



# TABLE OF CONTENTS

|                                  |   |
|----------------------------------|---|
| Purpose.....                     | 3 |
| Issuance of Citations .....      | 3 |
| Initial Error Notification ..... | 3 |
| First Offense (Warning) .....    | 3 |
| Second Offense (Fine) .....      | 3 |
| Three or More Offenses .....     | 4 |
| Instant Fine .....               | 4 |
| Fine Process.....                | 4 |
| Failure to Pay a Fine .....      | 4 |
| Hearing Process.....             | 5 |
| Fine Schedule .....              | 5 |

### Purpose

The purpose of this Citation Policy is to maintain the integrity of the MLS by enforcing its rules and policies. Our goal is to ensure the MLS provides accurate, complete, and timely information so we can be considered your reliable source.

If necessary, fines will be issued and processed in accordance with this Citation Policy. The citable offenses and fines are subject to change upon approval of the CCIMLS Board of Directors. The Citation Policy is in addition to and does not replace the provisions of Article VIII of the MLS Rules and Regulations.

### Issuance of Citations

Reporting of violations and violation investigation details are confidential. Certain offenses may require the immediate correction to or removal of a listing, as noted by the asterisks in the fine schedule below, prior to the twenty-four (24) hours allotted for correction. CCIMLS staff will keep a detailed twelve (12) month record of each violation offense. Participants at their discretion may request that the MLS staff contact them or their authorized representative directly for specific violations should they not wish to have the potential violator directly addressed.

#### Initial Error Notification

- The policies that allow for an initial error notification are noted in the fine schedule below.
- An error notification will be sent to educate a potential violator which will include information pertaining to the policy for which they may have offended.
- This is not considered a 'First Offense' or warning notice, but a tool used to help assist members in understanding the rules and policies of the MLS.

#### First Offense (Warning)

- A first offense notice will be sent for all violations besides those that are noted as receiving an initial error notification or Instant Fine.
- A first offense notice will be sent if an error for which one has received an Initial Error Notification is not corrected within twenty-four (24) hours of the initial error notification.
- A first offense notice will be sent if an error for which one has received an initial error notification occurs a second time.
- A first offense notice will be sent to the violator and the Participant or their authorized representative.
- Violations will be recorded even if staff has corrected the offense prior to the first offense notice.

#### Second Offense (Fine)

- A second offense notice will be sent for failure to correct a violation after twenty-four (24) hours of the first offense notice being sent.
- A second offense notice will be sent if the potential violator has received a first offense notice for the same violation within a twelve (12) month period.
- The second offense fine schedule may be implemented with no additional warning.

- Mandatory education must be taken by the violator within two (2) weeks of the second offense notice.
- The violator may lose MLS access should the violation not be corrected, and the mandatory education not be completed within the two (2) weeks allotted.

### Three or More Offenses

- For each additional offense of the same violation, including those not corrected after each twenty-four (24) hour period, a \$250 increase in fine shall incur with loss of MLS access until fine has been paid and the noted violation has been corrected.

### Instant Fine

- The policies that allow for an instant fine are noted in the Fine Schedule below.
- The above-mentioned steps will not be used for these noted offenses, as you will receive an instant fine.

## Fine Process

New offense notices may be issued for any remaining uncorrected violations until the violations are corrected or the maximum fine is reached as set forth below. Fines will be sent electronically to the Participant or their authorized representative noting the violation offense and the violator. The amount of the fine will be based on the fine schedule below and will show within the Participant's outstanding invoices. The Participant is responsible for all fines even if the violator is no longer affiliated with their office or the CCIMLS.

Fines are due within thirty (30) days of receipt of a second offense notice. Receipt of notice is presumed to be one (1) business day after email transmission. The violator will be reminded of the assessed fine no less than ten (10) days prior to its due date.

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

If a violator believes that a first offense notice and/or second offense notice was issued in error, the violator and their Participant or authorized representative may request a hearing within thirty (30) days of the first or second offense notice being sent. Prior to requesting a hearing, the violation must be corrected.

### Failure to Pay a Fine

- For failure to pay a fine within the thirty (30) day period allotted, the Participant will be required to complete a mandatory education within two (2) weeks. The fine must also be paid within this period.
- For failure to pay the fine and complete the mandatory education the Participant will be suspended from their MLS privileges as detailed in Article VII of the MLS Rules & Regulations

## Hearing Process

Any Participant or Subscriber who has accumulated in excess of three (3) violations resulting in a fine within a twelve (12) month period will be required to attend a hearing for their actions and potential violations of MLS rules. Responsible Participants are required to attend all hearings.

The MLS Board of Directors President shall appoint a sub-group of five (5) members of the MLS Advisory Group, one of which shall be the hearing chair, to address all MLS violation appeals. All hearings shall be held virtually. After a hearing, the panel will send their decision on disciplinary action, as outlined in Article VII of the MLS Rules & Regulations, to the MLS Board of Directors for ratification. All ratified decisions are final.

The MLS Board of Directors reserves the right, at their discretion, to charge a Participant or Subscriber with rules violations by virtue of the hearing process, including the possibility of additional fees or fines, suspension, or expulsion, rather than utilizing the citation process. Thus, the below fines may not be all inclusive.

## Fine Schedule

The violation fine schedule is set forth as follows:

| MLS Rule                          | Summary  | Education First | Instant Fine | Level | Initial Fine | Second Fine |
|-----------------------------------|--|-----------------|--------------|-------|--------------|-------------|
| Article 1*                        | Failure to input complete and/or accurate information on a listing agreement or input form   | No              | No           | 3     | \$500        | \$750       |
| Article 1*                        | Failure to obtain seller's authority to list in MLS  | No              | No           | 4     | \$750        | \$1,000     |
| Sections 1.1, 1.3 & Appendix A-15 | Failure to input a required listing  | No              | No           | 4     | \$750        | \$1,000     |
| Sections 1.1 & 1.7                | Failure to provide signed seller exemption; failure to submit compliant signed seller exemption  | No              | No           | 4     | \$750        | \$1,000     |
| Section 1.1.1                     | Failure to upload the fully executed Property Transfer Lead Paint Notification, the document signature page, or the Lead Paint Disclosure Opt-Out form on a Residential or Multi-Family property built prior to 1978 | No              | No           | 3     | \$750        | \$1,000     |
| Section 1.8 & Appendix A-9        | Failure to upload required status change documentation   | Yes             | No           | 1     | \$100        | \$350       |
| Section 1.8 & 2.5                 | Failure to timely report listing status changes and sales  | No              | No           | 3     | \$500        | \$750       |

## MLS Citation Policy

---

|                             |  |     |    |   |       |         |
|-----------------------------|--|-----|----|---|-------|---------|
| Section 1.9 & Appendix A-10 | Unauthorized removal of a listing; Entry of a listing as new without a new listing agreement   | No  | No | 2 | \$250 | \$500   |
| Section 1.13                | Failure to list property separately when it may be sold individually   | Yes | No | 2 | \$250 | \$500   |
| Section 1.16                | Failure to remove expired listing; failure to obtain Seller's written authorization before extension or renewal  | No  | No | 4 | \$750 | \$1,000 |
| Section 2.6 & 2.8           | Failure to timely report resolutions of kick-out option; failure to timely report fall through of pending sale   | No  | No | 2 | \$250 | \$500   |
| Section 2.7                 | Unauthorized advertisement of a listing of another agent   | No  | No | 4 | \$750 | \$1,000 |
| Section 2.8                 | Failure to timely report fall through of pending sale  | No  | No | 2 | \$250 | \$500   |
| Section 2.9                 | Misrepresentation of the availability to show or inspect property  | No  | No | 2 | \$250 | \$500   |
| Sections 4.2 & 4.3          | Improper display and removal of signs  | No  | No | 1 | \$100 | \$350   |
| Section 4.4                 | Solicitation of a property filed with the MLS  | No  | No | 4 | \$750 | \$1,000 |
| Section 4.5                 | Misuse of the term MLS and Multiple Listing Service  | No  | No | 2 | \$250 | \$500   |
| Section 4.6*                | Misuse of public remarks; failure to limit public remarks to marketing, description and condition of the property. Inclusion of branding in public remarks and media | Yes | No | 2 | \$250 | \$500   |
| Section 4.7                 | False representations: failure to abide by true picture standard of conduct  | No  | No | 4 | \$750 | \$1000  |
| Section 5.1*                | Failure to offer unconditional compensation, failure to offer compensation   | No  | No | 4 | \$750 | \$1,000 |
| Section 5.2                 | Failure to disclose a potential short sale or foreclosure  | No  | No | 2 | \$250 | \$500   |
| Sections 5.3 & 5.4          | Failure to disclose interest by a Participant or Subscriber  | No  | No | 2 | \$250 | \$500   |
| Section 5.6                 | Failure to display the listing broker compensation disclaimer when compensation fields are displayed publicly  | Yes | No | 2 | \$250 | \$500   |

## MLS Citation Policy

|                           |   |     |     |   |       |         |
|---------------------------|---|-----|-----|---|-------|---------|
| Sections 6.4 & 6.5        | Failure of Participant or Subscriber to notify the MLS of termination, transfer, or addition of any clerical users affiliated with Participant or Subscriber or licensees under Participant's license                         | No  | No  | 1 | \$100 | \$350   |
| Section 6.6               | Failure to abide by fee waiver policy and conditions  | No  | No  | 4 | \$750 | \$1,000 |
| Article 9                 | Unauthorized use of MLS information   | No  | No  | 4 | \$750 | \$1,000 |
| Section 9.2               | Unauthorized sharing of MLS information and pass codes; use of MLS by unauthorized party  | No  | Yes | 4 | \$750 | \$1,000 |
| Article 10*               | Wrongful use of photographs/use of photographs on a listing without proper authorization  | No  | No  | 4 | \$750 | \$1,000 |
| Article 11                | Misuse of reproduction of MLS information   | No  | No  | 4 | \$750 | \$1,000 |
| Section 12.1              | Unauthorized use of statistical reports, sold data, or comparable reports in advertising; Failure to provide adequate informational notice on print or non-print forms of advertising or other forms of public representation | No  | No  | 4 | \$750 | \$1,000 |
| Articles 11, 15, & 16     | Sharing the MLS compilation or any portion thereof with any third-party not authorized by the MLS   | No  | Yes | 4 | \$750 | \$1,000 |
| Article 15                | Misuse of MLS data on public website; violation of IDX rules  | Yes | No  | 4 | \$750 | \$1,000 |
| Sections 15.3.7 & 15.3.12 | Failure to disclose listing firm and broker attribution, email or phone number provided by the Participant, on IDX display, in the required format  | No  | No  | 2 | \$250 | \$500   |
| Section 15.4.3            | Failure to disclose the listing agent on IDX display  | No  | No  | 2 | \$250 | \$500   |
| Article 16                | Misuse of MLS data on public website; violation of VOW rules  | No  | No  | 4 | \$750 | \$1,000 |
| Appendix A-4              | Failure to populate tax record data on listing input  | Yes | No  | 1 | \$100 | \$350   |
| Appendix A-7 & B-1        | Showing a property that has been submitted to the Coming Soon-No Showings status.   | No  | Yes | 4 | \$750 | \$1,000 |
| Appendix A-7 & B-1        | Failure to update a Coming Soon-No Showings listing to Active immediately after being shown.  | No  | No  | 2 | \$250 | \$500   |
| Appendix A-7 & B-1        | Solicitation of a Coming Soon-No Showings listing   | No  | No  | 4 | \$750 | \$1,000 |

## MLS Citation Policy

---

|                    |  |     |    |   |       |       |
|--------------------|--|-----|----|---|-------|-------|
| Appendix A-11      | Failure to notify the MLS office of duplicate sold listing | No  | No | 2 | \$250 | \$500 |
| Appendix A-16 & B3 | Failure to abide by the Team Policy                        | Yes | No | 2 | \$250 | \$500 |
| Appendix B-2*      | Failure to abide by the Photo Policy                       | No  | No | 2 | \$250 | \$500 |