged as valid to be applied to all NWMLS Compass agents, the updated NWMLS rules, how can Compass now claim that the CRMLS rules which provide additional choices to a Compass agent and their seller violates any antitrust laws or harm any consumers?

Mr. Reffkin said that Compass' "original objective in taking legal action against NWMLS has been fully realized." Is Compass now advocating for CRMLS to remove the one business day grace period before submission to cooperation in CRMLS? Or that CRMLS fully eliminate the existing Rule 7.9.1 No Cooperation Listing option? It is my understanding that the NWMLS rules require submission of non-exclusive listings for cooperation; CRMLS Rule 7.9 only applies to exclusive agreements. As such, any non-exclusive or open listing between a seller and Compass can be publicly marketed and need not be submitted to CRMLS for cooperation. Is removal of the seller's choice of a non-exclusive or open listing agreement, with the ability to publicly market the home without submitting the property information to CRMLS for cooperation, what Compass now wants?

If Compass decides to move forward with any litigation, let there be no confusion that, in addition to CRMLS' vigorous defense of our right to operate a broker cooperative, including the implementation of rules to prevent free-riding subscribers, CRMLS will also assert additional direct claims against Compass including, but not limited to:

1) Violation of the Cartwright Act - Per Se Group Boycott (Bus. & Prof. Code §§ 16720, 16726, 16750);
2) Violation of the Cartwright Act - Conspiracy and Unreasonable Restraint of Trade (Bus. & Prof. Code §§ 16720, 16726, 16750);
3) Violation of the Unfair Competition Law (Bus. & Prof. Code § 17200 Et Seq.);
4) Intentional Interference with Prospective Economic Advantage;
5) Intentional Interference with Contractual Relations;
6) Breach Of Fiduciary Duty and Aiding and Abetting;
7) Breach of Contract and Implied Covenant of Good Faith and Fair Dealing.

In light of imminent litigation, Compass, Inc. and Compass International Holdings, its officers, directors, designated officers for any corporate real estate license in California, office managers, real estate licensees operating in California (both salespersons and affiliated brokers), transaction coordinators, assistants, retained business consultants, and employees are hereby placed on notice to suspend all automatic deletion policies and to preserve all documents and electronic data relating to:

1) Any property, seller or transaction that participated in any way in the Compass three phase marketing program (3PM) in California in the last three years,
2) For any Compass affiliated licensee that has ever used Compass' 3PM or has ever had a CRMLS defined No Cooperation Listing, all listing presentation

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Vice President & General Counsel

materials that convey any information about that Compass agent's or teams Average Days on Market or average list price to sold price ratio in the last three years.

3) Claims or demands for failure to disclose, intentional misrepresentation, fraud or breach of fiduciary duty in California in the last three years.
4) Any requests for information, investigations or inquiries from any governmental body, including but not limited to state departments or commissions of real estate, attorneys general, US Dept. of Justice or Federal Trade Commission, or members of Congress.
5) Proposals, negotiations or agreements with any real estate portal, real estate advertising company or listing platform.
6) Marketing or advertising materials which in any way reference 3PM, including but not limited to materials targeting consumers, agents, or brokerage firms in California.
7) All training and education materials of the 3PM.
8) Payments or offers to pay any non-Compass, Inc. California real estate licensee outside of an ordinary real estate transaction closing, including but not limited to payment to boycott CRMLS.
9) Communications, proposals, negotiations or agreements, including but not limited to the payment of monies, with any multiple listing service not related to a specific listed property.
10) Communication with any non-Compass, Inc. brokerage firm related in any way to MLS rules or NAR MLS policies.
11) Any MLS or association compliance inquiry or violation of any MLS rule in the state of California in the last three years.
12) Any REALTOR® association complaint alleging a violation of any MLS rule or NAR Code of Ethics Article in California in the last three years.
13) Any lawsuit by or against any Compass entity in California in the last three years.
14) Studies, data analysis or the development of any opinions or strategies regarding the impact of off MLS listings, No Cooperation Listings, or financial benefits to brokerages by hiding listing inventory.
15) Financial records, proposals, negotiations and agreements related to the revenue generated by selling Compass for-sale property advertisements exclusively to Redfin/Rocket, and any increase in revenue by hiding those same listings from competing real estate portals and brokers
16) Earning reports, including but not limited to data, financial information, use statistics, records, and any related correspondence or documentation with Wall Street analysts.
17) Competition between brokers, real estate advertising portals, MLSs, and real estate professionals.
18) Compass, Inc., Compass International Holdings, and any other entity affiliated with or owned by Compass, including documents and electronic data relating to Compass business strategy.

Please be advised that CRMLS intends to invite buyers, sellers and buyer agents to share their stories on how they have been harmed and damaged by the hiding of for-sale properties from the MLS. I have personally spoken with agents whose buyers were forced to abandon their representation just to gain access to tour Compass hidden for-sale properties. These buyer agents had access to the list of hidden homes through Compass agents providing them access into the Compass system.

The problem was not in the identification of hidden for-sale properties, it was in the refusal of Compass agents cooperating with them to allow the buyer agent to tour the property. Calls and inquiries would go unanswered until the buyer was forced to abandon their chosen agent and interact with the Compass agent just to get access to see these hidden homes. In the most egregious case, I have discovered a Compass

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Ed Zorn
Vice President & General Counsel

agent required a potential buyer, that was also selling a home, to hire that Compass agent to list their existing property as a condition to gain access to the desired off-MLS for-sale property.

I have also received reports of agents losing listing presentations to Compass agents that misrepresented the value of the property. In one case, the Compass agent recommended a price 25% over value. After being in the Compass 3-Phased marketing program for weeks, the seller was upset and the property was submitted to the MLS for a more realistic list price. The question remains, did this listing agent in their future listing presentations when stating his list price to sales price ratio use the real original list price 25% overvalue, or does his advertised ratio only use the MLS submitted list price?

I have also spoken with an agent that was so frustrated at not having the ability to show or tour the Compass hidden for-sale properties (this agent also had access into the Compass system through a “friend”, so he knew of the properties being for sale) that the agent spoke with a Compass recruiter. The Compass commission split was lower than the current broker, and Compass also demanded that the agent abandon other licensed activity as a condition to join, so the agent now deals with the challenge of not being permitted to show their buyers the hidden Compass for-sale properties.

The harm to competition from hiding listings from cooperation on the MLS set forth in this response, and my previous correspondence are real. CRMLS will assert numerous examples from agents and consumers by inviting them to share their stories with us.

Additionally, to encourage other MLS entities that are being bullied by Compass into modifying their rules out of fear of the cost of defending litigation, CRMLS will start the **MLS Cooperative Legal Defense Fund**. We will raise money from multiple sources that support consumer transparency, equal access to for-sale properties, and open competition in the brokerage-services space. I have already submitted a request to the California Association of REALTORS® Legal Action Fund and to the NAR Legal Action Program. We will also approach consumer advocacy groups, consumer plaintiff attorneys, other MLSs and associations, as well as those in the MLS vendor and real estate portal community.

It is the desire of CRMLS that this matter be resolved in an amicable way that supports broker cooperation and competition. It is CRMLS’ aim that its rules support and encourage real estate licensees to fully comply with their existing state-mandated and Code of Ethics-related duties and obligations. CRMLS respectfully requests that Compass abandon its practices of violating its fiduciary duty, as mandated by the Code of Ethics and state law.

Specifically, CRMLS requests that Compass cease and desist from selling access to the advertisements for the for-sale properties that Compass has been hired to sell for an owner to the highest bidder. Additionally, Compass should cease and desist from using exclusive listing agreements to shield their sellers from viable and potential buyers and the agents that those buyers wish to hire. CRMLS requests that Compass cease and desist from placing the Compass generation of revenue above the needs of the sellers that hire your agents.

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Ed Zorn
Vice President & General Counsel

It is my sincere hope that cooler heads will prevail, and that there will be no need for litigation between Compass and CRMLS. But let there be no confusion: should Compass assert these frivolous claims against CRMLS, they will be met with an aggressive defense and meaningful counterclaims. The choice of how this process will proceed is now up to the leadership of Compass. I sincerely hope that they make the decision to do the right thing.

I look forward to hearing from you or Compass soon.

Sincerely,

Edward J Zorn, Esq.
CRMLS Vice President & General Counsel

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Exhibit D

COMPASS

November 24, 2024

Board of Directors
California Regional MLS
15325 Fairfield Ranch Road
Suite 200
Chino Hills, CA 91709

Dear CRMLS Board of Directors,

We are troubled by the lack of communication and collaboration from CRMLS. Despite repeated attempts to engage in constructive dialogue and propose modifications to your rules to provide greater choice and flexibility to homesellers, our concerns have been consistently dismissed. This intransigence not only damages our agent's ability to serve their clients, but also raises serious questions about CRMLS's commitment to representing the interests of agents and homeowners.

A recently released independent study by 1000WATT highlights the issue. 1000WATT found that 35% of prospective sellers desire to list their property off-MLS. Additionally, 1000WATT found that 66% of sellers see display of days on market as being bad for sellers and that 48% of sellers do not want price reduction information displayed for their property, which clearly demonstrates homeowners' desire for more choice and autonomy in how and where their home is marketed.

By enforcing Clear Cooperation, CRMLS is actively and knowingly harming the interests of California homesellers by restricting how they publicly market their home and is forcing agents to breach their fiduciary duty to any homeseller that wants to publicly market their home off-MLS or without the negative impact of days on market or price reduction history for their property.

To be abundantly clear, we believe CRMLS is forcing agents to choose between CRMLS rules and their clients' wishes to the ultimate detriment of the homeseller. California State Law requires a seller's agent to act with the "utmost care, integrity, honesty, and loyalty." State law, and Compass agents' duties to their clients, supersede MLS rules. By prohibiting agents from marketing a property the way their client wants the home to be advertised, CRMLS is in effect asking agents to break the law. Compass agents will always want to put their clients first, including doing everything in their power to market and sell properties as directed by their clients.

We are reaffirming our position that CRMLS's continued rigid adherence to the Clear Cooperation paradigm puts Compass agents into an untenable position where they are unable to fulfill their fiduciary duty under California state law to clients who wish to publicly market their home off-MLS or with greater flexibility. Therefore, we implore CRMLS to reconsider its current stance and implement one or all of the following changes ***immediately*** to begin to offer greater choice to home sellers:

1. Follow Bright MLSs interpretation of the 'Office Exclusive Exception,' which permits public marketing of Office Exclusives subject to express written consent by the seller.
2. Implement a status that does not accrue days on market, does not have price history, allows for both public marketing and showings, is not syndicated through IDX but is shared through back office feeds, and requires limited listing information input. This can be achieved through amendments to CRMLSs 'Coming Soon' status by permitting showings and no longer being syndicated through IDX feeds.

COMPASS

3. Create a 'Private Listing Network' (PLN) analogous to that created by Midwest Real Estate Data (MRED) that permits public marketing of PLN Listings.

Adopting any one of these changes would exhibit CRMLS's commitment to offering marketing products and services that homeowners are demanding. All of these solutions give sellers greater flexibility and autonomy to control how their properties are marketed, but also preserve the integrity of MLS data and reinforce the MLS as the single source of truth for listing data. These options support the concept of mandatory submission to the MLS, but not mandatory marketing through the MLS. In fact, the first option (the 'Bright approach') gives the MLS greater visibility into 'Office Exclusives,' which are input directly into the MLS. Additionally, the latter two options (flexible statuses or private listing networks) preserve cooperation among participants in the MLS, as the listings are still searchable within the MLS.

Unfortunately, the aforementioned issues regarding a homeseller's choice on how and where to market their home are familiar and recurring themes in recent litigation. You are well aware of the lawsuits involving the Top Agent Network (TAN) and the Property Listing Service (PLS) as well as the multiple DOJ investigations into Clear Cooperation. Just this year, on April 5, 2024, Judge Florence Pan of the United States Court of Appeals for the D.C. Circuit said in *DOJ v. National Association of REALTORS* that the "DOJ believes that the Clear Cooperation Policy restricts home-seller choices and precludes competition from new listing services." These lawsuits and challenges are not going to stop any time soon, and they are causing confusion and are detrimental to members as well as their clients. The industry as a whole is currently undergoing large-scale turmoil, and, as the largest MLS in the country, CRMLS is only adding to the difficulties and challenges. You are forcing Compass to send a clear message to industry stakeholders and regulators that i) we do not agree with your policies, ii) you are enforcing these policies without our agreement, and iii) we are doing everything we can to end these policies.

We urge you to prioritize the needs of your members and the homesellers they represent. We expect a prompt and substantive response to this letter outlining the steps CRMLS will take to address our concerns.

Sincerely,

Robert Reffkin

Robert Reffkin
Founder & CEO
Compass

Exhibit E

Edward Zorn

From: Edward Zorn
Sent: Tuesday, December 3, 2024 2:59 PM
To: Robert Reffkin; Art Carter
Cc: Brad Serwin; Ashton Alexander; Kathy Mehringer; Jonathan Satz
Subject: RE: Request for CRMLS Action on Clear Cooperation

Mr. Reffkin,

The CRMLS Board of Directors convened on November 25, 2024, to discuss Mandatory Cooperation issues as part of their agenda.

Your e-mail of November 6th, along with correspondence from other brokers and public statements made by other CRMLS brokers on the subject, was provided to the Directors in advance of the meeting. Additionally, your correspondence from November 24th and the full 1000Watt report, which was referenced in that letter, was shared with the Directors prior to the start of our regularly scheduled board meeting.

Kathy Mehringer, the Designated Officer for Compass in the state of California and as a CRMLS Director, attended the November 25th meeting. Mrs. Mehringer was afforded the opportunity to fully participate in the discussion surrounding Mandatory Cooperation.

The Directors, with input from CRMLS executives, engaged in a productive discussion regarding the Mandatory Cooperation issues. We reviewed the history of mandatory submission to the MLS, the challenges that ultimately led to NAR mandating the Clear Cooperation Policy (CCP) and examined its impact. Notably, the CCP has resulted in approximately 750 listings being added into the CRMLS system, making them accessible to buyer's and their chosen agents.

We also discussed the issues and concerns raised not only by Compass, but also other points that have been raised since the original debate and implementation of the CCP. Additionally, we highlighted how the specific CRMLS rule implementing the CCP mitigates any seller choice objections, and emphasized other long-standing options to protect seller privacy, such as the "Internet No" option.

The Board then convened into an Executive Session to address the points made in your letter, potential litigation risks associated with removing the policy, and to receive legal advice surrounding Mandatory Cooperation. Kathy Mehringer, as Compass' Designated Officer, appropriately recused herself from the litigation-focused discussions due to the clear conflict of interest.

After further discussion with Counsel, and consideration of the materials provided to the Board, and the consideration of all comments and discussion from the open session, the CRMLS Board of Directors voted unanimously to deny Compass' requests for CRMLS to:

1) Violate the mandatory NAR Clear Cooperation Policy;

2) Establish a new status that intentionally misrepresents and conceals relevant property information from buyers; and

3) Create a private listing network that would withhold available properties from unrepresented consumers, potentially raising a different set of potential legal issues for CRMLS.

CRMLS rejects Compass' requests on the following grounds:

1) **CRMLS is not a listing platform; it is a Broker Cooperative**. As a broker cooperative, CRMLS has the right to develop business practices that support brokers and their clients, including implementing policies, rules, and processes that benefit buyers, buyer agents, sellers, and listing agents.

   Unlike a listing platform, which functions solely as an advertising tool for sellers, a broker cooperative needs to provide meaningful services to all of its subscribers, their clients and other stakeholders. While listing platforms are valuable and some of our best customers, they do not establish rules, policies, or systems to facilitate cooperation between agents. Instead, they focus on advertising properties for sale and offer historical information.

   CRMLS, as a Broker Cooperative, operates in a much broader and more dynamic space, addressing diverse interests and needs far beyond those of a simple advertising listing platform. Moreover, as a Broker Cooperative, CRMLS needs to establish certain rules that all firms abide by in order for all of the firms to receive the maximum benefit from the services offered by CRMLS and cannot have certain firms free-ride off of the efforts of the other participating firms.

2) **Failing to adhere to mandatory NAR policy risks the revocation of the charter for each of the 41 participating Realtor Associations that are the Members of CRMLS, a California Mutual Benefit Corporation.** CRMLS has no shareholders or owners and is governed by our Member Associations.

   The desire of a single, market-impacting brokerage firm to withhold exclusive listings from the buying community – using those listings essentially as a billboard to attract buyer traffic and force agents to join that brokerage- fails to justify jeopardizing the existence of these 41 Member Realtor Association charters.

3) **Sellers who choose to hire a real estate agent and market their property without using the MLS are fully permitted to do so under current CRMLS Rules.** Any CRMLS subscriber, including Compass agents, who enter into a non-exclusive listing agreement with such a seller are not subject to the CCP rules mandating submission of the listing to the MLS.

   CRMLS Rule 7.9, Mandatory Submission upon Marketing, applies only to properties that are "subject to any exclusive right to sell or seller reserved listing agreement". During CRMLS webinars held in Spring of 2020 for CCP training and implementation, we consistently addressed hypothetical scenarios, such as extremely-high-value property that might not benefit from broad MLS exposure because only approximately 20 agents had buyers capable of affording such a property. CRMLS specifically instructed agents in these scenarios that they could market such properties publicly and, in any manner desired by the seller and listing agent, including signage on the property, Facebook posts, website marketing, flyers or individual conversations with other brokerage firms that represented the types of buyers that could acquire such a high-priced home by simply using a non-exclusive listing agreement.

   Exclusive listing agreements are critical to protecting the interests of listing firms when a property is placed in the multiple listing service and made available for cooperation with competing brokerage firms. These agreements ensure the listing firm will get paid, even if it does not directly bring in the

eventual buyer. This incentive to share the listing broadly by the listing firm directly benefits the seller.

Outside the MLS, where mandatory cooperation does not apply, sellers receive minimal to no benefits from an exclusive listing agreement. In fact, such agreements can be detrimental to the seller, as they give the listing firm complete control over the property's information and access, potentially excluding other brokers who may have qualified buyers. Listing brokerage firms, leveraging their superior knowledge, experience and salesmanship can easily convince sellers to sign an exclusive agreement, guaranteeing the firms top line commission even if the listing firm refuses to cooperate with other brokers or provides minimal or no service in the event of a sale.

Any competent agent can effectively use the terms of a non-exclusive listing agreement to meet the needs of a seller who prefers not to have their property widely disseminated through the MLS and its corresponding IDX distribution systems. This approach is particularly relevant for high-value properties, where it is common for showings to require signed non-disclosure agreements (NDA) to ensure privacy and facilitate the exchange of proof of funds between buyers and sellers. NDAs can easily include provisions to protect the listing firm's commission rights by preventing a buyer broker from bypassing the listing firm and negotiating directly with the seller.

Additionally, non-exclusive listing agreements can be structured to include two separate and distinct fee components:

1. Buyer Introduction Fee: A fee charged only if the listing firm's efforts resulted in the buyer making an offer on the property. This fee would not apply if the buyer came to the transaction without any involvement from the listing firm.

2. Brokerage Service Fee: A fee for the professional services provided by the listing firm, such as list price recommendations, analyzing offers, negotiating contracts, preparing disclosures and due diligence documents, coordinating property inspections and appraisals, and managing all closing documentation.

By separating the fees into two distinct components, the listing firm ensures they are compensated for the services rendered, regardless of whether they find a buyer. The only risk to the listing firm in using a non-exclusive agreement is forgoing the fee for introducing a buyer if they are not the ones who brought the buyer to the transaction. Every rational, knowledgeable seller that does not want to place their home on the MLS would select this type of a listing arrangement over an exclusive listing agreement given the choice.

A basic understanding of real estate contract law, combined with the ability to address the specific needs of sellers that may not require their property to be listed in the MLS, is fully supported under the existing CRMLS rules, policies, and available technology.

In summary, CRMLS rules already permit any seller to hire any CRMLS agent using a non-exclusive listing agreement and still retain the flexibility to publicly market their property while keeping that property off the MLS.

4) **CRMLS will not be a participant in any agreement, plan, or scheme to intentionally misrepresent or withhold critical information about a property's listing history and number of days it has been available for sale,** as Compass has requested. If showings are permitted for a Coming Soon listing, what

would distinguish the Coming Soon status from an Active status? This request appears to misrepresent the actual number of days it took for a listing agent to sell a property.

In addition, agreeing to this request could subject CRMLS to significant liability, as Compass's proposed misrepresentations could harm buyers who might overpay for properties with inaccurately reported Days on Market (DOM). It could also mislead sellers into hiring listing agents who claim to have shorter average marketing times than they actually do.

For example, when a Compass agent conducts a listing presentation and advertises their individual average DOM to potential sellers, are they using DOM data from the MLS? It is reasonable to assume that Compass agents using the Office Exclusive strategy may not accurately calculate DOM from the start of the listing period through to the sale, instead presenting misleading metrics. Given Compass's threats to litigate, these issues could be thoroughly examined in detail, including the accuracy of Compass agents' DOM claims during listing presentations. CRMLS remains committed to transparency and accuracy in the data we provide to ensure fairness and integrity across the market.

5) **CRMLS will not support, nor participate in an agreement, plan or scheme to hide available properties that are for sale from potential buyers who choose not to hire a real estate agent,** as Compass has requested. The long-established rules governing the IDX policy were established as part of a settlement agreement reached between NAR and the Department of Justice, which emphasized the importance of ensuring consumers have the same access and knowledge to available property listings as subscribing agents have in the MLS.

Compass' proposal to exclude certain properties from IDX feeds, thereby withholding them from unrepresented buyers, would expose CRMLS to potential litigation from consumer advocacy groups and plaintiffs' attorneys. A buyer who decides not to pay the costs or fees associated with hiring a buyer's agent is entitled to full and fair access to every property available for sale, across the same platforms, and websites that are accessible to represented buyers.

CRMLS recognizes the motivation behind a market-impacting brokerage firm seeking to force buyers to find properties exclusively on that broker's own website. Such a strategy would also benefit the brokerage by pressuring buyer agents from competing firms to leave their current brokerages and join the firm controlling the hidden inventory. However, CRMLS cannot implement rules that favor a particular business model at the expense of others, especially when it causes direct harm to potential buyers, as well as sellers whose properties languish on the market longer than necessary. Adopting such rules could subject CRMLS to potential significant antitrust liability, compromising the principles of fairness and competition that guide our operations.

CRMLS is guided by the principles of fairness, equal access to accurate information, and the spirit of competition between brokerage firms. Moreover, CRMLS is business model agnostic and will not implement rules which favor one business model over others. These guiding ideals ensure that CRMLS implements policies and rules that support fair competition in the provisioning of brokerage services, rather than favoring any specific business model or a market-impacting brokerage firm.

Brokers should compete for clients based on the level of their skill, experience, pricing, services and successful results in the representation of buyers and sellers. Buyers, and their agents, should not be forced to join only the largest brokerage firms simply because those firms withhold available properties

from the general marketplace. Brokerage firms should have confidence in their skills, abilities and service levels without relying on exclusive control of listings to force others to use their services.

Why is Compass afraid to compete in an open marketplace where all consumers, and the brokers they choose to hire, have fair and full access to all properties?

6) **CRMLS will not establish a Private Listing Network that is only accessible to CRMLS subscribers**, as Compass has requested**.** Such a system would clearly disadvantage consumers who choose to not work with a real estate agent, as they would have no access to the listed inventory. The only way for these buyers to view available for sale properties would be to hire a CRMLS subscriber real estate agent. The issue of an MLS making rules that force consumers to use a real estate agent has been extensively litigated, and implementing such a policy could expose CRMLS to significant antitrust liability.

7) **Finally, CRMLS will not create rules or eliminate rules which put it at a competitive disadvantage,** as Compass has requested. CRMLS' coverage area includes other MLSs which also include the CCP in their rules and regulations. If CRMLS elects to eliminate this rule, while the other MLSs include it, CRMLS risks severe participant loss to those MLSs which continue to adhere to the CCP. Eliminating CCP risks putting CRMLS at a severe competitive disadvantage and creates risks to the integrity of CRMLS' data. CCP reinforces CRMLS as the "best source of truth for listing data"—something which you tout as important to the vitality of a strong and vibrant MLS.

While there are additional reasons to deny Compass's requests, the points summarized above address the primary concerns and explain why CRMLS cannot implement rules that would clearly expose the organization to potential liability and harm both CRMLS subscribers and consumers.

I would also like to briefly address the threats of litigation, particularly the claim that individual CRMLS Directors could be held personally liable for antitrust violations. It is clear that Compass included this threat in an attempt to instill fear in the individual Directors, hoping to sway votes toward protecting personal interests rather than acting in the best interests of CRMLS.

However, Compass's scheme failed. Each Director saw through this attempt, characterizing the threat as "desperate", "a fit-throwing tactic", and "embarrassing for Compass". The Directors viewed Compass' fearmongering as an indication of the obvious weakness in Compass' arguments. CRMLS, along with each individual Director, remains focused on its mission and principles to serve its subscribers and the consumers that they represent, undeterred by such baseless tactics.

Regarding litigation, one of CRMLS's significant concerns is the liability exposure created if CRMLS were to remove the Mandatory Cooperation rules, as suggested by Compass. Permitting properties with exclusive listing agreements to bypass Mandatory Cooperation raises numerous antitrust concerns. In fact, there is a far greater risk of potential liability from buyers bringing claims against CRMLS, Compass, and the other co-conspirators who might be alleged to be involved in such a scheme, as the Compass demanded policies effectively deny buyers the right to choose their own real estate agent.

An exclusive listing agreement grants the listing agent sole: access to the seller, ability to share information about the property, terms of sale, property access, and to present offers.

A buyer who wishes to hire their own representative is denied that opportunity when exclusively listed properties are not subject to Mandatory Cooperation. For instance, if a buyer's agent attempts to contact the listing agent to schedule a showing or submit an offer and the listing agent refuses to cooperate or respond,

the buyer is left with no choice but to approach the exclusive listing agent directly—even if that is not the buyer's preference. This arrangement effectively removes the buyer's ability to select their own agent for representation. Sellers who prefer not to list their property on the MLS still have the option to market their property publicly by using a non-exclusive listing agreement. Such agreements avoid creating the exclusive restrictions and exclusions for the buyer and their agents. If the buyer agent receives no cooperation from the non-exclusive listing agent, then the buyer's agent is free to go directly to the seller with the opportunity presented by the represented buyer. This approach benefits all parties by preserving the buyer's right to representation while accommodating the seller's preferences.

In addition to buyer suits, a viable claim could also be brought by individual agents who choose to work with a brokerage firm that uphold principles of fairness and ensure all buyers have access to all properties. If CRMLS were to agree to the Compass's demands, agents at such firms would be denied the opportunity to represent buyers who might be interested in and capable of purchasing exclusively listed off-MLS properties. By removing access of these properties, buyer agents would be forced to make the business decision to join a firm that engages in these anti-consumer, self-serving practices. Without doing so, they would lack access to sufficient inventory to sustain their buyer representation business. These buyer agents would have strong grounds to pursue legal claims against the brokerage firms conspiring to implement these anti-consumer practices, accusing them of collusion and forming agreements to pressure CRMLS and NAR into removing policies and rules related to Mandatory Cooperation.

Sellers harmed by the off-MLS practices demanded by Compass would also have a strong basis for legal claims. Extensive evidence demonstrates wide exposure through a multiple listing service results in the highest price and quickest sale for sellers. If Mandatory Cooperation is eliminated, self-serving brokerage firms could use exclusive listing agreements to prevent other buyer agents from approaching the seller. This practice effectively turns the property into a marketing tool or "billboard" to attract additional buyers to the firm, rather than getting the property sold.

This issue is not simply about double-ending transactions, as CRMLS data and prior statements – including those made publicly by Compass – make clear. It is about redirecting buyers away from their chosen agents and forcing them to work with the exclusive listing agent, who controls all information and access to the property. Once engaged, the exclusive listing agent often converts these buyers into their own clients, showing them to properties – ironically, properties listing in the MLS that are available for cooperation. The notion that Compass would leverage their market position to divert buyer customers from competing brokerage firms by withholding available properties and then representing those same buyers to purchase MLS-listed properties is both unethical and unacceptable. It is fundamentally unfair for Compass to benefit from MLS cooperation while openly refusing to cooperate themselves.

For sellers who end up in this exclusive off-MLS strategy, the consequence is often a longer time on market than if their property had just been listed in the MLS from the beginning. CRMLS data indicates that most properties initially kept off the MLS at the insistence of Compass are eventually input into CRMLS in order to secure a sale. The time spent off-MLS is simply used as an advertising tool for the listing firm, exploiting the seller's property as a "billboard" to generate more money for the firm. Sellers who later realize they were misled into a marketing program that prioritized the listing firm's interests over their own, to their disadvantage and financial detriment, are likely to pursue legal action.

Your threats against the Directors of CRMLS-who are exercising sound business judgment in operating CRMLS-by suggesting they could face personal liability, are particularly ironic given the above-described situation. Have your independent contractor agents, who you publicly admit in your stage comments and

correspondence to CRMLS, are pressuring Compass to take these clearly anti-consumer actions, been informed that they may all be named as co-conspirators in the described lawsuits? These demands by Compass agents appear to constitute a concerted action, and Compass may be arguably organizing and consolidating these agreements among horizontal competitors since as independent contractors, these agents compete against one another for clients and commissions. Their participation in such a conspiracy to implement anti-consumer practices to generate additional income could expose them to personal liability as active participants, along with Compass in this scheme to change the rules for their individual benefit.

I hope the tone and tenor of this response clearly conveys CRMLS's unwavering commitment to protecting the rights of individual consumers, including those who choose not to hire a real estate agent, as well as the rights of all CRMLS subscribers to have full and fair access to listing information. Moreover, this letter by no means contains an exhaustive list of the potential legal issues raised by Compass' requests. But, to be perfectly clear, CRMLS will not modify or eliminate the Mandatory Cooperation rules to enable Compass to take advantage of consumers.

CRMLS also aims to resolve this matter quickly, and discreetly, avoiding unnecessary public attention. If Compass voluntarily withdraws its requests to CRMLS in writing, there will be no need for further public discussion or display of the substantial antitrust violations and liabilities Compass' requests create for any MLS or Association that might comply with them.

Sincerely,

Edward J. Zorn, Esq.
VP & General Counsel
California Regional MLS
15325 Fairfield Ranch Road, Suite 200
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crmls.org

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From: Robert Reffkin <robert@compass.com>
Sent: Sunday, November 24, 2024 10:22 PM
To: Art Carter <art@crmls.org>; Edward Zorn <Ed@crmls.org>
Cc: Brad Serwin <brad.serwin@compass.com>; Ashton Alexander <ashton.alexander@compass.com>; Kathy Mehringer <kathy@compass.com>; Jonathan Satz <jonathan.satz@compass.com>
Subject: Re: Request for CRMLS Action on Clear Cooperation

External Sender: Please use caution when opening links or attachments.

Art, Ed,

We are troubled by the lack of communication and collaboration from CRMLS. You are the only MLS that hasn't responded or been willing to have a dialogue about ways to provide sellers more choice to market their homes. Attached is a letter articulating these concerns to the CRMLS Board of Directors. Please share this with your Board.

A recently released independent study by 1000WATT found that 35% of prospective sellers desire to list their property off-MLS. Additionally, 1000WATT found that 66% of sellers see display of days on market as being bad for sellers and that 48% of sellers do not want price reduction information displayed for their property, which clearly demonstrates homeowners' desire for more choice and autonomy in how and where their home is marketed. Homeowners do not want to be forced to market publicly only through the MLS, and agents have a duty to honor their clients requests, which supersedes MLS rules.

Compass believes CRMLS is forcing every homeowner to market through the MLS to maintain their listing monopoly and to maintain power to force agents to pay dues, because access to the MLS is a practical requirement for agents in your market. An agent can't do their job without access to the MLS.

Failure to take swift and decisive action to either amend CRMLS rules or pause enforcement of Clear Cooperation before January 1, 2025 will leave us no choice but to pursue legal remedies and remove all Compass employees from positions held with CRMLS. We are prepared to take action not only against CRMLS for its anticompetitive, anticonsumer and damaging behavior, but also against all individual board members who perpetuate these harmful policies, other than our own Kathy Mehringer, who is on record saying she disagrees with these policies but has respected the decision of the majority Board on these matters as per role as a Board Member. Maintaining these policies perpetuates the following harms: (1) restraint of trade and coerced breach of statutory duty, (2) restrictions to pro-competitive innovations, and (3) increased likelihood of additional lawsuits and government investigations.

If CRMLS fails to act, we will also be forced to disclose the attached letter publicly, as our agents have asked us to take a more public stance with CRMLS to protect the interests of their clients.

I support a common sense approach where sellers have a choice of where, when, and how to advertise their home for sale. I welcome a dialogue with you, and your Board, to find solutions that balance the MLS goals of data integrity and cooperation with greater choice for homeowners.

Sincerely,

Robert Reffkin

P.S. Kathy, please ensure this letter is shared with your fellow Board members.

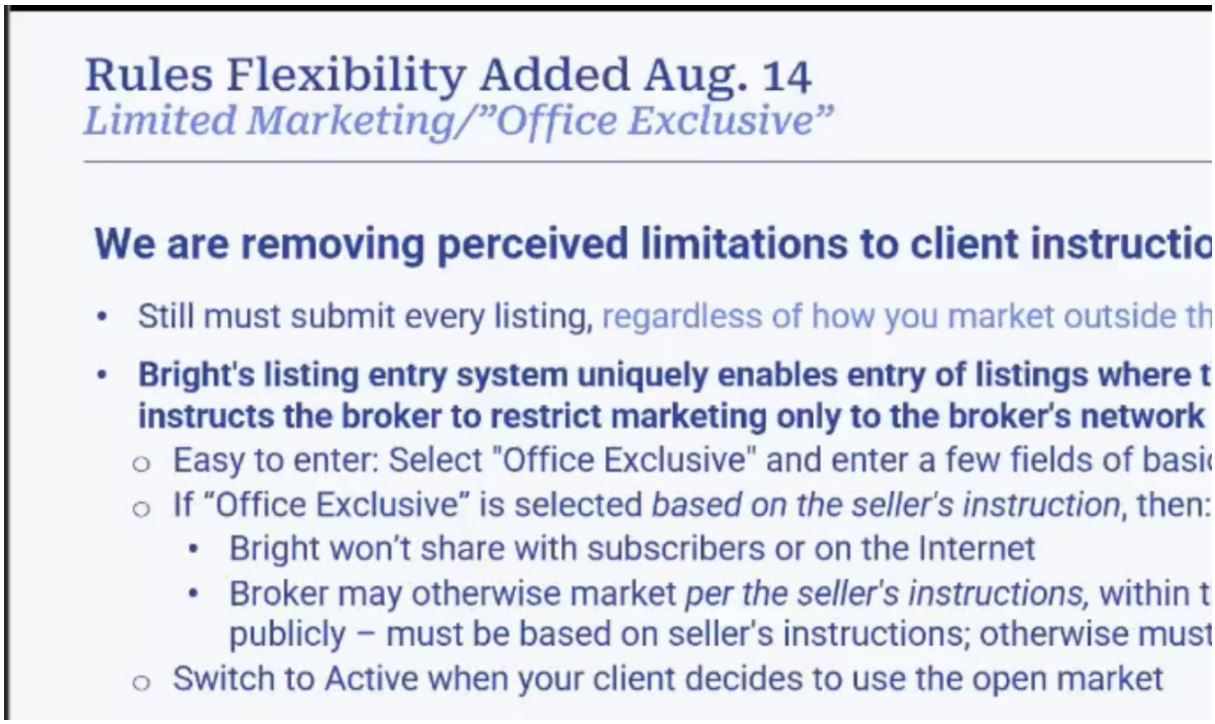
On Wed, Nov 6, 2024 at 11:32 AM Robert Reffkin <robert@compass.com> wrote:

> Art,
>
> I look forward to seeing you this Friday.
>
> As you likely know, Compass has serious concerns about how the Clear Cooperation Policy restricts seller choice and is something we're confident brokerage firms will be forced to litigate in the New Year. **In writing this email, we are asking you to consider adopting the same policy as Bright MLS. We believe that all listings should be submitted to the MLS (so that the MLS can be the single source of truth), but that homeowners, with disclosure, should be able to decide how their home is marketed. Bright's interpretation of Clear Cooperation Policy accomplishes both goals.**
>
> This past summer, Bright modified its interpretation of Clear Cooperation. Today, Bright allows 'Office Exclusives' to be publicly marketed, with seller authorization, meaning that the seller (and thereby its agent and their brokerage) have full control over the marketing for the listing, privately or publicly. They have also implemented enhanced disclosures to help ensure sellers are appropriately

informed. We'd ask that CRMLS follow suit in the spirit of homeowner choice and to eliminate future litigation from brokerages that feel obligated to advocate for homeowner choice.

The video here (1:38 seconds into 2 min video at top of website) and excerpt below detail Bright's clarification and guidance on the rule change.

Bright Statement (excerpt from their interpretation of 'Office Exclusives'):
We are removing perceived limitations to [seller] instructions. [You] still must submit every listing [to Bright], regardless of how you market outside the MLS…. If "Office Exclusive" is selected based on the seller's instruction, then: [1] Bright won't share with subscribers or on the Internet [and] [2] Broker may otherwise market per the seller's instructions, within the brokerage or publicly - must be based on seller's instructions; otherwise must be Active.



We launched a website on Friday, which outlines our position on the flexibility needed for the homeowner and why - https://www.compass-homeowners.com/. We're giving individual homeowners the same playbook and best practices real estate developers and professional home builders have benefited from for years. Their carveout from Clear Cooperation has given them *choice* in how they market hundreds of thousands of homes a year.

We've shared the site with all our agents, and they've shared it with their clients -- the message is resonating with homeowners and they are asking for the marketing flexibility that we're advocating for. It was important to me that I gave you the visibility directly.

I've included Ashton Alexander here, our Head of Strategy, to find a time that could work for you and your team to discuss any next steps.

Robert

Robert Reffkin | Founder & CEO
m: 917-488-4898

Exhibit F

EimerStahl LLP

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Nathan P. Eimer
(312) 660-7601
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September 8, 2026

VIA E-MAIL

Richard Haggerty, Chief Executive Officer
OneKey® MLS
RHaggerty@onekeymls.com

Re: Formal Legal Demand to Stop Fining/Punishing Agents for Public Marketing

Dear Mr. Haggerty:

We represent Compass, Inc. in potential antitrust litigation against OneKey® MLS.

Following on the August 27 email from Ethan Glass, to which you responded that Compass had to submit to a protracted rule change process (while you continue to issue fines), this letter is formal notice that OneKey is violating the U.S. antitrust laws by fining real estate professionals up to $15,000 for publicly marketing an office exclusive listing and by threatening further punishment, such as such as suspension or expulsion from the MLS.[1]

To avoid being named as a defendant in a federal antitrust lawsuit, OneKey must provide written confirmation to me by 5:00 PM ET on October 6, 2026, that **OneKey will not fine or punish a real estate professional for *publicly* marketing office exclusive listings.** If you confirm, Compass will waive and release OneKey from the Compass claims described in this letter.

An antitrust case against OneKey would be straightforward and compelling. MLSs are inherently vulnerable to antitrust claims because they are combinations of direct competitors dictating how other competitors are allowed to compete. It is thus not surprising that MLSs and NAR have lost virtually every antitrust suit and government investigation challenging their mandatory rules over the last 60 years.

Our antitrust claim against OneKey is even stronger than those prior cases. OneKey has a rule requiring real estate professionals to submit listings to the MLS and consequently market their clients' homes only as allowed by OneKey. Since 1971, as recognized by the FTC in its landmark study, for an MLS with a mandatory submission rule to comply with the antitrust laws, it must give real estate professionals and homeowners true alternatives to the MLS limitations and restrictions on selling a home—alternatives that existed for over 50 years, that the industry called "office exclusive" listings by the industry.[2] That means consumers are entitled to a choice: market a home using the MLS (e.g., its distribution services) under the MLS limitations and restrictions; or market a home, as an office exclusive, without MLS distribution and without its limitations and restrictions. Despite attempts last year to change the definition of "office exclusive," for over 50 years, this is exactly how those listings worked—they were not subject to the MLS limitations and restrictions, and were publicly marketed however the real estate professional and homeowner legally wanted. As the FTC wrote, this choice is critical to antitrust compliance because, "[w]here 'office exclusives' are allowed, that is, where the seller can specify that his or her listing not be placed on the MLS, the broker and seller appear to be free to contract as they see fit."[3] On the other hand, without the freedom to use office exclusives, OneKey's mandatory submission rule violates the antitrust laws, as detailed below.

Moreover, at a time when government regulators and public interest organizations have been advocating for listings to be marketed more publicly, OneKey's fines and punishments for public marketing make listings *less available*. OneKey punishes a real estate professional for any public marketing of an office exclusive, including on public facing websites available to everyone. This hurts competition and consumers. We are sure that there is not a single real estate professional who wants to be fined by an MLS for following their client's lawful marketing instructions, which is their fiduciary and statutory duty to their clients. We are sure that real estate professionals want to compete for clients with creative marketing strategies. Homeowners lose the benefits of the loyalty of their real estate professional, the competition between real estate professionals, and the choice of how to publicly market their own homes. And, of course, buyers would benefit if all office exclusive listings were allowed by OneKey to be publicly marketed.

OneKey has a simple choice: (a) stop fining and punishing real estate professionals for publicly marketing office exclusives; or (b) defend, in a federal antitrust case, the choice to block competition, force office exclusives to be less accessible to buyers, undertake discovery burdens, pay your costs of litigation, pay us triple our damages, and reimburse us all of our attorneys' fees and costs.[4]

A. <u>Restrictive MLS rules have created antitrust liability for over 75 years.</u>

MLS rules have been the target of federal antitrust enforcement for decades. The legal battles began in the 1940s when the DOJ brought civil *and criminal* charges for rules that enforced a 6% commission rate.[5] More recently, a federal appeals court held that a challenge to an MLS policy limiting public marketing conduct, as characterized by the plaintiff, "shares all the hallmarks of a group boycott" that stated a valid antitrust claim.[6] The DOJ noted that the same policy "restricts the choices available to home sellers and listing brokers who want to market homes outside the NAR-affiliated MLS system . . . ."[7] In a case brought by the FTC against a Michigan MLS, a federal court of appeals held that the MLS's website policy—which limited the public distribution and display of limited-service property listings based on the nature of the listing contract—"unreasonably restrained competition."[8] And, in a case led by Compass Chief Legal Officer, Ethan Glass, when he was at the DOJ, a federal court ordered that an MLS "shall not adopt, maintain, or enforce any Rule . . . that directly or indirectly . . . prohibits, restricts, or impedes any truthful advertising or marketing activities of any home seller or discriminates against or disadvantages any Member or Licensee for any truthful advertising or marketing activity in which any home seller is engaged."[9]

Most recently, Compass sued the Northwest Multiple Listing Service. There, the Court rejected every legal argument OneKey might make, and more: Compass did not state a plausible Section 1 claim; the rules were necessary to stop free-riding; MLSs cannot be sued because of the "two-sided-market" and "refusal-to-deal" doctrines; and NWMLS was simply enforcing rules that Compass agreed to.[10] Within 5 months of the Court's decision, NWMLS agreed to change its rules.[11]

In short, over 60 years, MLSs have spent time and money in court defending their unreasonably restrictive practices, with the same result in almost every case: those practices end.

B. <u>OneKey is repeating the same illegal acts from before the "Fourteen Points."</u>

As the FTC described in its seminal report,

> By the late 1960's and early 1970's, MLSs had been named in a number of private antitrust actions and Justice Department investigations. Justice Department investigations culminated in 15 consent orders banning price fixing and other alleged anti-competitive

> activities. In response to these legal problems, the National Association of Realtors developed and enforced a list of policy points. The NAR's November 15, 1971 statement, setting out and mandating these policies on the Realtor MLSs, is referred to in the industry as the "Fourteen Points."[12]

Specifically, the Fourteen Points antitrust policy addressed the fact that, "[o]n its face, requiring that MLS members submit all of their listings of a designated type restricts the competitive freedom of the broker-members. Alternative methods of selling houses are effectively foreclosed."[13] To address this antitrust violation, Points 10 and 11 of the "Fourteen Points" antitrust policy provide:

> ***10. MLS shall not: Make any rule regulating the advertising or promotion of any listing.***
>
> ***11. MLS shall not: Prohibit or discourage a member from accepting a listing from a seller (owner) preferring to give [an] "office exclusive."***[14]

The FTC found that the Fourteen Points antitrust policy in general, and Point 11 in particular, "may have ameliorated any competitive injury which would otherwise have resulted from 'mandatory' submissions of listings. Where 'office exclusives' are allowed, that is, where the seller can specify that his or her listing not be placed on the MLS, the broker and seller appear to be free to contract as they see fit."[15]

The recent attempt to change the definition of an office exclusive only increases the exposure for MLSs. From 1971 to 2025, mandatory submission rules complied with the antitrust laws because real estate professionals and homeowners had a true alternative: they could use office exclusives *without any limit to public marketing*. MLS rules simply provided "[i]f the seller refuses to permit the listing to be disseminated by the service, the participant may then take the listing (office exclusive) and such listing shall be filed with the service but not disseminated to the participants."[16] The DOJ and a federal judge similarly defined "Office Exclusive" to be "a listing in which the owner refuses to grant permission for distribution of the listing to the MLS."[17] None of these definitions of office exclusive limited public marketing. In fact, Bright MLS, one of the largest MLSs in the country, defines "Office Exclusive/Limited Marketing" as "Properties *being marketed* on a limited basis outside the MLS and not shared within the MLS for cooperation with all subscribers."[18] However, in August 2025, right after Compass started publicly marketing office exclusives, NAR started using a definition of office exclusives that conflicts with 50 years of history: a listing "where the seller has directed that their property not be disseminated through the MLS *and not be publicly marketed*."[19] Such attempts to block public marketing by wordplay subjects OneKey to the antitrust risk that it has avoided for decades.

Simply stated, fining and punishing real estate professionals for publicly marketing office exclusives has returned OneKey to the days before the Fourteen Points. In doing that, OneKey is violating the antitrust laws.

C. Compass has a strong antitrust claim against OneKey.

In addition to this compelling history, straightforward antitrust analysis shows that fining or punishing real estate professionals for publicly marketing office exclusives violates the antitrust laws and is illegal.

First, OneKey's prohibition on public marketing of office exclusives is a horizontal agreement among competitors—a joint restraint adopted and enforced by competing brokers acting through the MLS. By definition, an MLS is a combination of competitors that dictates how other competitors are allowed to compete. (Some MLSs also conspire with other MLSs through the Council of Multiple Listing

Services.) The public marketing prohibition unreasonably restrains trade by eliminating an entire method of competition that homeowners demand and that brokers would otherwise provide: the public marketing of office exclusives. OneKey OneKey forces homeowners to forfeit their preferred marketing strategy or their preferred listing type; and OneKey blocks real estate professionals from competing on marketing strategies.

Second, real estate professionals cannot leave OneKey to avoid fines and punishments. As is common knowledge, and as courts have almost universally found under the antitrust laws, MLS membership is not voluntary. Membership in OneKey is not a choice, it is a requirement of trade.

Third, OneKey is not just controlling what real estate professionals do on the MLS platform, but is explicitly and intentionally controlling how real estate professionals and homeowners (who are not even members) act off of your platform. As an example, OneKey fines real estate professionals for marketing an office exclusive on public websites.

Fourth, OneKey might seek to blame NAR and say that OneKey is just following mandatory NAR policy, but OneKey is responsible for the fines and punishments you impose against real estate professionals. In fact, NAR has expressly stated that, even for mandatory MLS policy, "[e]nforcement is the responsibility of the local MLS."[20]

* * *

Today, many successful MLSs allow public marketing of office exclusives, including Bay Area Real Estate Information Services, Bright MLS, Garden State MLS, MetroList Services, Inc., MLS Property Information Network, Miami Realtors MLS, RealTracs, and West Penn Multi-List. These MLSs collectively cover 12 states plus Washington, D.C., representing about~350,000 real estate professionals (about 25% of the U.S.). After all, the purpose of the MLS is not to tell real estate professionals and homeowners how to market properties; instead, it is "the orderly correlation and dissemination of listing information to participants so they may better serve the buying and selling public."[21]

Let there be no confusion about our objectives: Compass is advocating for more public marketing of listings, expanded consumer choice, and increased market competition, and we will spend millions of dollars to sue OneKey and other MLSs to accomplish those goals.

In light of imminent litigation, OneKey® MLS, its officers, directors, committee members, and employees are hereby placed on notice to suspend all automatic deletion policies and to preserve all documents and electronic data relating to (1) office exclusives, (2) marketing of listings on and off-MLS, (3) competition between MLSs and real estate professionals, and (4) your business strategies.

Sincerely,

Nathan P. Eimer

cc: Nicole Sarrine, Deputy Assistant Attorney General for Civil Conduct (Nicole.Sarrine@usdoj.gov)
U.S. Department of Justice, Antitrust Division

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U.S. Federal Trade Commission, Bureau of Competition

[1] OneKey MLS, *Rules and Procedures*, at 902.2 (2026).

[2] FTC, *The Residential Real Estate Brokerage Industry*, at 129 (Dec. 1983); *see also* Final Judgment, *United States v. Multiple Listing Serv. of Hilton Head Island, Inc.*, Case No. 9:07-cv-03435-SB (D.S.C. May 28, 2008), ECF No. 16, at 5 (defining "Office Exclusive" as "a listing in which the owner refuses to grant permission for distribution of the listing to the MLS.").

[3] FTC, *The Residential Real Estate Brokerage Industry*, at 129 (Dec. 1983).

[4] 15 U.S.C. § 15(a) ("[A]ny person who shall be injured in his business or property by reason of anything forbidden in the antitrust laws may sue therefor . . . and shall recover threefold the damages by him sustained, and the cost of suit, including a reasonable attorney's fee.").

[5] *See United States v. Nat'l Ass'n of Real Est. Bds.*, 339 U.S. 485, 487 (1950).

[6] *PLS.com, LLC v. Nat'l Ass'n of Realtors*, 32 F.4th 824, 834 (9th Cir. 2022).

[7] Final Br. of Appellants United States of America, et al., *Nat'l Ass'n of Realtors v. United States*, No. 23-5065 (D.C. Cir. Aug. 18, 2023), ECF No. 2013267, at 10.

[8] *Realcomp II, Ltd. v. FTC*, 635 F.3d 815, 819 (6th Cir. 2011).

[9] Final Judgment, *United States v. Consolidated Multiple Listing Serv., Inc.*, Case No. 3:08-cv-01786-SB (D.S.C. Aug. 27, 2009), ECF No. 68, at 4.

[10] *Compass, Inc. v. Nw. Multiple Listing Serv.*, No. 2:25-cv-00766-JNW, 2026 WL 776138 (W.D. Wash. Mar. 19, 2026).

[11] https://www.compass.com/newsroom/press-releases/a7Jxi0oJq1JansK7dBFWO (Aug. 31, 2026).

[12] FTC, *The Residential Real Estate Brokerage Industry*, at 109 (Dec. 1983).

[13] *Id*. at 130.

[14] *Id*. at 134 n.354.

[15] *Id*. at 130.

[16] Nat'l Ass'n of Realtors, *Handbook on Multiple Listing Service Policy*, § 1.3 (2024).

[17] Final Judgment, *United States v. Multiple Listing Serv. of Hilton Head Island, Inc.*, Case No. 9:07-cv-03435 (D.S.C. May 28, 2008), ECF No. 16, at 5.

[18] Bright MLS, *Rules Governing Use of Bright's Services*, at 6 (July 22, 2026) (emphasis added).

[19] Compare FTC, *The Residential Real Estate Brokerage Industry*, at 129 (Dec. 1983), *with* Nat'l Ass'n of Realtors, *Handbook on Multiple Listing Policy*, Policy Statement 8.14 (2025) (emphasis added).

[20] https://www.nar.realtor/about-nar/policies/mls-policy/office-exclusive-listings/pre-marketing-guidance.

[21] Nat'l Ass'n of Realtors, *Handbook on Multiple Listing Policy*, Antitrust Compliance Policy (2026).

Exhibit G

Rules and Procedures

Version 2026C

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Section 1: Definitions

101 - Preliminary Definitions

101.1 - Board of Managers or Managers means the "MLS Board of Managers".

101.2 - MLS Policies means the "Policies of the MLS as determined and construed from time to time by the Board of Managers."

101.3 - MLS Rules or Rules or Rules & Procedures means the "Rules and Procedures of the MLS as set forth herein and as construed from time to time by the Board of Managers".

101.4 - Multiple Listing Service or MLS or the Service means "OneKey® MLS".

102 - General Definitions

102.1 - Cooperating Broker means "any MLS Customer seeking to cooperate with a Listing Broker".

102.2 - Exclusive Listing means an "Exclusive Right to Sell, or an Exclusive Right to Lease, or an Exclusive Agency Listing (as those terms are defined by the New York State Department of State, Division of Licensing Service) entered into between a Participant and a Property owner", as the term Property is defined herein.

102.3 - Listing Agreement or Listing means "all Listing Agreements, except for Office Exclusive Listing Agreements".

102.4 - Listing Participant or Listing Agent means the MLS Participant or Subscriber to the MLS who has a written exclusive agreement with a property owner appointing the MLS Participant or Subscriber as the exclusive agent of the owner to sell or rent property.

102.5 - Local REALTOR Boards are the following boards whose members are associated with this MLS:

Hudson Gateway Association of Realtors®, Inc. (HGAR); and Long Island Board of Realtors® (LIBOR).

102.6 - MLS Customer or our Customers refers to "any or all Participants or Subscribers".

102.7 - MLS Compilation shall be construed to include any format in which property listing data is collected and disseminated to the Participants and Subscribers, including, but not limited to, bound book, loose-leaf binder, computer database, cardfile, or any other format whatsoever.

102.8 - Office Exclusive Listing means an "Exclusive Listing that is not made available to other MLS customers in the MLS database per the informed consent and instructions of the seller".

102.9 - Office Exclusive Seller Disclosure means the "MLS disclosure form that must be signed by all of the sellers of a property in order for a Participant to accept an Office Exclusive Listing".

102.10 - Other Identifying Information includes information of any kind or nature, without limitation as to its form or medium, which identifies a Participant, Subscriber, Listing Agent or any other person or entity (except where specifically provided otherwise herein), or which is a link to any webpage, social media page, social media post, video, or any other source external to the MLS that conveys such Other Identifying Information. This shall include, but not be limited to, names, initials, phone numbers, email addresses, website addresses, webpages, social media tags, logos, caricatures, and Other Information (as defined herein).

102.11 - Other Information includes any kind of information or data, in any form, and presented in any type of media, which may be displayed, attached, referenced, linked to, or otherwise conveyed, including, but not limited to, documents, text, pieces of text, photographs, images, videos, graphics, memes, icons, animated icons, drawings, 3-D renderings, virtual tours or demonstrations, and digital audio or video files.

102.12 - Participant is defined in Rule 202 hereof.

102.13 - Property means "any and all real property or any interest therein for sale, lease, rent, or exchange, including, but not limited to, residential, commercial, industrial, land, and multi-family dwellings, and real or personal property, or any interest therein that comprises cooperative and condominium properties and businesses". (NAR MANDATE 1)

102.14 - Selling Agent is an "MLS Member who brings about (or seeks to bring about) a 'meeting of the minds' between a property owner and a purchaser, while acting as a seller's agent, broker's agent, or buyer's agent".

102.15 - Subscriber means "all licensed non-Participant users of the MLS".

102.16 - Verifiable Electronic Communication means "an email message, text message, facsimile (fax) transmission, or any other form of electronic communication that originates in written form and automatically produces a written record as to when, from whom, and to whom it was transmitted".

103 - Status Definitions

103.1 - Active Listings are those which are available for showing and for purchase or rental.

103.2 - Canceled means that a Listing has been canceled with no future Obligation Date. This is the same as an unconditional release. This is not an Active status.

103.3 - Expired means that the Listing Agreement Expiration Date has passed, or, if the Listing has been Withdrawn, it means that the Obligation Date and Expiration Date have passed. This is not an Active status.

103.4 - Pending means that a purchase or lease agreement, with or without contingencies, has been fully executed for that Listing. This also applies to short sales. This is not an Active status.

103.5 - Rented means a lease has been fully executed with no contingencies. This is not an Active status.

103.6 - Sold means the title has passed. This is not an Active status.

103.7 - Temporarily Off the Market (TOM) means that a Listing cannot be shown for three (3) or more days. This is not an Active status.

103.8 - Withdrawn means that a Listing has been withdrawn (or is no longer Active), but it has a future Obligation Date. The Obligation Date must be on or before the Listing Expiration Date. The Expiration Date may first be Extended in order to enter an Obligation Date that is later than the original Expiration Date. Once a Listing is Withdrawn, the Listing status automatically shall be changed by the MLS to Canceled once the Obligation Date passes.

Section 2: Participants and Subscribers

200 - Purpose of these Rules

This MLS is a service by which its Participants share their Listing data and invite other Participants to enter into cooperative relationships with them for the sale of their listings and provide information necessary to permit such cooperation.

The MLS accumulates our Members' Listing data and provides various data-sharing systems for our Members to use for analysis, marketing, cooperation, and other business purposes.

Clients and the general public receive limited forms of access to this data to facilitate consumer Property searches and research.

Our goals are to facilitate cooperation among our Members, and to provide a convenient real estate data-sharing system, with complete, accurate, and up-to-date data.

These Rules help ensure the integrity of our listing data, and provide a level playing field for our Participants and the consumers with whom they do business.

201 - MLS Service Area

The Board of Managers shall, from time to time, designate the MLS Service Area under these Rules. As of the date of these Rules and Procedures, the MLS Service Area consists of the following:

Counties in New York State: Dutchess, Kings (Brooklyn), Nassau, New York (Manhattan), Orange, Putnam, Queens, Rockland, Suffolk, Sullivan, and Westchester.

202 - Requirements for Participants to Join

202.1 - To be eligible to participate in the MLS as a Participant, an individual must meet all of the following requirements:

a. The individual must be:
(1) a principal, OR
(2) a partner or limited liability company member, OR
(3) a corporate officer or branch office manager acting on behalf of a principal; AND

b. The individual, or the business entity for whom the individual acts, has signed a written agreement to abide by the Rules and Procedures of the MLS in force at that time and as it may be amended from time to time, and pays all applicable MLS fees; AND

c. The individual, or the business entity for whom the individual acts:
(1) is a REALTOR® of any Board and holds a valid state-issued Real Estate Broker's license, and cooperate (hereinafter a "Broker Participant"); OR
(2) is certified by an appropriate state regulatory agency to engage in the appraisal of real property (hereinafter an "Appraiser Participant"). (NAR MANDATE 1.12)

d. "Cooperation" (and its derivative forms including "cooperate") means (a) or (b) or both: (a) sharing information on listed property and making property available to other brokers for showing to prospective purchasers and tenants when it is in the best interests of a listing broker's clients; (b) attempting to find buyers or tenants for properties listed in the Service.
The requirement that an individual or firm cooperates means that the Participant actively endeavors during the operation of its real estate business to cooperate. "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. (NAR MANDATE 1.12)

The key is that the Participant or potential Participant cooperates 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 cooperate. An MLS may evaluate whether a Participant or potential Participant "actively endeavors during the operation of its real estate business to cooperate" 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. (NAR MANDATE 1.12)

202.2 - 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. (NAR MANDATE 1.12)

202.3 - No MLS Participant, Subscriber, or licensee affiliated with any Participant shall, through the names of their firm, their URLs, their email addresses, their website addresses, or in any other way, represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants, Subscribers, and licensees affiliated with Participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to Participants and Subscribers. This does not prohibit Participants and Subscribers from representing that any information they are authorized under MLS Rules to provide to clients or customers is available on their websites or otherwise.

203 - Requirements for Subscribers to Join

A Subscriber is an individual who meets and continues to meet all of the following requirements:

a. The individual must be employed by or affiliated as an independent contractor with a Participant; AND

b. The individual has signed a written agreement (or acknowledged their agreement) to abide by the Rules and Procedures of the MLS in force at that time and as it may be amended from time to time, and pays all applicable MLS fees; AND

c. The individual:

(1) holds a valid state-issued Real Estate Broker's license, Associate Real Estate Broker's license, or a Real Estate Salesperson's license, associated with a Broker Participant (hereinafter a "Real Estate Subscriber"); OR

(2) is certified by an appropriate state regulatory agency to engage in the appraisal of real property and is associated with an Appraiser Participant (hereinafter an "Appraiser Subscriber").

204 - Application to Join the MLS

204.1 - Application Form

Each applicant to become a Participant in the MLS shall file an application on forms prescribed by the Board of Managers and to be accompanied by such initial service fees as may be set by the Board of Managers.

204.2 - Required Orientation Program

All Participants must complete a required orientation program concerning the MLS Rules within ninety (90) days after access has been provided. The orientation program shall consist of no more than eight (8) hours. Failure to complete the required orientation program shall result in termination of all MLS privileges unless extensions have been granted by the MLS. (NAR MANDATE 17)

204.3 - Correspondence of Licenses

A Participant with both a real estate broker and appraiser license must join as a Broker Participant in order to be a Listing Broker, Cooperating Broker, or Selling Broker, as provided herein. Subscribers must apply as a Real Estate Subscriber, unless their employing or affiliated Participant is an Appraiser Participant (in which case the Subscriber must apply an as Appraiser Subscriber).

204.4 - Former Participant/Subscriber

If the potential Participant is a former MLS Participant or Subscriber, all outstanding financial obligations to the MLS shall be paid in full.

205 - Administrative Users

Administrative Users are unlicensed individuals who are under the direct supervision of an MLS Participant and perform only administrative and clerical tasks. Each Participant shall provide the MLS with a list of all Administrative Users employed by or affiliated as independent contractors with the Participant, and shall immediately notify the MLS of any changes, additions, or deletions from the list.

206 - Additional Offices

206.1 - In the event an Applicant or Participant has, or acquires, an interest as owner, partner, or stockholder, directly, or indirectly, in any other real estate brokerage, or in a real estate office, or in an office that meets the definition of a “Branch Office” per 19NYCRR175.20, within the MLS Service Area, operating under the same or any other name, the Applicant or Participant shall pay a separate initial fee for each office, and be responsible for the adherence by said real estate office to the Rules of MLS. All such real estate brokerage offices must participate in the Service in order for the Participant to remain a Participant. The Board of Managers may waive the requirements of this section if the nature of the office or geographic location would render the requirement inequitable.

206.2 - In the event a Participant has an additional office, which is not located within the MLS Service Area, and which takes an exclusive listing of property that is located within the MLS Service Area, said listing shall be submitted to the MLS (subject to the Rules concerning Office Exclusives).

207 - Resignation of a Participant

207.1 - A Participant may resign from the MLS, provided the Participant:

a. Is not at that time under suspension; AND
b. Has paid in full any assessments or other monies due or accrued to the MLS up to the effective date of such resignation; AND
c. Agrees to abide by these MLS Rules and Procedures pertaining to listings in the Participant's possession at the time of such resignation; AND
d. Agrees to discontinue the use or display of any materials containing the logo or service mark of MLS, including, but not limited to, signs, posters, stationery, postcards, agreements, and other similar material, such as a website.

207.2 - When a Participant resigns from the MLS, the MLS is no longer 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 shall receive written notice from the MLS of the intended removal. Upon receipt of said notice, the resigned Participant shall advise such Participant's clients of such removal.

208 - Death of a Participant

Participation in the MLS may be transferred upon the death of a Participant. In the event of the death of a Participant, the Board of Managers shall set reasonable conditions enabling a replacement to become a Participant in the Service. Such conditions should be designed to allow the deceased Participant's office to continue to receive listings during the time period necessary for the members of the family or partner of such deceased Participant to otherwise qualify for active participation in the MLS.

209 - Suspension or Expulsion from the MLS

209.1 - A Participant may be suspended or expelled from the MLS for violation of these Rules and Procedures only after a hearing conducted by the Board of Managers or the Rules Enforcement Committee, impaneled by the Board of Managers for that purpose. (NAR MANDATE 1.14)

209.2 - A Participant may be suspended or expelled from the MLS by action of the Board of Managers upon failure to pay dues, fees, penalties, and/or assessments due the MLS. (NAR MANDATE 1.14)

209.3 - Suspension of a Participant from the MLS shall suspend Participant's right to access the MLS system and to submit listings during the suspension period, but the Participant shall otherwise be fully bound to perform all duties pursuant to the MLS Rules and MLS Policies. (NAR MANDATE 1.13)

209.4 - When a Participant of the service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, their applicable Realtor® Association Bylaws, MLS Policies, MLS Rules and Procedures, or any other membership obligation **except for failure to pay appropriate dues, fees, or changes**, 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 association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, an association 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 shall be advised, in writing, of the intended removal so that the suspended Participant may advise his clients. (NAR MANDATE 1.13)

209.5 - When a Participant is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS policies, MLS Rules and Procedures, or other membership obligations except failure to pay appropriate dues, fees, or charges), all Listings currently filed with the MLS by the expelled 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 expulsion became effective. If a Participant has been expelled from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, an association 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 that the expelled Participant may advise his clients. (NAR MANDATE 1.14)

210 - Reinstatement

A former Participant who was expelled for non-payment of fiscal obligations may be reinstated, subject to the requirements and provisions of Rule 202, and provided the Participant satisfies all outstanding financial obligations owed to the MLS. Upon reinstatement, the Participant will be entitled to all of the benefits of being a Participant of the MLS. The Fee for reinstatement is set forth in Section 11, hereof.

211 - Annual Participation Fee & Waivers

211.1 - The annual participation fee of each Participant shall be an amount equal to the amount set by the Board of Managers times each salesperson and licensed or certified appraiser who has access to and use of the service, whether licensed as a broker, sales licensee, or licensed or certified appraiser who is employed by or affiliated as an independent contractor with such participant. Payment of such fees shall be made on or before the first day of the fiscal year of the MLS. Fees shall be prorated on a monthly basis.

211.2 - Participants have the option, however, to receive a no-cost waiver of MLS fees, dues, and charges for any licensee or licensed or certified appraiser who can demonstrate they have a subscription to a different MLS or CIE where their principal broker participates. The

MLS shall require that Participant to sign a Certification of Non-Use of its MLS Services by such applicable licensees (called “Application Form for Waiver of MLS Subscriber Fees”), which includes penalties and a waiver of termination if the certification is violated. (NAR MANDATE 6)

Section 3: Administration of Listings

301 - Permitted Types of Listings

301.1 - Listing Agreements

Only Exclusive Listings for Property shall be taken by Participants for dissemination through the Multiple Listing Service. Such Property may be located within or outside of the MLS Service Area. No provision of these Rules shall be construed to require any Participant to take only Exclusive Listings, and the type of listing agreement shall be freely negotiable between the Listing Participant and such a person’s principal. The terms Exclusive Listings and Property are defined in Section 1, hereof. (NAR MANDATE 1)

301.2 - Required Disclosures to Seller

Participants must disclose to prospective sellers in conspicuous language that broker commissions are not set by law and are fully negotiable (i) in their listing agreement or (ii) in pre-closing documents, if any, unless (i) or (ii) are a government-specified form. With government-specified forms, Participants must include a separate written disclosure statement with conspicuous language expressly stating that broker commissions are not set by law and are fully negotiable. Listing Participants must conspicuously disclose to sellers, and obtain the seller’s authority, for any payment or offer of payment that the listing broker or seller will make to another broker, agent, or other representative (e.g., real estate attorney) acting for buyers; and such disclosure must be in writing, be provided in advance of any payment or agreement to pay to another broker acting for buyer and specify the amount or rate of any such payment.

302 - Mandatory Entry of Listings

302.1 - Listing Agreements

Participants shall enter into the MLS database all Exclusive Listings of Property located within the MLS Service Area (including “Coming Soon” listings, see Rule 302.3 below) before midnight of the day after their Listing Date, or before midnight of such later date as set forth in the Listing Agreement. Participants shall have the option of inputting Exclusive Listings of Property located outside of the MLS Service Area, which were taken by the Participant’s main or branch offices. (NAR MANDATE 1.12)

302.2 - NAR Clear Cooperation Policy

a. Within one (1) business day after a property is publicly marketed, the listing broker must submit the listing to the MLS for cooperation with other MLS Participants. Public marketing includes, but is not limited to, any activity that makes the property available to the general public or to multiple brokers through a single communication or broadly distributed promotion. Examples include flyers displayed in windows, yard signs, advertising on public-facing websites, brokerage website displays (including IDX and VOW), digital communications marketing such as email distributions, multi-brokerage listing sharing networks, applications available to the general public, or any similar form of public promotion. Individual, one-to-one communications between a listing broker and another broker regarding a specific property do not constitute public marketing. (NAR MANDATE 8, updated 11/11/19)

b. Commercial, nonresidential, properties are not subject to this rule.

c. All residential property classes are subject to this rule, including the following:

(1) residential one- to four- (1-4) family homes (but not residential properties with five (5) or more units), AND

(2) residential cooperative apartments, condominiums, units in a homeowner's association (HOA), townhouses, mobile homes, AND

(3) residential rentals, AND

(4) vacant land that is zoned only for residential development

302.3 - "COMING SOON- NO SHOWINGS" Status

a. Purpose

The purpose of the "Coming Soon – No Showings" status (or "Coming Soon") is to allow a short period of time in order to prepare a property for showings, after which time the listing will become fully Active and available for showings. During the "Coming Soon" period, the seller and listing broker may not promote, market, or advertise the property in any manner other than as provided in Rule 302.3, herein. All other MLS Rules shall apply to "Coming Soon" listings, as appropriate, and violations of these "Coming Soon" Rules shall be subject to the Rules Enforcement provisions of Section 9, herein.

b. Owner's Written Instructions

The property owner must give specific written instructions in the listing agreement, or in a separate rider, that the Participants shall enter the listing into the MLS Database using the temporary "Coming Soon" status. Such instructions must be signed, shall indicate the "On Market Date", and shall include a disclosure to the owner of what the "Coming Soon" status means.

c. 14-Day Maximum Time Period from the Listing Date:

(1) The listing must be originally entered as a “Coming Soon” listing. The status of a listing may not be changed to “Coming Soon” from any other status.

(2) The “Coming Soon” status is limited to a maximum of fourteen (14) days, beginning from the Listing Date, and it cannot be extended.

(3) The “On Market Date” (OMD) shall be entered into the MLS database upon entry of the listing (it can be no later than fifteen (15) days after the listing date).

d. Conversion to an Active Listing

(1) The “Coming Soon” status shall be automatically converted to a public, Active status, on the “On Market Date”.

(2) The Participant or Subscriber may change the listing to Active status at the time prior to the “On Market Date”.

(3) If the listing cannot be shown on the “On Market Date”, then the listing status must be changed to “Temporarily Off the Market” (TOM) on the “On Market Date”, in accordance with Rule 404.3 herein.

(4) The listing’s “Days on Market” (DOM) will start when the listing is converted to Active status (regardless of whether it is then changed to TOM).

(5) Once the listing status is changed from “Coming Soon” to Active status, it cannot revert to “Coming Soon” status.

e. No Showings

(1) Listings with a “Coming Soon” status shall not be shown by – including the listing agent and office – unless and until its status has been changed to Active.

(2) Listings with a “Coming Soon” status are permitted to have Open House dates set in advance, and advance showings scheduled, but only if they are for dates when the listing will have an Active status.

f. Internet Exposure

“Coming Soon” listings will be displayed only in the MLS system and will be included in the MLS data feeds for display on IDX and VOW websites and mobile apps.

(1) The MLS will not, nor are any Participants or Subscribers permitted to, syndicate “Coming Soon” listings to advertising websites.

(2) Except as provided in this Rule 302.3, “Coming Soon” listings may not appear on any other websites, or on the internet in any other way, except that social media postings are permitted. “Coming Soon” listings are

therefore allowed to be displayed to the general public only on the following types of websites:

i. on the Listing Participant's own website, including any client portals connected to such websites,

ii. on other Participants' websites via IDX/VOW, including any client portals connected to such websites,

iii. on social media postings, AND

iv. on any website of the MLS.

(3) When appearing on any website, or in a social media posting, the listing must be accompanied by a notice stating that it is "Coming Soon", along with the On Market Date.

g. Other Marketing Exposure

"Coming Soon" listings shall not be advertised or displayed in any manner other than the Internet Exposure set forth in this Rule 302.3(f) above, and as follows:

(1) By placing a sign at the property, accompanied by a notice stating that it is "Coming Soon".

(2) By a printed flyer, accompanied by a notice stating that it is "Coming Soon", along with the On Market Date.

(3) By email accompanied by a notice stating that it is "Coming Soon", along with the On Market Date.

303 - Submission of Documentation to the MLS

303.1 - Submission of Requested Documents

MLS reserves the right to request documentation to audit a listing and confirm compliance with these Rules. Requested documents must be received by the MLS within the timeframe specified in the request or elsewhere in these Rules. Failure to comply with the applicable deadline will result in an automatic fine as outlined in the Automatic Fine Schedule.

303.2 - Office Exclusive Listings

Office Exclusive listings shall be submitted to the MLS before midnight of the day after their Listing Date.

The listing Participant must obtain a duly-signed "Office Exclusive Seller Disclosure" from all sellers of the property acknowledging their instruction that the listing not be disseminated through the MLS.

The signed disclosure must be retained by the Participant and provided to the MLS upon request in accordance with Rule 303.1. (NAR MANDATE 1.12)

304 - Listing Separate Properties

All Properties which are sold separately must be listed separately. When part of a listed Property has been sold, the remainder of the Property shall be re-listed, and notice of such partial sale shall be given to the MLS.

305 - Property Classes

305.1 - Single Property Class

Properties may be listed using only a single property class, with only the following two (2) exceptions, either:

a. Residential and Commercial Properties that are for sale as well as for rent; in which case:

(1) At the time that a contract for the sale or lease of the Property is executed, the Participant:

a. must change the status of the operative listing to “Pending” (in the case of a sale), or to “Rented” (in the case of a rental), AND

b. must change the status of the non-operative listing to “Canceled”, AND

(2) In the case of a closed sale, only the operative Listing may have a status of “Sold”, the non-operative Listing must remain “Canceled”;

b. Residential Properties that are for sale and may also be sold as vacant land, or for potential subdivision, or as “to be built” in which case;

(1) At the time that a contract for the sale of the Property is executed, the Participant:

a. must change the status of the operative listing to “Pending”, AND

b. must change the state of the non-operative listing to “Canceled”, AND

(2) In the case of a closed sale, only the operative Listing may have a status of “Sold”, the non-operative Listing must remain “Canceled”.

305.2 - Businesses

For the “business” property class, the following shall apply: the Listing must disclose if there is included or optionally included any interest in real estate; and if the Listing does not include an interest in real estate, then there shall be no address public record link.

306 - Accurate Listing Information

306.1 - Substantially Complete and Accurate Information

All Listings shall be substantially complete and accurate at the time the Listing is submitted to the person authorized to list the Property for signature, and at the time it is entered and submitted to the MLS. It must include the full gross listing price, a

definite expiration date, Parcel ID, approximate interior square footage where publicly available, and all information required by the MLS.

At the time of filing a listing, participants and subscribers must include a property address available to other participants and subscribers, and if an address doesn't exist, a parcel identification number can be used. Where an address or parcel identification number are unavailable, the information filed with the MLS must include a legal description of the property sufficient to describe its location. (NAR MANDATE 1.6, 1.7, 1.11, 1.16)

Participants must ensure that all Listings submitted to the MLS comply with all applicable federal, state, local laws and regulations, and these Rules.

306.2 - Participant/Subscriber Contact Information

All Listings shall include the name, active phone number, and active email address of the Participant(s) and Subscriber(s) responsible for the Listing, and that contact information shall be reflected solely in those fields specifically designated by the MLS for such purpose.

306.3 - Proper Use of Data Fields

Data fields may only contain information which pertains to that particular data field. For example: "Floor Plans" may only contain rooms or appliances on each floor, the "Section/Area" is for the neighborhood where the Property is located, the "Handicap Description" shall only describe features which make the property handicap accessible etc.

a. Participants and Subscribers shall not insert any contact or "Other Identifying Information" (as defined herein) in any field not specifically designated by the MLS for such information.

b. The "Public Remarks" field is for describing the physical characteristics of the Property, its location, and any lawful seller's instructions concerning a proposed transaction. It may not contain contact or Other Identifying Information of any person or entity related to any proposed transaction, status information, showing instructions, offer procedures, property addresses, open houses, or any other notation intended for agents. Any improper information in the Public Remarks field will result in the entire field being deleted, and the imposition of a fine as set forth in Section 11.

c. The Agent Remarks may not contain any conditions, limitations, or instructions that could violate NYS license law, anti-trust law, or are contrary to the spirit of cooperation. Any improper information in the Agent Remarks field will result in the entire field being deleted, and the imposition of a fine as set forth in Section 11.

d. No field, photo, attachment, or supplement file on a listing in the Service may include an offer of compensation from seller or listing broker to

cooperating brokers or an offer of a seller concession that is limited to or conditioned on the retention of or payment to any other brokerage.

306.4 - Correct Zip Code

A property must be listed in the correct zip code of the legal address and may only be listed one time per class of property.

306.5 - Exclusive Agency Listings

Exclusive Agency Listings shall be indicated by a notation in the appropriate data field.

306.6 - Buyer Exclusions

Listings which have buyer exclusions shall be indicated in the appropriate data field.

306.7 - Disclosure of Contingencies

In order to put all Participants on notice, any contingency or conditions of any term applicable to a listing shall be disclosed in the applicable field when the listing is entered in the MLS database, or immediately upon it becoming reasonably apparent.

306.8 - Disclosure of the Owner's True Name

No listing may be submitted to the MLS for publication without revealing the true name of the Owner of the property offered.

a. In the event the Owner directs the Listing Agent to withhold his or her name, the Listing Agent may insert the words "Name Withheld" in the listing data form in lieu of the Owner's true name.

b. The listing shall be published by the MLS only if:

(1) the Listing Agreement specifically instructs the Listing Agent to insert "Name Withheld", or

(2) a separate written communication is submitted to the MLS, together with the Listing Agreement, directing the Listing Agent to use "Name Withheld" in lieu of the Owner's name.

c. In all cases, the Listing Agreement, Office Exclusive Listing Agreement, Office Exclusive Seller Disclosure, or any supplemental writing must include the Owner's actual signature and must be retained by the Listing Participant and provided to the MLS upon request in accordance with Rule 303.1.

306.9 - Disclosure of Participant/Subscriber's Ownership Interest

If a Participant or Subscriber, or any licensee (or licensed or certified appraiser) affiliated with a Participant, has any ownership interest in a Property, the listing of which is to be disseminated through the MLS, such ownership shall be disclosed by a notation in the appropriate field in the MLS system. (NAR MANDATE 5.1)

306.10 - "To Be Built" Listings

Listings for properties that are "to be built" or are not substantially complete, must be for a specific, single lot and property (or a group being sold together), must disclose any lot-specific premiums, and must state in the Property Description field that the Property is (as applicable) "TO BE BUILT, may have additions to price for customization, the taxes are not known at this time, and the attached photos are computer-generated images and not actual photographs, they are just depictions as to what the property may look like." When closed, the listing must be edited to reflect the actual property description and contract terms per the contract.

307 - Accurate Images and Attachments

307.1 - All images, documents, and Other Information that are attached to a Listing, including by link or reference, or which are otherwise submitted for publication in the MLS Compilation, or in any other media, electronic or otherwise, must accurately reflect only information or descriptions of the listed Property, and must not include any contact or other identifying Information.

307.2 - Photographs and images shall not be manipulated in any way so as to obscure in whole or in part the MLS logo, any MLS copyright notice or symbol, or any other MLS identifying information of any kind.

308 - Manipulation of Listing Data is Prohibited

308.1 - Participants shall not manipulate Listing data or enter or alter Listing data in such a manner so as to prevent a proper history from attaching to the Listing.

308.2 - In order to maintain consistency in the appearance of all Listings in the MLS Compilation, no Participant may use computer programming or other techniques, including HTML programming, scripting, special fonts, bold or colored text, or other special graphic elements to be displayed or to affect the display of any information in the MLS Compilation, or to be otherwise reflected in the MLS database.

309 - Photograph Required

309.1 - All listings, except for businesses for sale or rent, must include at least one front, exterior photograph of the Property, which must be attached to the listing within twenty-four (24) hours of the listing being entered into the MLS System.

309.2 - Principals who do not want any photographs published on their listing must indicate that instruction in writing, and the listing agent or Participant must submit that written instruction to the MLS within twenty-four (24) hours of the listing being entered into the System.

309.3 - One front, exterior photograph of the Property is required regardless of the listing status (Active, Temporarily Off the Market, Sold, Canceled, Withdrawn, Expired, etc.).

309.4 - Upon closing, the primary (first) photograph must be the exterior front of the Property.

309.5 - Once a listing is no longer Active, other than “Coming Soon” or “Temporarily Off the Market” listings, photos may not be deleted.

310 - Listing Contract Changes and Modifications

310.1 - Automatic Expiration of Listings

Listings filed with the MLS will be automatically removed from the MLS 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. The Expiration Date (and Extended Expiration Dates) of all Listings shall be published in the MLS database.

310.2 - Extensions

A Listing may be extended for up to thirty (30) days after its expiration with only a duly signed extension form. After thirty (30) days have passed, however, the original listing cannot be extended; it must be entered as a new listing accompanied by a new listing agreement and entered and submitted in the same manner as a new listing. If a new listing agreement is signed during the 30-day period after expiration, then it also must be entered into and submitted as a new listing (even if it is with the same listing broker).

310.3 - Listing Contract Changes

All price changes, extensions, renewals, withdrawals, or cancellations of any listing contract must:

a. be in writing and signed by the Listing Participant’s principal, AND

b. identify the Property, AND

c. be entered into the MLS database within twenty-four (24) hours after its effective date. (NAR MANDATE 1.4, 1.5, 1.10, 2.5)

310.4 - Changes that Must Be Signed by the Participant

Any withdrawal, cancellation, or reduction in the term of a Listing must be in writing and signed by the Participant or an authorized designee.

310.5 - Original Listing Date Retained

When listing information is changed or if the Property is re-listed by the same listing broker before the original expiration or extended expiration date of the original listing, and the Property Class remains the same, then the listing shall retain its original listing date. The only exception to this is if the listing was Cancelled, then in this case a new listing

agreement must be signed and a new listing entered into the service with the new listing date.

311 - Reporting of Closings and Status Changes

311.1 - The Listing Participant is responsible for the timely and accurate filing of sales and closing information with the MLS. (NAR MANDATE 2.5, NOTE2)

311.2 - A status change to "Pending" must be entered into the MLS database within twenty-four (24) hours of the contract being signed by all parties.

311.3 - A status change to "Closed" must be entered into the MLS database within twenty-four (24) hours of the closing.

311.4 - Cancellations of contracts shall be reported by the Cooperating Participant to the Listing Participant immediately. The Listing Participant shall enter the cancellation into the database within twenty-four (24) hours. (NAR MANDATE 2.7)

312 - Disclosure of Potential Short Sales

312.1 - 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. (NAR MANDATE 5.01, OPTION 2)

313 - Disclosure of Auction Listings

313.1 - Only auction listings which comply with these Rules, including, but not limited to the definitions and Rules concerning Withdrawals, Cancellations, and the Disclosure of Contingencies, may be submitted to the MLS.

313.2 - Auction listings entered into the MLS database shall have Listing Agreements as required under these Rules and be clearly labeled as auction listings in the Special Listing Conditions field, and provide all the terms and conditions of the auction in the Private Remarks field.

313.3 - Auction listings shall further specify the following, none of which shall appear in a listing's Public Remarks:

a. The list price, which shall be seller's minimum acceptable bid price;

b. Whether the auction is being conducted with or without the seller's right of reservation;

c. The date, time, and place of the auction;

d. All required procedures for Participants/Subscribers to register their representation of a potential bidder;

e. The amount of the buyer's premium, if any;

f. The time or manner in which potential bidders may inspect the listed property;

g. Whether or not the seller will accept a purchase offer prior to the scheduled auction; AND

h. Any other material rules or procedures for the auction.

314 - Contract Vendee Listings

314.1 - The MLS will accept Contract Vendee Listings (i.e., Listings of Properties in which the "Contract Vendee" does not in fact own the Property, but rather, is in contract to purchase the Property) provided that the underlying purchase contract is unconditional, or has conditions which are disclosed in the Listing.

314.2 - In order for a Contract Vendee Listing to be disseminated by the MLS, the following requirements shall be complied with by the Listing Participant:

a. The "Contract Vendee" for the Property must have an unconditional contract signed by the current owner authorizing the marketing of the Property for resale by the Contract Vendee.

b. The "Owner's Name" shall be entered in the MLS database and shall be designated as being a Contract Vendee.

314.3 - In the event a Property has been entered into the MLS database on behalf of the owner and it is the subject of an unconditional contract, and the purchaser identified in said contract (or any person or entity acting under the authority of said purchaser) wishes to list the Property as a Contract Vendee with a Listing Participant, then the status of the original owner's Listing must be changed to "Pending". This will ensure that the same Property is not offered on behalf of the owner and the Contract Vendee through the MLS at the same time.

315 - Auction Terms of Sale Listings

315.1 - The MLS will accept "Auction Terms of Sale" listings (i.e., Listings of Properties in which the winning bidder at a foreclosure auction has received the Terms of Sale issued by the court, which gives that bidder the right and obligation to buy that Property at the bid price). This means the winning bidder does not in fact own the Property, but rather, has a legal right to purchase the Property pursuant to law and the court-issued Terms of Sale from the auction.

315.2 - In order for an Auction Terms of Sale Listing to be disseminated by the MLS, the following requirements shall be complied with by the Listing Participant:

a. The winning bidder for the Property must have received court-issued Terms of Sale for the Property.

b. The “Owner’s Name” shall be entered in the MLS database and shall be designated as an owner pursuant to “Auction Terms of Sale”.

315.3 - In the event a Property has been entered into the MLS database on behalf of the owner and it is the subject of a sale at a court-ordered auction, but title has not yet been transferred to the winning bidder who wishes to list the Property as an “Auction Terms of Sale” Listing with a Listing Participant, then the status of the original owner’s Listing must be changed to “Canceled”. This will ensure that the same Property is not offered on behalf of the original owner and the winning bidder through the MLS at the same time.

316 - Office Exclusive Listings

316.1 - A Participant may accept a listing which provides for an Exclusive Right to Sell or Exclusive Agency with the Participant’s office, provided the Participant or a salesperson in the Participant’s office has informed the homeowner about the benefits of the MLS, and the homeowner acknowledges same in writing. The Participant will submit the Office Exclusive listing to the Service pursuant to Rule 303.1.

The Participant must obtain a signed acknowledgment from the seller confirming the seller’s informed decision to withhold the listing from the MLS (the “Office Exclusive Seller Disclosure”).

The Participant shall retain the signed disclosure and provide it to the MLS upon request in accordance with Rule 303.1.

Office Exclusives shall remain on file with the Service as confidential material and the details shall not be disclosed to any third party. (NAR MANDATE 1.3)

316.2 - Any exclusive listing taken by a Participant which is not submitted to the MLS for distribution to other Participants must still be recorded with the Service in accordance with Rule 303. (NAR MANDATE 1.3)

316.3 - Office Exclusives may be converted to MLS Listings only when they are Coming Soon or Active (i.e., they are available to be shown and purchased). They cannot be converted from an Inactive Status (e.g. Pending or Closed).

316.4 - Rule 404 (Showings) applies to Office Exclusive listings when the cooperating broker/agent is a buyer agent, with the following exceptions:

a. Rule 404.2 (Property Must be Available to be Shown Within Twenty-Four (24) Hours of Listing) is modified as follows for Office Exclusive Listings:

“Office Exclusive listings taken by a Participant shall be available to be shown and purchased (or rented) within a twenty-four (24) hour period from the effective date of the listing, unless the Participant has received written contrary instructions from the Owner.”

b. Rule 404.3 (Temporarily Off the Market) does not apply.

317 - Co-Exclusive Agents

In the event that two (2) Participants of the MLS are appointed as Co-Exclusive Agents by an Owner of Property, the two (2) Participants shall be required to submit the Co-Exclusive Listing Agreement required by these Rules, or an addendum developed by the Participant and approved by the MLS staff counsel, setting forth:

a. which of the Co-Exclusive Agents has been designated as the "Listing Input Agent" for the purpose of maintaining the listing while it is in the MLS database; AND

b. that the Co-Exclusive Agents have agreed that there will be mutual consultation and agreement before the "Listing Input Agent" makes any changes or modifications to the listing data submitted to the MLS; AND

c. that both Co-Exclusive Agents acknowledge that the MLS will be bound by the instructions of the Listing Input Agent until any dispute or disagreement is resolved through any appropriate forum, including by hearing of an Arbitration or Ethics Panel of the appropriate Local REALTOR® Board, or the Rules Committee of the MLS.

Under no circumstances may a co-exclusive listing be entered into the MLS database more than once. An owner cannot direct two (2) or more co-exclusive agents to enter two (2) or more separate listings.

318 - Improper Solicitation of Listings

No multiple listing shall be solicited by any Participant other than the Listing Participant until after the expiration of the original listing, or as otherwise permitted by Article 16 of the NAR Code of Ethics, its Standard of Practice, and its Case Interpretations. (NAR MANDATE 4.3)

319 - Refusal of Unacceptable Listings

319.1 - The MLS reserves the right to refuse to accept any listing contract which fails to adequately protect the interests of the Public or the Participants. (NAR MANDATE 1, NOTE 1)

319.2 - The MLS reserves the right to require a minimum standard amount of information to be submitted in order for any listing to appear in the MLS system and to amend or modify this requirement from time to time as directed by the Board of Managers. (NAR MANDATE 1, NOTE 1)

319.3 - No listing agreement to be submitted to the Service shall contain language which directly or indirectly establishes, attempts to establish, or indicates that a contractual relationship exists, or is intended to exist between the MLS and the owner or owners of the property. (NAR MANDATE 1, NOTE 1)

319.4 - All listings to be submitted to the Service must contain a written authorization by the owner(s) of the property to appoint MLS Participants as Cooperating Brokers.

319.5 - Net listings are not legal in the State of New York and therefore are not acceptable.

319.6 - The property data form or section of all listings to be submitted to the Service, for input by the Service, must be in the approved format. All listings not in approved format will not be accepted by the MLS and will be returned to the Participant for correction and/or completion. Nonetheless, the MLS staff in its sole discretion may include such a technically incomplete or incorrect listing in the MLS database. (NAR MANDATE 1, NOTE 1)

320 - Participant Shall Hold MLS Harmless from Inaccuracies

The information published and disseminated by the MLS is communicated verbatim, without change by the MLS, as filed with the MLS by the Participant and Subscribers. The MLS does not verify the information provided and disclaims any responsibility for its accuracy. Each Participant who submits listing content to the MLS agrees to defend and hold the MLS and every other Participant harmless from and against any liability or claim arising from any inaccuracy of the submitted listing content or any inadequacy of ownership, license, or title to the submitted listing content. Each Participant shall verify the information published by the MLS as provided by the Participant and its Subscribers and shall promptly enter any required corrections into the MLS database. Responsibility for the accuracy of such information shall always remain solely with the Participant.

Section 4: Showings, Offers, and Negotiations

401 - Delegation of Obligations

A Participant may elect to act either through his or herself or through an agent, employee, or independent contractor. Thus, unless otherwise prohibited by law, a Participant may delegate their responsibilities under these Rules to any such agent, employee, or independent contractor. Any such delegation, however, shall in no way lessen the primary responsibility of the Participant to at all times act in accordance with these Rules.

402 - Fair Dealing with Cooperating Participants; Disclosures; Required Buyer Agreement

402.1 - Fair Dealing Among Participants

It is the obligation of the Listing Participant to protect the rights and interests of the Participant's client, but this obligation does not relieve the Listing Participant from the obligation to deal fairly with the Cooperating Participants and Subscribers.

402.2 - Disclosures to Prospective Buyers

Participants must disclose to prospective buyers with whom they work in conspicuous language that broker commissions are not set by law and are fully negotiable (i) in the Participant's agreement with the buyer, or (ii) in pre-closing documents, if any, unless (i) or (ii) are a government-specified form. With

government-specified forms, Participants must include a separate written disclosure statement with conspicuous language expressly stating that broker commissions are not set by law and are fully negotiable.

402.3 - Written Buyer Agreement Required

Unless inconsistent with state or federal law or regulation, all MLS Participants working with a buyer must enter into a written agreement with the buyer prior to touring a home. The written agreement must include:

a. a specific and conspicuous disclosure of the amount or rate of compensation the Participant will receive or how this amount will be determined, to the extent that the Participant will receive compensation from any source.

b. the amount of compensation in a manner that is objectively ascertainable and not open-ended.

c. a term that prohibits the Participant from receiving compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer.

403 - Showing Requests and Offers Shall be Made through the Listing Broker

403.1 - Standard Procedure

Showing requests and the presentation of offers shall be made through the Listing Broker, in accordance with the Showing and Offer Presentation instructions set forth in the Listing.

403.2 - Exceptions

Arrangements with the seller for the showing of Listed Property, or for the presentation of offers, or for negotiations concerning a Listed Property, shall be conducted through the Listing broker, except;

a. In the event the listing agreement authorizes the other Broker Participants and Real Estate Subscribers to negotiate directly with the Principal (seller/lessor), the following must be adhered to:

i. The MLS database field “Negotiate Through” must have been set to “Seller”.

404 - Access to Listings for Showings

404.1 - Participants Must Cooperate with Showings

Participants are required to provide reasonable access to all Listings and to assist other Participants with the showing of their Listings.

404.2 - “No More Showings”

No Listing may be entered in the MLS database, if at the time of entry its status is “no more showings.” The MLS shall, upon notice to the Participant, cause any Listing that is in violation of this provision to be deleted.

404.3 - Temporarily Off the Market (TOM)

If a Listing cannot be shown for three (3) or more days, its status must be changed to “Temporarily Off the Market” (otherwise known as “TOM”), which is not an “Active” status. This includes listings where there is an “Acceptable Offer, with No More Showings,” or there are “no more showings” for any other reason unless the listing is Pending, Sold, Cancelled, or Withdrawn.

404.4 - Immediate Arrangement of Showings

The Listing Broker, or whomever responds to a showing request pursuant to the Showing Instructions set forth in the Listing, whether licensed or unlicensed, must be capable of immediately attempting to schedule a showing. Unless verifiable circumstances beyond the control of the Listing Broker are presented, “immediately” in this context shall mean within twenty-four (24) hours of receiving said request.

404.5 - Owner’s Instructions Must Be in Writing

Any instructions by an owner to the Listing Broker restricting showings or access to a Property must be in writing and signed by the owner, or be a Verifiable Electronic Communication. Such instructions must be described in the “Showing Instructions” field.

Such instructions also must be on file with the Listing Broker and be accessible to anyone responding to showing requests for that Listing. The Listing Broker shall provide a copy of such instructions immediately upon the request of any Cooperating Broker.

If said instructions are not provided to the Cooperating Broker, the Cooperating Broker may contact MLS Compliance Staff for assistance.

404.6 - Disclosure of Status and Existing Offers

When contacted by a Cooperating Broker for the status of a property, the listing broker must provide accurate information regarding whether the property is available for showing or not. The Listing Broker should obtain written permission from the owner before providing any information concerning the existence of any other offers, such as whether there is an acceptable offer, multiple offers, a half-signed contract, etc.

405 - Lockbox System

405.1 - Lockboxes

The MLS has a lockbox system that it makes available for optional use by Participants. If a Participant would like to participate in the lockbox system, the Participant shall execute and deliver to the MLS any and all agreements which may be reasonably required by the Board

of Managers regarding the participation and use of the lockbox system, including any authorized user agreements.

405.2 - Eligibility

Every MLS Participant and Subscriber is eligible to hold a lockbox key subject to the execution of an Authorized User Agreement ("User Agreement") between the Participant/Subscriber and the MLS. The MLS may refuse to sell or lease access devices or terminate any existing access device agreement and/or may refuse to activate or reactivate any access device held by an individual convicted of a felony or misdemeanor if the crime, in the sole determination of the MLS, relates to the real estate business or places clients, customers, or other real estate professionals at risk.

405.3 - Liability for Compromising the Lockbox System

No Participant or Subscriber shall be required to lease an access device or utilize the lockbox system made available by the MLS. In the event of a violation of these Rules and Regulations, the Participant or Subscriber shall be fully liable for the cost of re-establishing the security of the lockbox system if it is determined that the security has been compromised through the negligence or fault of any holder of any access device issued to such person.

405.4 - Written Authorization Required

A lockbox may not be placed on a property without written authorization from the owner of the property or a person authorized on behalf of the owner, to authorize the affixing of a lockbox to the premises. The authority to place a lockbox on the property may be set forth in the exclusive listing agreement between the listing agent and the owner or in a separate document created specifically for each purpose.

405.5 - Lost or Stolen Access Devices

Each Participant, and the Subscribers affiliated with them, shall be jointly and severally obligated to immediately notify the MLS of any lost, stolen, or otherwise unaccountable access device. Such notification shall be made by acknowledged facsimile transmission or by certified mail, return receipt requested. Such notification shall be made within three (3) days of the discovery of the lost, stolen or otherwise unaccountable access device.

405.6 - Ownership of Access Device

Any access device issued to a Participant or Subscriber shall remain the sole property of the manufacturer of the access device system and/or the MLS.

405.7 - Right of MLS to Replace Access Devices

The manufacturer of the lockbox system and the access devices and the MLS reserve the right to replace the access devices utilized by the MLS and its authorized Participants and Subscribers with replacement access devices at any time and for any reason. Each Participant and Subscriber shall promptly comply with all requests to make such exchanges whenever necessary. In the event that any holder of an access device or lockbox ceases to

be affiliated with the MLS, such person(s) agrees to return the access device and related equipment to the MLS within five (5) days of the termination of such affiliation.

Participants and Subscribers shall return to the MLS any access device issued to them within the earlier of:

a. forty-eight (48) hours of the receipt of a request to do so by MLS or by the manufacturer of such system, OR

b. within five (5) working days after the occurrence of any of the following events:

(1) the termination of a Participant as a Participant of the MLS;

(2) the termination of any Subscriber's affiliation with a Participant for any reason;

(3) the failure of the Participant and/or Subscriber to perform in accordance with any and all terms and conditions set forth in the User Agreement; OR

(4) the death of the Participant or Subscriber.

405.8 - Maintaining Security

a. Each Participant and Subscriber shall be made aware that it is essential to maintain the security of the access devices issued to such persons in order to prevent their unauthorized use by any person not so authorized. Participants and Subscribers shall be prohibited from providing access codes to other Participants and Subscribers who have neglected to purchase access to the lockbox system, however, access to listed properties secured by an MLS lockbox device must still be granted either by the listing agent accompanying the showing agent, client, or customer, or by making a physical key available, or by some other means.

b. Participants and Subscribers duly leasing an MLS lockbox device shall:

(1) Keep the access device in the Participant/Subscriber's possession or in a safe place at all times.

(2) Not allow his or her personal identification (PIN) to be attached to the access device or disclosed to any third party.

(3) Not loan the access device to any person for any purpose whatsoever, or to permit the access device be used for any purpose by any other person.

(4) Not duplicate the access device or allow any person to do so.

(5) Not assign, transfer, or pledge the rights of the Participant/Subscriber in connection with the use of the access device.

(6) Notify the MLS within three (3) days of the loss or theft of an access device. The Participant and/or Subscriber shall sign and deliver a statement to the MLS with respect to the circumstances surrounding the loss or theft of any access device. The

MLS shall charge for the replacement of any access device which is lost or damaged.

(7) Follow all additional security procedures as reasonably specified by the MLS.

405.9 - Replacement of Access Devices

Replacement access devices will be issued to any Participant or Subscriber who authorizes such replacement and who has:

a. complied with these Rules, Procedures, and Policies of the MLS with respect to the lockbox system; AND

b. paid a fee and/or deposit specified by the MLS to replace an access device that was lost, stolen, damaged, or defective.

405.10 - Subject to Professional Standards Proceedings

Participants and Subscribers duly leasing an MLS lockbox device, shall be subject to the fines set forth in these Rules, as well as to the REALTOR® Code of Ethics as enforced by the Stakeholder Association's Professional Standards Committee, for the violation of any provision of these Rules or any User Agreement. The penalty for such a violation may also include the forfeiture of any access device and the Participant's and/or Subscriber's right to be issued an access device thereafter.

405.11 - Indemnification

Each Participant and Subscriber shall indemnify and hold the MLS and all of its respective officers, directors, and employees harmless from any and all loss, cost, expense, claims, or demands whatsoever by or against the MLS resulting from loss, use, or misuse of the lockbox system, including but not limited to, any and all liabilities including attorneys' fees incurred by them as a result of damage or injuries to the property or persons arising out of entry by any person into any premises by use of the lockbox system.

405.12 - Payment of Legal Fees

In the event that the MLS shall prevail in any legal action brought by or against the Participant and/or Subscriber to enforce the terms of these Rules and/or the User Agreement, the Participant and/or Subscriber may be assessed a reasonable amount of attorneys' fees in addition to any other relief to which any Court rules that the MLS may be entitled.

405.13 - Joint and Several Liability

Each Participant and Subscriber shall be jointly and severally liable for all duties, responsibilities, and undertakings of any person affiliated with Participant under these Rules and the User Agreement. The failure to follow the provisions of the User Agreement may result in the loss of any future privileges to utilize the lockbox system and further, could cause the MLS to recall all access devices issued to the Participant/Subscriber and/or every Subscriber affiliated with the Participant.

Section 5: No Compensation Specified on MLS Listings

501 - No MLS Control of Commission Rate or Fees Charged by Participants

The MLS shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by Participants. Further, the MLS shall not fix, control, recommend, suggest, or maintain any division of commissions or fees or offers of compensation between cooperating Participants or between Participants and Non-Participants, or from sellers to Participants or Non-Participants. (NAR MANDATE 1.9)

502 - No Offers of Compensation Permitted in the Service

Participants, Subscribers, or their sellers are prohibited from making any offer of compensation to other Participants via the Service on any listing filed with the Service in the Service's database.

503 - No Reporting of Compensation

Participants are prohibited from disclosing on the Service the amount of negotiated commission in listing contracts, or total brokerage compensation (i.e., the combined compensation to both listing brokers and cooperating brokers), and the Service shall not publish any commission on a listing that has been submitted to the Service by a Participant.

504 - No Support of Compensation Platforms

Any Participant's use of MLS data or data feeds to directly or indirectly establish or maintain a platform to make offers of compensation from multiple brokers to buyer brokers or other buyer representatives is prohibited and will result in termination of the Participant's access to any MLS data and data feeds.

Section 6: Advertising and Use of MLS Information

601 - "For Sale" and "Sold" Signs

601.1 - Only "For Sale" signs of the Listing Broker may be placed on a property. (NAR MANDATE 4.1)

601.2 - Only the "Sold" sign of the Listing Broker may be placed on a property. 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 to post such a sign. (NAR MANDATE 4.2)

601.3 - Alleged violations of Rule 601 will be referred to the Grievance Committee of the Participant's REALTOR® Board.

601.4 - MLS participants and subscribers must not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the participant or subscriber will receive no financial compensation from any source for those services. (NAR MANDATE 4.5)

602 - Ownership of MLS Compilations and Copyrights

602.1 - By the act of submitting any Property listing content to the MLS, the Participant represents and warrants that he or she is fully authorized to license the Property listing content as contemplated by and in compliance with these Rules, and also thereby does grant to the MLS license to include the Property listing content in its copyrighted "MLS Compilation" (as defined herein) 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 the listed Property. (NAR MANDATE 11)

602.2 - 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. (NAR MANDATE 11.1)

602.3 - Each Participant shall be entitled to lease from the MLS a number of copies of each MLS Compilation sufficient to provide the Participant and each person affiliated as a licensee (including licensed or certified appraisers) with such Participant with one (1) copy of such compilation. The Participant shall pay for each such copy the rental fee set by the association. (NAR MANDATE 11.2)

This section should not be construed to require the Participant to lease a copy of the MLS Compilation for any licensee (or 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 or use of the MLS information or MLS facility of the association. (NAR MANDATE 11.2)

602.4 - Participants shall acquire by such lease only the right to use the MLS Compilation in accordance with these Rules. (NAR MANDATE 11.2)

602.5 - The Digital Millennium Copyright Act (DMCA) is a federal copyright law that enhances the penalties for copyright infringement occurring on the Internet. The law provides exemptions or "safe harbors" from copyright infringement liability for online service providers (OSP) that satisfy certain criteria. Courts construe the definition of "online service provider" broadly, which would likely include MLSs as well as participants and subscribers hosting an IDX display.

One safe harbor limits the liability of an OSP that hosts a system, network, or website on which Internet users may post user-generated content. If an OSP complies with the

provisions of this DMCA safe harbor, it cannot be liable for copyright infringement if a user posts infringing material on its website. This protects an OSP from incurring significant sums in copyright infringement damages, as statutory damages are as high as $150,000 per work. For this reason, it is highly recommended that MLSs, Participants and Subscribers comply with the DMCA safe harbor provisions discussed herein. (NAR MANDATE 11)

To qualify for this safe harbor, the OSP must:

1. Designate on its website and register with the Copyright Office an agent to receive takedown requests. The agent could be the MLS, participant, subscriber, or other individual or entity.

2. Develop and post a DMCA-compliant website policy that addresses repeat offenders.

3. Comply with the DMCA takedown procedure. If a copyright owner submits a takedown notice to the OSP, which alleges infringement of its copyright at a certain location, then the OSP must promptly remove allegedly infringing material. The alleged infringer may submit a counter-notice that the OSP must share with the copyright owner. If the copyright owner fails to initiate a copyright lawsuit within ten (10) days, then the OSP may restore the removed material.

4. Have no actual knowledge of any complained-of infringing activity.

5. Not be aware of facts or circumstances from which complained-of infringing activity is apparent.

6. Not receive a financial benefit attributable to complained-of infringing activity when the OSP is capable of controlling such activity.

Full compliance with these DMCA safe harbor criteria will mitigate an OSP's copyright infringement liability. For more information, see 17U.S.C. §512. (6/2017) (NAR MANDATE 11)

603 - Participant's Warranty

Each Participant warrants that:

a. the Participant Contribution does not infringe upon the copyright or other intellectual property rights of any third party; AND

b. the Participant has the written consent of any party necessary to provide the Participant Contribution to the MLS.

604 - Confidential Nature of MLS Listing Information

Any information provided by the Multiple Listing Service to Participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of Participants and those Participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Participants. (NAR MANDATE 10)

605 - Reproductions of MLS Compilations

605.1 - Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof, except in the following limited circumstances:

Participants, or their affiliated Subscribers, may reproduce from the MLS Compilation and distribute to prospective purchasers or tenants, 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 or tenants are or may, in the judgment of the Participant, or such Participant's affiliated Subscribers, be interested.

605.2 - 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.

605.3 - 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.

605.4 - 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 valuations on particular properties for clients and customers. Any MLS content in data feeds available to Participants for real estate brokerage purposes must also be available to Participants for valuation purposes, including automated valuations. MLSs must either permit use of existing data feeds, or create a separate data feed, to satisfy this requirement. MLSs may require execution of a third-party license agreement where deemed appropriate by the MLS. MLSs may require Participants who will use such data feeds to pay the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity for this purpose. Information deemed confidential may not be used as supporting documentation. Any other use of such information is unauthorized and prohibited by these Rules. (NAR MANDATE 12.2)

606 - Distribution of Listings to Non-Participants

Any listing filed with the Service shall not be made available to any non-Participant without the consent of the Listing Participant. (NAR MANDATE 4)

607 - Display of MLS Compilations

Participants, and their affiliated Subscribers, shall be permitted to display the MLS compilation to prospective purchasers only in conjunction with their ordinary business activities of listing properties for sale or rent and/or attempting to locate ready, willing, and able buyers for the properties described in said MLS Compilation. Any website that displays listing data must be under the control of the Participant or Subscriber. (NAR MANDATE 12.1)

608 - Limitations on the Use of MLS Information in Advertising

Use of information from MLS Compilation of current listing information, from the association's statistical report, or from any sold or comparable report of the association or MLS for public mass-media advertising by an MLS participant or in other public representations, may not be prohibited.

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 association 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 OneKey MLS, for the period (date) through (date)" (NAR MANDATE 13)

609 - Prohibition Against Participant Releasing Statistical Data to the Media

609.1 - No Participant shall be permitted to advertise or release MLS statistical data to the media, except that nothing herein contained shall prohibit comparative or market share advertising by any Participant that is otherwise in accordance with these Rules.

609.2 - In order to ensure the accuracy and consistency of data published in the media based upon the MLS database, the MLS reserves the sole right to release to the media data which reflects all or part of the entire MLS Service Area or which relates to aggregated data about sales activity in property types, price ranges, or statuses such as "active inventory".

609.3 - Nothing herein shall prevent any Participant from utilizing data released by the MLS by quoting same and making reference to its source after its release by the MLS.

610 - Participants Responsible for Misuse of Compilations

610.1 - Participants shall, at all times, maintain control over and responsibility for each copy of any MLS Compilation leased to them by the association of REALTORS®, and shall not distribute any such copies to persons other than Subscribers who are affiliated with such participant as licensees, those individuals who are 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.

610.2 - 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.

610.3 - Participants and their affiliated Subscribers shall be permitted to display, reproduce, provide copies of, and utilize any portion of the MLS compilation in their real estate sales, rental, and appraisal activities in the manner and format authorized by these MLS Rules.

610.4 - None of the foregoing is intended to convey participation or membership or any right of access to information developed or published by an association multiple listing service where access to such information is prohibited by law.

611 - Complaints for Unauthorized Use of Listing Content

611.1 - The complaint procedure set forth in this Rule 611 is in lieu of the standard Violations of the MLS Rules procedures established in Section 9 hereof.

611.2 - Any Participant who believes another Participant has engaged in the unauthorized use or display of listing content, including photographs, images, audio or video recordings, or virtual tours, shall send notice of such alleged unauthorized use to the MLS. Such notice shall be in writing, specifically identifying the allegedly unauthorized content, and be delivered to the MLS not more than sixty (60) days after the alleged misuse was first identified. No Participant may pursue action over the alleged unauthorized use and display of listing content in a court of law without first completing the notice and response procedures provided in this Rule 611.

611.3 - Upon receiving such a notice, MLS staff will send that notice to the Participant who is accused of such unauthorized use. Within ten (10) days from receipt, the Participant must either:

a. remove the allegedly unauthorized content, OR

b. provide proof to the MLS that the use is authorized. Any proof submitted will be provided to the MLS Rules and Procedures Committee (hereinafter the "Committee" in this Rule 611), and the Committee will make a decision within thirty (30) days of whether the proof establishes authority to use the listing content.

611.4 - If the Committee determines that the use of the content was unauthorized, the Committee may issue a sanction pursuant to Section 9 of these MLS rules, including a request to remove and/or stop the use of the unauthorized content within ten (10) days after transmittal of the decision. If the unauthorized use stems from a violation of the MLS Rules, that too will be considered at the time of establishing an appropriate sanction.

611.5 - If after ten (10) days following transmittal of the Committee's determination the alleged violation remains uncured (i.e. the content is not removed or the rules violation remains uncured), then the complaining party may seek action through a court of law.

611.6 - Section 611.1-611.5 does not apply to the publication or display on any Internet Data Exchange ("IDX") or Virtual Office Website ("VOW") of a listing that a seller has opted out of Internet display, or that originates from an office that has opted out of IDX participation. Such violations shall result in an Automatic Fine as set forth in Section 11 of these Rules and Procedures. Each unauthorized listing published or displayed shall be considered a separate violation.

612 - Prohibition Against the Unauthorized Use of Other Participant's Data

612.1 - Incorporation of Article 12 of the NAR Code of Ethics

Article 12 of the Code of Ethics of the National Association of Realtors®, and the Standards of Practices and case interpretations relating thereto, as the same now exists or are hereafter altered, modified, or amended, insofar as the same are relevant to Participants copying and/or publishing other Realtor's Listing information without their express consent, are incorporated into these Rules in their entirety.

612.2 - Prohibition Against Use of Another Participant's Photographs

Participants are prohibited from using the photographs of another Participant for marketing, listing, or promotional purposes (not including Comparative Market Analyses), without the prior written consent of the original Listing Participant.

613 - Changing Another Participant's Data is Prohibited

No Participant or Subscriber shall make any change, extension, withdrawal, or other modification to any Listing without authority from the Listing Participant to make such entry.

Section 7: Internet Data Exchange (IDX)

MLS GRID IDX and Rules

Section 8: Virtual Office Websites (VOW)

MLS GRID VOW Rules

Section 9: Rules Enforcement

901 - Automatic Fines for Certain Violations

901.1 - Participants who violate the MLS Rules set forth in the Schedule of Automatic Fines in Section 11 shall be required to pay the specified Automatic Fines.

901.2 - MLS Staff may impose Automatic Fines if a Staff member determines a violation has occurred.

901.3 - The amount of the Automatic Fine is not subject to Written Administrative Review, MLS Rules Hearing or appeal set forth in Section 902, but a Participant may use those processes solely to contest whether the applicable MLS Rule had been violated, and the Automatic Fine was rightfully imposed.

902 - Violations of the MLS Rules

902.1 - The MLS may, through these rules and its MLS Administrative Procedures in Section 12, impose sanctions for violations of these MLS Rules and Procedures, and other MLS governance provisions. A separate rules violation process is set forth in Rule 611 for Complaints of Unauthorized Use of Listing Content.

902.2 - Sanctions that may be imposed may consist of one or more of the following:

a. Fine not to exceed $15,000.
b. Suspension of MLS rights, privileges, and services for not less than thirty (30) days, and not more than one (1) year.
c. Termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

902.3 - The Board of Managers shall give consideration to all written complaints having to do with violations of these MLS Rules and Procedures. By becoming and remaining a Participant, each Participant agrees to be subject to these MLS Rules and Procedures, which shall be enforced at the sole discretion of the MLS Board of Managers and MLS Rules Enforcement Committee. (NAR MANDATE 9)

902.4 - When requested by a complainant, the MLS will process a complaint without revealing the complainant's identity. If a complaint is subsequently the subject of a hearing, and the original complainant does not consent to participating in the process, the MLS staff will present the complaint on behalf of the complainant.

Alleged violations involving unethical conduct shall be referred to the applicable local Realtor® Association grievance committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the applicable local Realtor® Association. (NAR MANDATE 9.1)

902.5 - If the alleged offense is a violation of these MLS Rules and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the MLS staff, and if a violation is determined, the MLS staff may direct the imposition of sanction in accordance with Section 902.2. Should MLS staff seek to impose a sanction of suspension or termination of MLS rights, the matter shall proceed immediately to a hearing conducted by the MLS Rules and Procedures Committee in accordance with the MLS Administrative Procedures set forth in in Section 12.

902.6 - If the Participant disagrees with a violation issued by MLS staff, then the Participant may request a Written Administrative Review before a 3-person panel of the MLS Rules and Procedures Committee. A request for a Written Administrative Review must be made in writing within thirty (30) days following receipt of the MLS staff's notice of violation.

In conducting a Written Administrative Review, the MLS Rules and Procedures Committee shall have the authority to uphold or to dismiss violations. The MLS Rules and Procedures Committee shall not have the authority to increase any sanction.

902.7 - If the Participant disagrees with the decision of the MLS Rules and Procedures Committee following a Written Administrative Review, the Participant may request a hearing before the MLS Rules and Procedures Committee by filing an MLS Rules Hearing Request within twenty (20) days after receiving the Written Administrative Review decision.

902.8 - All MLS Rules Hearings shall be conducted in accordance with the Code of Ethics and Arbitration Manual for the National Association of REALTORS® unless otherwise provided in MLS Administrative Procedures set forth in Section 12. After the MLS Rules Hearing has occurred, the hearing panel of the MLS Rules and Procedures Committee shall issue a written decision. In conducting an MLS Rules Hearing, the MLS Rules and Procedures Committee shall have the authority to uphold or reduce sanctions, or to dismisses violations. The MLS Rules and Procedures Committee shall not have the authority to increase any sanction.

902.9 - If the Participant disagrees with the decision of the hearing panel of the MLS Rules and Procedures Committee, the Participant may appeal such decision to the Board of Managers. The request for an appeal before the Board of Managers must be submitted to the MLS within ten (10) days of receipt of the MLS Rules Hearing decision. On appeal, the Board of Managers shall consider only the documentation presented to the MLS Rules and Procedures Committee during the hearing and shall render a decision based on that documentation. All decisions of the Board of Managers shall be final.

902.10 - Participants may not take legal action against another Participant for alleged rules violation(s) unless the complaining Participant has first exhausted the remedies provided in these Rules.

903 - Probation

A Participant (or user/Subscriber, where appropriate) can be placed on probation. Probation is not a form of discipline. When a Participant (or user/Subscriber, where appropriate) is placed on probation, the discipline is held in abeyance for a stipulated period of time not longer than one (1) year. Any subsequent finding of a violation of the MLS Rules during the probationary period may, at the discretion of the Board of Managers, result in the imposition of the suspended discipline. Absent any subsequent findings of a violation during the probationary period, both the probationary status and the suspended discipline are considered fulfilled, and the individual's record will reflect the fulfillment. The fact that one or more forms of discipline are held in abeyance during the probationary period does not bar imposition of other forms of discipline which will not be held in abeyance. (NAR MANDATE 7)

904 - Arbitration of Money Disputes

904.1 - Each Participant shall agree to submit to arbitration in accordance with the arbitration rules as set forth in the Bylaws of their applicable local Realtor® Association, or any addition or amendment hereafter adopted in connection with same, any and all disputes with other Participants, except for violations of these Rules, arising out of the use of the Service of his/her Participation therein.

904.2 - Any dispute which arises during a Participant's term as a Participant or which concerns the listing information which such Participant received during said term and which involves claims for money shall, to the extent applicable, be subject to arbitration in accordance with the arbitration rules as set forth in the Bylaws of their applicable local Realtor® Association. (NAR MANDATE 1.13, 15)

905 - Complaints of Unethical Conduct

All other complaints of unethical conduct shall be referred by the MLS Rules Enforcement Committee to the secretary of the applicable local Realtor® Association for appropriate action in accordance with the professional standards procedures established in the association's bylaws. (NAR MANDATE, 9.2)

Section 10: Miscellaneous Provisions

1001- Amendments to these MLS Rules and Procedures

Amendments to these MLS Rules and Procedures shall be by consideration and approval of the MLS Board of Managers. (NAR MANDATE 14)

1002- Headings

Headings of Rules are for convenience only and shall not be used to interpret or construe the meaning of any Rules or Procedures herein.

1003- Days

Whenever "days" are referred to in these Rules, it shall mean "calendar days".

Section 11: Automatic Fines

1101- Fine Classes

Automatic fines are assigned to one of the following classes:

Class	Base Fine
Class 1	$50.00
Class 2	$100.00
Class 3	$250.00
Class 4	$500.00
Class 5	$1,500.00
Class 6	$2,500.00

The Base Fine may be adjusted as provided under the applicable Notes in Section 1104.

1102- Referral to the MLS Rules Enforcement Committee for a Hearing

1102.1 - Excessive Repeat Violations

If a Participant, including all Subscribers affiliated with that Participant, incurs five (5) or more violations of the same Rule that carries an automatic fine within a twelve (12) month period, MLS staff may refer the current violation to the MLS Rules and Procedures Committee for a hearing in lieu of issuing the scheduled automatic fine. In those instances, the MLS Rules and Procedures Committee shall be responsible for imposing any sanction, which shall be subject to appeal to the Board of Managers.

1102.2 - Failure to Timely Correct Time-Sensitive Violations

If a violation designated with a time-sensitive escalation type remains uncorrected for five (5) days or more, MLS staff may refer the matter to the MLS Rules and Procedures Committee for a hearing instead of assessing the escalated fine. In those instances, the MLS Rules and Procedures Committee shall be responsible for imposing any sanction, which shall be subject to appeal to the Board of Managers.

1103- Schedule of Automatic Fines

Rule	Description	Class	Notes
302	Late Entry of Listings	1	A
303.1	Submission of Requested Documents	4	E
302.2	Clear Cooperation Policy	6	D
302.3	Coming Soon “No Showing” Status	4	E
306.1	Incomplete or Inaccurate Information	1	C
306.3	Improper Use of Data Fields	1	F
306.4	Incorrect Zip Code	1	F
306.7	Disclosure of Contingencies	1	C
306.8	Incorrect Owner’s Name	1	-
306.9	Disclosure of Participant/Subscriber’s Ownership Interest	1	C
306.10	“To Be Built” Listings	1	C
307	Inaccurate Image or Attachment	2	F
308	Manipulated Listing Data	2	F
309	Required Listing Photograph Missing	1	C
310.3	Improper Listing Contract Changes	3	-
310.5	Improper Re-List Date	1	-
311	Late Reporting of Status Change or Closing	2	C
403	Showing Requests and Offers Shall be Made through Listing Broker	4	-
404.2	No More Showings	3	B
404.3	Improper Temporarily Off the Market Status	3	B
404.4	Immediate Arrangement of Showings	1	C
404.5	Required Owner’s Instructions Not in Writing	4	E
502	No Offers of Compensation	3	F
611.6	Unauthorized Display of Listing Information	5	E, C

1104. Notes and Escalation Types

Each Rule listed in Section 1103 may include one or more Notes.
Notes identify additional conditions, escalation rules, or MLS authorities that apply to that Rule.
Rules without a Note are subject only to the Base Fine for the Class shown in Section 1101.

Note A: Fixed Fine (No Escalation)
Applicable to late entry of listings.
The fine is $50 if the listing is submitted one (1) to three (3) days late, and $100 if submitted more than three (3) days late.
No further escalation applies.

Note B: Time-Sensitive Escalation (Type I)
If the violation remains uncorrected:

- One (1) day: Total fine equals base fine multiplied by two (2).
- Three (3) days: Total fine equals base fine multiplied by four (4).
- Five (5) or more days: Total fine equals base fine multiplied by six (6), or referral to a hearing under Rule 1102.2.

Note C: Time-Sensitive Escalation (Type II)
If the violation remains uncorrected:

- Two (2) days: Total fine equals base fine multiplied by two (2).
- Four (4) days: Total fine equals base fine multiplied by three (3).
- Five (5) or more days: Total fine equals base fine multiplied by five (5), or referral to a hearing under Rule 1102.2.

Note D: Daily Accrual
The fine increases by one hundred dollars ($100) per day for each day the violation remains uncorrected.

Note E: Escalating Fine Structure for Repeat Offenses
The total fine shall increase based on the number of occurrences within the office as follows:

- Second offense: Base Fine multiplied by one and a half (1.5).
- Third offense: Base Fine multiplied by two (2).
- Fourth and subsequent offenses: Base Fine multiplied by three (3).

Note F: MLS Correction Authority
MLS staff may correct or delete the inappropriate data or attachment.

Section 12: MLS Administrative Procedures

1201 - MLS Rules Enforcement Committee

In January of each year, the Board of Managers shall appoint twenty-four (24) Participants to serve on the MLS Rules and Procedures Committee for a one (1) year term. Eight (8) members of the MLS Rules and Procedures Committee shall be from HGAR and sixteen (16) members shall be from LIBOR.

Members of the Rules and Procedures Committee shall be responsible for presiding over Written Administrative Reviews and all MLS hearings, including MLS Rules and Procedures Hearings.

1202 – Hearing Panels

All MLS hearings are conducted before an MLS Rules and Procedures Committee Panel ("MLS Hearing Panel"). Each MLS Hearing Panel shall be comprised of three (3) members of the MLS Rules and Procedures Committee and one (1) non-voting chair for procedural oversight. The remaining members shall be alternates. No MLS Rules and Procedures Committee member who participated in a Written Administrative Review of a matter may participate in a hearing related to that same matter.

1203 – Hearing Notice

MLS Staff shall notify the Participant of all hearing dates in writing not less than twenty-one (21) business days prior to the hearing.

Along with the notice of hearing, the MLS staff will send the Participant requesting the hearing, the names of the MLS Hearing Panel members scheduled to appear at the hearing and the list of alternates. When the Participant has good cause, the Participant may request the substitution of an alternate to sit on the MLS Hearing Panel. Substitution requests must be made at least fifteen (15) days before the hearing date. The Participant must provide a written detailed explanation for the substitution request. The MLS staff will review the request and schedule an alternate when appropriate. If the MLS staff does not hear from the Participant, it will be assumed that the scheduled panel is acceptable. Last minute emergency absences by scheduled MLS Hearing Panel members will be filled with an alternate. Any MLS Hearing Panel member may be disqualified at any time if the other MLS Hearing Panel members are made aware of any grounds of automatic disqualification or find any new or undiscovered facts which, in their judgment, may prevent, or appear to prevent, a member of the MLS Hearing Panel from rendering an impartial decision.

1204 – Request for Documents

MLS Hearing Panel members may request any documents from the Participant that are deemed relevant and necessary to the determination of the hearing. The Participant shall provide the documents requested by the MLS Hearing Panel within ten (10) days of

such request unless the Participant makes a reasonable explanation for failure to provide them.

1205 – Request for Continuance of Hearing

If the Participant fails to appear at the hearing and has not requested a continuance, the hearing shall proceed as scheduled. A continuance may be granted if approved by the MLS Hearing Panel Chairperson. A request for continuance must be made in writing to the MLS staff two (2) business days prior to the hearing date. When there is a continuance, the Participant shall be notified by the MLS staff of the rescheduled hearing date.

1206 – Request for Cancellation of Hearing

Any Participant who requested an MLS hearing may cancel the request. The request must be in writing and received by electronic transmission by 12:00 p.m. EST of the business day preceding the hearing date. The Participant waives the right to contest the fine that was the subject of said hearing.

1207 – Recording of Hearing

The MLS staff shall electronically record the hearing.

1208 – Hearing Procedures

Hearings shall be conducted electronically via videoconference. The MLS Hearing Panel shall not be bound by the rules of evidence applicable in courts of law but shall afford all parties a full opportunity to be heard, present witnesses, and offer evidence subject to its judgment as to relevance.

1209 – Hearing Decision

The MLS Hearing Panel will submit its decision in writing, signed by all panel members and chair, to the MLS staff and the Participant requesting the hearing within twenty (20) days of the hearing. If a majority of the MLS Hearing Panel finds that the MLS Rules and Procedures have been violated, the MLS Hearing Panel can affirm, or reduce the fine. If a majority of the MLS Hearing Panel finds that the MLS Rules and Procedures have not been violated, the violation shall be dismissed and no fine shall be due.

1210 – Appeal Process

If a Participant believes that the decision of the MLS Hearing Panel is incorrect, the Participant may file a written appeal to the Board of Managers within ten (10) days after receipt of the decision. The Board of Managers shall consider only the recording of the hearing and the documentation presented to the Hearing Panel and shall render a decision based on that information only. All decisions of the Board of Managers shall be final.

Exhibit H

400 Broadhollow Road, Suite 5
Farmingdale, NY 11735

Valentina Shenderovich
Vice President & General Counsel
vshenderovich@onekeymls.com

October 20, 2026

Via E-Mail

Nathan P. Eimer
Eimer Stahl LLP
224 South Michigan Avenue, Suite 1100
Chicago, Illinois 60604
neimer@eimerstahl.com

Re: OneKey MLS Response to Compass's September 8, 2026 Demand Letter

Dear Mr. Eimer:

OneKey MLS has carefully reviewed Compass, Inc.'s demand letter. We strongly disagree with its factual assertions and legal conclusions and decline to make the requested changes.

OneKey's position is simple: Seller choice and an open, fair, and competitive marketplace can—and should—coexist. Sellers deserve meaningful choices about how their properties are marketed, and buyers deserve access to a transparent marketplace where housing opportunities do not depend on personal relationships, brokerage affiliation, or market influence.

OneKey's policies put those principles into practice by offering sellers substantial flexibility in how their properties are marketed, while still maintaining transparency and access for buyers. Sellers can choose private listings, MLS-only exposure, or broad public distribution. They can also elect to publicly market their properties without displaying the address or opt out of distribution to third-party syndication portals. These options accommodate seller preferences while preserving the benefits of a shared marketplace.

Compass's arguments mischaracterize both the law and the purpose of MLS participation. Neither the 1971 Fourteen Points, the historical recognition of office-exclusive listings, nor the antitrust decisions Compass cites establishes an unrestricted right to publicly market properties while withholding them from the MLS. Protecting a seller's choice to limit exposure is not the same as requiring an MLS to permit participating brokerages to publicly market listings while denying other participants access to them.

Nor does labeling OneKey's reasonable rules a "group boycott" make them unlawful. Courts have repeatedly recognized that MLS rules must be evaluated in light of their actual competitive effects

and legitimate business purposes. And Compass identifies no authority establishing that the reciprocal sharing of publicly marketed listings is inherently unlawful.

In fact, courts and regulators have repeatedly recognized the procompetitive nature of MLSs. Brokerages choose to participate in OneKey and, in exchange for access to a shared inventory of listings, agree to abide by rules that apply equally to all participants. That arrangement enables brokers of every size to compete for clients (both on the sell-side and the buy-side) based on their services, expertise, and value—not their exclusive control over listing information. OneKey's rules also promote transparency, expand consumer access, and support fair housing objectives by reducing reliance on selective and exclusionary networks.

Compass's demands threaten those benefits. They seek to allow a brokerage to benefit from listings shared by competitors while withholding its own publicly marketed listings. Such conduct creates a free-riding problem and risks giving larger brokerages an unfair information advantage over smaller competitors—weakening interbroker competition and consumer choice.

OneKey's rules protect competition, not any particular brokerage or business model. We support innovation and new marketing approaches that expand consumer choice. But innovation should enhance competition, not make access to listing information depend on a brokerage's size or market influence.

OneKey will continue to uphold and appropriately enforce its policies in accordance with applicable law. We are confident in the procompetitive objectives of our rules and are prepared to defend them.

We remain open to constructive dialogue about the future of listing distribution, but not at the expense of an open, transparent, and competitive marketplace.

OneKey stands for seller choice, interbroker competition, and a transparent marketplace built on trusted information, meaningful access, and continued innovation—one that empowers agents, protects consumers, and serves the broader real estate community, not the interests of any one company.

Sincerely,

Valentina Shenderovich

Valentina Shenderovich
Vice President & General Counsel
OneKey MLS

Exhibit I

Friday, October 23, 2026 at 12:59:33 PM Eastern Daylight Time

Subject: FW: [External] Clarifying MLS Policies and Seller Options Within OneKey MLS
Date: Wednesday, September 9, 2026 at 10:36:08 AM Eastern Daylight Time
From: Richard Haggerty
To: Valentina Shenderovich
Attachments: Outlook-awocsc24.png

Richard Haggerty
Chief Executive Officer
OneKey® MLS

631-670-0710 x402
RHaggerty@OneKeyMLS.com
Corporate.OneKeyMLS.com

From: Richard Haggerty <RHaggerty@OneKeyMLS.com>
Sent: Tuesday, March 31, 2026 1:54 PM
To: christina.szocka@zurichna.com
Cc: Katherine Bottcher <katherine.bottcher@aon.com>; Rashaan Evans <revans@nar.realtor>; Laura Sereika <laura.sereika@aon.com>; Gayle Andrews <gayle.andrews@aon.com>; Maggie Reinick <MReinick@OneKeyMLS.com>
Subject: FW: [External] Clarifying MLS Policies and Seller Options Within OneKey MLS

Christina, this is an email exchange between me and Robert Reffkin, CEO of Compass International Holdings. He was initially responding to a notice that OneKey MLS issued to all our members concerning available property statuses in OneKey MLS.

Let me know if you require any additional information.

Many thanks,

Richard Haggerty

From: Robert Reffkin <robert@compass.com>
Date: Tuesday, March 24, 2026 at 10:06 AM
To: Richard Haggerty <RHaggerty@OneKeyMLS.com>
Cc: Melissa King <MKing@OneKeyMLS.com>, Caitlin.McCrory <Caitlin.McCrory@anywhere.re>, Ethan Glass <ethan.glass@compass.com>, Mitchell Skinner <mskinner@larsonsobotka.com>

Subject: Re: [External] Clarifying MLS Policies and Seller Options Within OneKey MLS

Thank you Richard. I appreciate you sharing this and know you are in talks with Caitlin. Please see below an open I'm working on publishing tomorrow. There is a very constructive path forward that aligns with 3 simple changes that most of the MLSs, we work with have already made. These changes promote collaboration through the mls.

Law vs. Rule: MLS Mandates Cannot Supersede Fiduciary Duty

Fiduciary Duty requires that agents "follow all lawful instructions of the client". This is not optional. This is the law.

When an MLS threatens to take away an agents' MLS access if they follow their clients lawful seller-directed marketing plan, the MLS is forcing the agent to choose between breaking the law or losing their job.

The only entity that can supersede an agent's fiduciary duty is the government. However, MLSs are not the government. They are private entities. The further challenge is that MLS membership isn't voluntary. Because they function with near-100% market control of their markets, membership is not a choice—it is a 'requirement of trade.' Agents simply cannot work without MLS access.

Both Fiduciary Duty and Statutory Duty have the same loyalty and conflict of interest disclosure requirements. By law, listing agents must put their clients' interests ahead of what's best for NAR, MLSs, agents, buyers, and themselves.

The new Coming Soon option on Redfin, Zillow, Homes.com and Realtor.com will inevitably lead to a single client question that will end the practice of MLSs punishing listing agents for publicly marketing outside the MLS (i.e., Clear Cooperation Policy).

The client will ask: "Why can I only market my home as a Coming Soon listing, prioritized at the top of the Redfin/Zillow, for 1 day?" The real estate professional will be breaking their Fiduciary Duty and State Law if they respond to the clients' question with, "I'm sorry, I can't give you the prioritized Redfin/Zillow Coming Soon option for more than 1 day because the MLS will fine me up to $5,000 and will block my MLS access".

By imposing a fine of up to $5,000 on listing agents who follow their client's lawful instructions, the MLS is coercing agents to breach their Fiduciary Duty and fining those who refuse to break the law. Moreover, since the MLS fine creates a personal financial risk for the agent, the MLS is manufacturing a conflict of interest. State Law mandates that real estate professionals disclose to the homeowner the conflict of interest resulting from the threat of an MLS fine.

With Coming Soon listings now being publicly marketed to hundreds of millions of consumers on portals, the MLS will no longer be able to claim listings have to be on the MLS to protect transparency or fair housing. Any sophisticated client will quickly conclude that the MLS isn't protecting transparency, the MLS is protecting the MLS.

MLS compliance efforts regarding data integrity, such as issuing fines for inaccurate property facts, are not called into question, however, fines for listing agents following their clients' lawful seller-directed marketing plan are an overreach and directly interfere with an agent's fiduciary duty.

Here are some observations on how leading MLSs across the country are evolving to better respect

that homeowners – with full disclosure – should be able to decide how their home is marketed. By implementing policies that offer greater flexibility within the "Coming Soon" window, we have seen success. Specifically:

1. Suspending Days on Market & Price History in Pre-Market Phases

2. Eliminating the restriction on the number of days a homeowner can market a Coming Soon.

3. Decoupling "Broker Cooperation" from "Mass Marketing Distribution": Submitting a "Coming Soon" listing to the MLS for cooperation should not automatically trigger a mandate to broadcast that data via MLS-facilitated feeds. By utilizing yes/no options for MLS data feeds , while still allowing the listing agent to market the property publicly on their brokerage's own site, any other site the homeowner wants, or social media per the homeowner's lawful instructions, these MLSs respect the homeowner's right to control their data distribution strategy. This allows for a phased exposure approach while maintaining full cooperation within the MLS.

If MLSs don't adopt the 3 aforementioned options, they will be creating an unstoppable incentive for listing agents to market outside of the MLS which will result in diminished value of the MLS. Contrary to what people may suspect, Compass International Holdings deeply values the MLS system. MLSs do add meaningful value (data accuracy, IDX feed syndication, comps, cooperation within the constraints of the client's lawful requests, etc.) and have an important role to play in our industry. The MLSs can maintain their important role in the industry without the overreach of inserting themselves between sellers and their agents (as proven by BAREIS MLS, Bright MLS, Canopy MLS, HAR, MLS Listings, MLSPIN, MRED, Realtracs, SFAR MLS, The MLS/CLAW, and Unlock MLS where 94% of the pre-marketed listings end up in an active status on the MLS).

Let's empower seller choice and marketing freedom, where MLSs serve their roles without overreach, and brokerages and portals compete for agents and clients using innovative marketing products, not one-size-fits-all mandates.

Robert Reffkin
Chairman & CEO
CIH | Compass International Holdings

M: 917-488-4898

On Tue, Mar 24, 2026 at 9:46 AM Richard Haggerty <RHaggerty@onekeymls.com> wrote:

> Robert, thank you for your email, and while we disagree with several assertions, we take these concerns seriously. OneKey offers sellers multiple listing-exposure options, and supports transparency for buyers.
>
> As we've noted, we will continue to engage with all of our participants, and that is also the case with Compass representatives, with whom we have had several productive conversations. We remain open to dialogue through normal governance channels, but do not believe this email exchange is the best forum for broader policy disagreements.

Richard Haggerty
Chief Executive Officer
OneKey® MLS

631-670-0710 x402
RHaggerty@OneKeyMLS.com
Corporate.OneKeyMLS.com

From: Robert Reffkin <robert@compass.com>
Sent: Saturday, March 21, 2026 8:47 AM
To: Melissa King <MKing@OneKeyMLS.com>; Richard Haggerty <RHaggerty@OneKeyMLS.com>
Cc: Caitlin.McCrory <Caitlin.McCrory@anywhere.re>; Ethan Glass <ethan.glass@compass.com>
Subject: Fwd: [External] Clarifying MLS Policies and Seller Options Within OneKey MLS

Richard - I find your email problematic as you know the MLS isn't voluntary. Because your MLS functions as an unregulated monopoly with near-100% market control of your market, membership is not a choice—it is a 'requirement of trade.' When your monopoly is governed by a board of our direct competitors, its rules stop being about 'cooperation' and start being an illegal restraint of trade that punishes agents for prioritizing their clients' legal interests over the interests of your MLS.

An agent's fiduciary duty is to their client, not to OneKey MLS. One KeyMLS is a non-governmental, private corporation run by a group of real estate competitors. No agent should ever be fined or penalized by OneKey MLS for following a client's lawful seller-directed marketing plan. Following a client's lawful, seller-directed marketing is not optional, it is required by Law (fiduciary duty requires agents to "follow all lawful instructions of the client"). MLS rules don't supersede the law.

Even the CT law that was passed says sellers have a right to market how they want if they sign disclosure. And there is nowhere in the CT law that says it has to be in One Key MLS, only public marketing if the seller doesn't sign that they don't want punblic marketing.

We are on a clear path to pursue antiturst claims with three times damages (treble damages) if MLSs continue using their monopoly control to restrict seller choice. Also MLSs will have to pay our legal fees when we win given it will be an Antitrust case.

I am asking you to please adopt one of the public marketing policies of MRED, Bright, Realtracs, HAR.com, Unlock, SFAR, TheMLS, MLSPIN etc (the majority of our markets give sellers choice on how they market publicly when share the listings in the MLS for all

participarnts to see. This preserves the value of the MLS). Or to just stop fining agents for publicly marketing off-MLS when they are following a client's lawful seller-directed marketing plan. Or at least stop until we resolve a path forward. I would sincerely ask that you speak with Caitlin in the next few days. I am also happy to get on the call. Or if you want your lawyer to speak with our lawyer, I am adding Ethan here. This is a timely matter as litigation is likely to start next month.

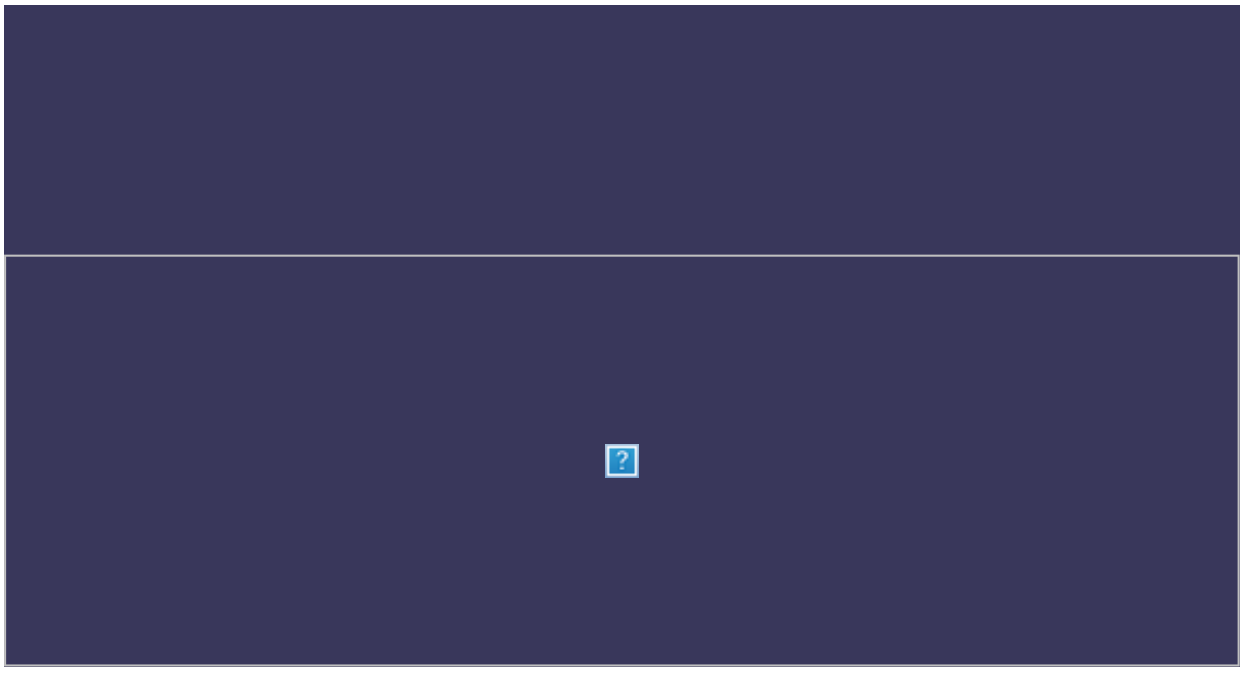
Robert Reffkin
Chairman & CEO
Compass International Holdings

M: 917.488.4898

Compass International Holdings
@properties | Better Homes & Gardens Real Estate | Century 21 | Christie's International Real Estate | Coldwell Banker | Compass | Corcoran | ERA Real Estate | Sotheby's International Realty

Begin forwarded message:

> **From:** OneKey MLS Communications <info@onekeymls.com>
> **Date:** March 20, 2026 at 4:22:32 PM EDT
> **Subject: [External] Clarifying MLS Policies and Seller Options Within OneKey MLS**
> **Reply-To:** info@onekeymls.com



Supporting Seller Choice and Market Transparency in OneKey MLS

Dear Nanette:

Recent commentary has suggested that MLS rules restrict competition or limit seller choice. Those characterizations do not reflect how these policies operate in practice, particularly within OneKey MLS.

Within OneKey, sellers and their brokers have multiple options depending on the seller's goals, including:

- Full public marketing to maximize exposure
- Coming Soon status to prepare for market entry with controlled visibility
- MLS-only configurations, where the listing is shared within the MLS but not broadly displayed
- Private or office exclusive listings, limiting exposure to a defined audience.

Participation in OneKey MLS is voluntary. Sellers may also choose to work with a brokerage that does not participate in the MLS and is therefore not subject to MLS rules.

These are established, operational choices used to support a range of seller strategies, including privacy, staged exposure, and testing approaches.

At the center of current discussions is how listings are handled once they are marketed to the public. As practices evolve, there are differing views on timing, exposure, and distribution, and those conversations are ongoing.

What remains consistent is the role that broad, reliable access to listing information plays in a well-functioning market. When listings are widely available, it supports a more complete marketplace where buyers can see the full range of options, and brokerages of all sizes can compete on equal footing. This supports price discovery, reduces information gaps, and allows sellers to benefit from
stronger, more transparent demand.

At the same time, some sellers prioritize privacy or phased exposure, and those approaches should continue to be supported within a clear and consistent framework.

The OneKey MLS model is designed to balance these priorities. It

provides meaningful flexibility for sellers and brokers, while supporting a marketplace that is transparent, competitive, and efficient. We will continue to engage with our participants and the broader industry to ensure our approach reflects both evolving practices and the needs of the market.

Review Policy Resources

Sincerely,
Richard Haggerty
Chief Executive Officer | OneKey® MLS

Unsubscribe From This List | Manage Email Preferences

This email originated from outside the organization. Do not click links or open any attachments unless you recognize the source of the email.