

METROPOLITAN INDIANAPOLIS BOARD OF REALTORS®

BLC® Listing Service

RULES AND REGULATIONS

July 21, 2009

Purpose

Section 1 - Purpose: A Broker Listing Cooperative® listing service (hereinafter referred to as “BLC® listing service”) is a means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as buyer agents or in other agency or nonagency capacities defined by law); by which cooperation among participants is enhanced; by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers; by which participants engaging in real estate appraisal contribute to common databases; and is a facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and the public. Entitlement to compensation is determined by the cooperating broker’s performance as a procuring cause of the sale (or lease).

Listing Procedures

Section 2 - Listing Procedures: Listings of real or personal property of the following types, which are listed subject to a real estate broker’s license, located within the BLC® listing service territorial Jurisdiction, to include: Boone, Brown, Decatur, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Montgomery, Morgan, Putnam, and Shelby, taken by participants shall be entered into the BLC® listing service within 48 hours (excluding weekends, holidays and postal holidays) after all necessary signatures of seller(s) have been obtained:

RESIDENTIAL

1. Single family houses,
2. Condominium,
3. Multi-Family 2-9 Units,
4. Vacant lots and land,
5. Farms and Agricultural.
6. Residential Rentals

COMMERCIAL

1. Industrial Buildings
2. Office Buildings
3. Retail
4. Multi Family
5. Commercial Land

Personal property such as mobile homes without land may **not** be reported to the BLC® listing service.

In addition, non-listed property in which the BLC® listing service participant was the selling broker may be entered into the BLC® listing service after closing. Upon entry by the selling broker and notification to the BLC® listing service office, the BLC® listing service office will update the Listing office.

Listings submitted to the BLC® listing service for staff data entry must be submitted on current "profile sheets" approved by the BLC® listing service Technology and Operations Committee. Listings will be entered at a cost established by the BLC® listing service Technology and Operations Committee.

All Listings must include the date of the listing and the date of expiration exactly as shown on the listing contract. The first day of a listing is the date the listing contract becomes effective (regardless of the hour of the day), and the listing expires at midnight of the last day of the listing period agreed upon by the participant and the seller.

Note 1: The BLC® listing service shall not require a participant to list properties on a form other than the form the participant individually chooses to utilize provided the listing is of a type accepted by the Service. However, the BLC® listing service, through its legal counsel:

1. The BLC® listing service may reserve the right to refuse to accept a listing form which fails to adequately protect the interests of the public and the participants
2. The BLC® listing service assures that no listing filed with the BLC® listing service establishes, directly or indirectly, any contractual relationship between the BLC® listing service and the client (buyer or seller)

The BLC® listing service shall accept exclusive right to sell listings and exclusive agency listings.

The listing agreement must include the seller's written authorization to submit the agreement to the BLC® listing service.

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

The exclusive right to sell listing, designated with the listing type of ER, is the conventional form of listing submitted to the BLC® listing service in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.

The exclusive agency listing, designated with the listing type of EA, also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis.

Exclusive right to sell listings with named prospects exempted are designated with the listing type of Exclusive Right to Sell – Exclusion.

Note 2: The BLC® listing service accepts exclusively listed property that is subject to auction, however, any listing submitted is entered into within the scope of the participant's licensure.

Section 2.1 - Listings Subject to Rules and Regulations of the Service: Any listing taken on a contract to be filed with the BLC® listing service is subject to the rules and regulations of the Service upon signature of the seller(s).

Section 2.2 - Detail on Listings Filed with the Service: A listing agreement or property data form, when filed with the BLC® listing service by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form.

Section 2.3 - Exempted Listings: If 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. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the Service.

Section 2.4 - Change of Status of Listing: Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with the Service within four-eight (48) hours (excepting weekends, holidays, and postal holidays) after the authorized change is received by the listing broker.

Section 2.5 - Withdrawal of Listing Prior to Expiration: Listings of property may be withdrawn from the BLC® listing service by the listing broker before the expiration date of the listing agreement, provided there is a written agreement between the seller and the listing broker which authorizes the withdrawal.

Sellers do not have the unilateral right to require the BLC® listing service to withdraw a listing without the listing broker's concurrence. However, when a seller(s) can document that his exclusive relationship with the listing broker has been terminated, the BLC® listing service may withdraw the listing at the request of the seller.

Section 2.6 - Contingencies Applicable to Listings: Any contingency or conditions of any term in a listing shall be specified and noticed to the participants. A "Status Condition" such as accepting back up offers or first rights may remain in the active status providing the "special condition feature" is selected. When this feature is selected, a Capital letter "B" for Accepting Back-up Offers, the letter "F" for First Right of Refusal, the letter "L" for Limited First Right of Refusal or the letter "O" for other will appear next to the status field on all standard system reports.

Section 2.7 - Listing Price Specified: The full gross listing price stated in the listing contract will be included in the information published in the BLC® listing service compilation of current listings, unless the property is subject to auction.

Section 2.8 - Listing Multiple Unit Properties: All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the BLC® listing service.

Section 2.9 - No Control of Commission Rates or Fees Charged by participants: The BLC® listing service shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by participants. Further, the BLC® listing service shall not fix, control, recommend, suggest, or maintain the division of commissions or fees between cooperating participants or between participants and non-participants.

Section 2.10 - Expiration, Extension, and Renewal of Listings: Any listing filed with the BLC® listing service automatically expires on the dates specified in the agreement, unless renewed by the listing broker and notice of renewal or extension is filed with the Service prior to expiration.

If notice of renewal or extension is dated more than 30 days after the expiration date of the original listing, then a new listing must be secured for the listing to be filed with the Service. It may then be published as a new listing. Any extension or renewal of a listing must be signed by the seller(s) and be filed with the Service.

Section 2.11 - Termination Date on Listings: Listings filed with the Service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.

Section 2.12 - Jurisdiction: Only listings of the designated types of property located within the jurisdiction of the BLC® listing service are required to be submitted to the Service. Listings of property located outside the BLC® listing service's jurisdiction will be accepted if submitted voluntarily by a participant, but cannot be required by the Service without the participants authorization.

Section 2.13 - Listings of Suspended participants: When a participant of the Service is suspended from the BLC® listing service for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board Bylaws, BLC® listing service Bylaws, BLC® listing service Rules and Regulations, or other membership obligation except failure to pay appropriate dues, fees, or charges), all listings currently filed with the BLC® listing service 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 BLC® listing service beyond the termination date of the listing agreement in effect when the suspension became effective. If a participant has been suspended from the Board or BLC® listing service (or both) for failure to pay appropriate dues, fees, or charges, a Board BLC® listing service is not obligated to provide BLC® listing service services, including continued inclusion of the suspended participant's listings in the BLC® listing service compilation of current listing information. Prior to any removal of a suspended participant's listings from the BLC® listing service, the suspended participant should be advised, in writing, of the intended removal so that the suspended participant may advise his clients.

Section 2.14 - Listings of Expelled participants: When a participant of the Service is expelled from the BLC® listing service for failing to abide by a membership duty (i.e., violation of the Code of Ethics, Board Bylaws, BLC® listing service Bylaws, BLC® listing service Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees, or charges), all listings currently filed with the BLC® listing service shall, at the expelled participant's option, be retained in the Service until sold, withdrawn, or expired, and shall not be renewed or extended by the BLC® listing service beyond the termination date of the listing agreement in effect when the expulsion became effective. If a participant has been expelled from the Board or BLC® listing service (or both) for failure to pay appropriate dues, fees, or charges, a Board BLC® listing service is not obligated to provide BLC® listing service services, including continued inclusion of the expelled participant's listings in the BLC® listing service compilation of current listing information. Prior to any removal of an expelled participant's listings from the BLC® listing service, the expelled participant should be advised, in writing, of the intended removal so that the expelled participant may advise his clients.

Section 2.15 - Listings of Resigned participants: When a participant resigns from the BLC® listing service, the BLC® listing service is not obligated to provide services, including continued inclusion of the resigned participant's listings in the BLC® listing service compilation of current listing information. Prior to any removal of a resigned participant's listings from the BLC® listing service, the resigned participant should be advised, in writing, of the intended removal so that the resigned participant may advise his clients.

Section 2.15.1 - Listings of Deceased participants: Upon the death of a Principal Broker, a broker or salesperson in the office may continue to carry on business for the broker or salesperson's listings that were contracted for before the death of the principal broker for a period of ninety (90) days in accordance with I.C. 25-34-.1-4-6 and its requirements. No new listings may be entered into the BLC® listing service under the deceased Principal Broker's licensure during this ninety-day period. At the end of the ninety-day period, any remaining listings will be considered to have expired and the BLC® listing service will reflect the change of status.

Section 2.16 – Missing or incorrect data: Missing, incorrect data or policy violations: (i.e., BLC® listing service Room Sizes, tax id/parcel etc., also Pending and Sold Status including Who Sold, etc. or statements in property description or remarks that are contrary to established policy) must be corrected within 48 hours upon notification by the BLC® listing service staff. If not corrected a fine of \$100.00 per notification shall be imposed to the participant for all incorrect data items. Such charges will be billed monthly.

Section 2.17 – Deletion and Modification of Listings: No listing or its history file may be deleted from the BLC® listing service System. No modifications to sold listings, other than typographical errors, may be made to sold listings.

Section 2.18 – Reporting Square Footage and Confidential Listings: In reporting closed transactions, listing broker may enter square footage, if available. The total square footage would include above grade finished square footage. The addresses of a listing can be held in confidence. Listings are to be entered as usual with the word "Confidential" typed in the appropriate space with a letter, signed by the seller, requesting the confidentiality of the information submitted to the Service. If the seller later wishes to release the information which was previously confidential, a letter signed by the seller indicating this change must be submitted with the appropriate BLC® listing service form.

Section 2.19 Contact Information: Contact information may only appear in the Agent Remarks and Office Information Section of the listing profile sheet.

Selling Procedures

Section 3 –Showings and Negotiations: Appointments for showings and negotiations with the seller for the purchase of listed property filed with the BLC® listing service shall be conducted through the listing broker except where the listing broker gives the cooperating broker specific authority to contact the owner directly for showings, however, the cooperating broker may not engage in negotiations directly with the seller unless the listing broker gives the cooperating broker consent for direct negotiations and the buyer consents to the acceptance by the cooperating broker of such direct negotiation authority.

Section 3.1 - Presentation of Offers: The listing broker must present all offers to purchase or lease to and from the seller or landlord immediately upon receipt of such offers unless following an accepted offer, the seller instructs the listing broker otherwise.

Section 3.2 - Submission of Written Offers: The listing broker shall submit to the seller all written offers until closing unless following an accepted offer, the seller instructs the listing broker otherwise. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer.

Section 3.3 - Right of Cooperating Broker in Presentation of Offer: The cooperating broker or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

Section 3.4 - Right of Listing Broker in Presentation of Counter-Offer: The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee. However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 3.5 - Reporting Sales to the Service: Status changes, including final closing of sales, shall be reported to the BLC® listing service by the listing broker within 2 business days after they occurred. If negotiations were carried on under Section 3 (where listing broker gives the cooperating broker consent for direct negotiations) the cooperating broker shall report the status changes to the listing broker within 2 business days after occurrence and the listing broker shall report them to the BLC® listing service within 2 business days after receiving notice from the cooperating broker.

Section 3.5.1 – Reporting of Sales Price: Entry of the Total Sales Price amount, as disclosed on the Sales Disclosure Form (Ind. State Form 46021), is required for the reporting of all sales to the BLC® listing service by the listing broker.

Section 3.6 - Reporting Resolutions of Contingencies: The listing broker shall report to the BLC® listing service within forty-eight (48) hours that a contingency on file with the BLC® listing service has been fulfilled or renewed, or the agreement canceled.

Section 3.7 - Advertising of Listing Filed with the Service: A listing shall not be advertised by any participant other than the listing broker without the prior consent of the listing broker.

Section 3.8 - Reporting Cancellation of Pending Sale: The listing broker shall report immediately to the BLC® listing service the cancellation of any pending sale, and the listing shall be reinstated immediately.

Refusal to Sell

Section 4 - Refusal to Sell: If the seller of any listed property filed with the BLC® listing service refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact may be transmitted immediately to the Service by selecting the "refusal to sell feature".

Prohibitions

Section 5 - Information for participants Only: Any listing filed with the Service shall not be made available to any broker or firm not a Member of the BLC® listing service without the prior consent of the listing broker.

Section 5.1 - "For Sale" Signs: Only the "For Sale" sign of the listing broker may be placed on a property.

Section 5.2 - "Sold" Signs: Prior to closing, only the "Sold" sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

Section 5.3 - Solicitation of Listing Filed with the Service: participants shall not solicit a listing on property filed with the Service unless such solicitation is consistent with Article 16 of the REALTORS®' Code of Ethics, its Standards of Practice, and its Case Interpretations.

Section 5.4 – Use of BLC® Listing Service Trademark - No BLC® listing service participant, subscriber, or licensee affiliated with any participant 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 a BLC® listing service, or that they operate a BLC® listing service. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to the BLC® listing service databases, or that consumers or others are able to search the BLC® listing service databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under the BLC® listing service rules to provide to clients or customers is available on their websites or otherwise.

Division of Commissions

Section 6 - Compensation Specified on Each Listing: The listing broker shall specify, on each listing filed with the BLC® listing service, the compensation offered to other BLC® listing service participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through BLC® listing service would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

Note 1: In filing a property with the BLC® listing service of a Board of Realtors, the participant of the Service is making blanket unilateral offers of compensation to the other BLC® listing service participants, and shall therefore specify on each listing filed with the Service, the compensation being offered to the other BLC® listing service participants. Specifying the compensation on each listing is necessary, because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.*

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

This shall not preclude the listing broker from offering any BLC® listing service participant compensation other than the compensation indicated on any listing published by the BLC® listing service, provided the listing broker informs the other broker, in writing, in advance of his producing an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other participants in the Service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

*The compensation specified on listings filed with the BLC® listing service shall appear in one of two forms. The essential and appropriate requirement by a Board BLC® listing service is that the information to be published shall clearly inform the participants as to the compensation they will receive in cooperative transactions, unless advised otherwise by the listing broker, in writing, in advance of his producing an offer to purchase. The compensation specified on listings published by the BLC® listing service shall be shown in one of the following forms:

1. by showing a percentage of the gross selling price
2. by showing a definite dollar amount

Note 2: The listing broker may, from time to time, adjust the compensation offered to other BLC® listing service participants for their services with respect to any listing by advance published notice to the Service so that all participants will be advised.

Section 6.1 - participant as Principal: If a participant 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 BLC® listing service, that person shall disclose that interest when the listing is filed with the BLC® listing service and such information shall be disseminated to all BLC® listing service participants.

Section 6.2 - participant as Purchaser: If a participant or any licensee (including licensed and certified appraisers) affiliated with a participant wishes to acquire an interest in property listed with another participant, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

Section 6.3 - Dual or Variable Rate Commission Arrangements: The existence of a dual or variable rate commission arrangement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/ leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) shall be disclosed by the listing broker by entering the letter "Y" in the Variable Rate field. The listing broker shall, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

Service Charges

Section 7 - Service Fees and Charges: The cost of BLC® listing service service shall be determined by staff in conjunction with the Finance Committee and the MSC Board of Directors from time to time and approved by the MIBOR Board of Directors.

Section 7.1 – Payments and Late Charges: Payments must be in the Board office on or before the due date of the invoice to meet the time requirement. BLC® listing service accounts not paid by the due date of the invoice will be considered delinquent and assessed a 1.5% late charge on outstanding balance.

Compliance with Rules

Section 8 - Compliance with Rules: The following action may be taken for noncompliance with the rules:

- (a) For failure to pay any service charge or fee due to MIBOR within ten (10) days of the date due, and provided that at least five (5) days' notice has been given, the Service shall be suspended until service charges and fees are paid in full. A \$25.00 reinstatement fee may be assessed for reactivation of suspended services.
- (b) For failure to comply with any other rule, the provisions of Sections 10 and 10.1 shall apply.

Meetings

Section 9 - Meetings of BLC® listing service Committees: The BLC® listing service Committees shall meet for the transaction of its business at a time and place to be determined by the Committee or at the call of the Chairperson.

Section 9.1 - Meetings of BLC® listing service participants: The Board of Directors of the Board of REALTORS® may call meetings of the participants in the Service to be known as meetings of the BLC® listing service.

Section 9.2 - Conduct of the Meetings: The Chairperson or Vice Chairperson shall preside at all meetings or, in their absence; a temporary Chairperson from the membership of the Committee shall be named by the Chairperson or, upon his failure to do so, by the Committee.

Enforcement of Rules or Disputes

Section 10 - Consideration of Alleged Violations: The Committee shall give consideration to all written complaints from participants having to do with violations of the rules and regulations.

Section 10.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the BLC® listing service Committee, and if a violation is determined, the Committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Board in accordance with the bylaws and rules and regulations of the Board of REALTORS® within twenty (20) days following receipt of the Committee's decision.

Violations of BLC® listing service Rules and Regulations and BLC® listing service Procedures which have remedies outlined within the BLC® listing service Rules and Regulations shall have those remedies instituted and will therefore waive Paragraph 10.1 unless the participant refuses to accept the aforementioned remedies.

Section 10.2—Complaints of Unethical Conduct: All other complaints of unethical conduct shall be referred by the Committee to the Secretary of the Board of REALTORS® for appropriate action in accordance with the professional standards procedures established in the Board's bylaws.

Confidentiality of BLC® listing service Information

Section 11 - Confidentiality of BLC® listing service Information: Any information provided by the BLC® listing service to the participants shall be considered official information of the Service. Such information shall be considered confidential and exclusively for the use of participants and real estate licensees affiliated with such 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.

Section 11.1 - BLC® listing service Not Responsible for Accuracy of Information: The information published and disseminated by the Service is communicated verbatim, without change by the Service, as filed with the Service by the participant. The Service does not verify such information provided and disclaims any responsibility for its accuracy. Each participant agrees to hold the Service harmless against any liability arising from any inaccuracy or inadequacy of the information such participant provides.

Section 11.2 - Access to Comparable and Statistical Information: Board Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the BLC® listing service, 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 BLC® listing service, including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Board Members and individuals affiliated with Board Members who are also engaged in the real estate business and may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm, except as otherwise provided in these rules and regulations.

Ownership of BLC® Listing Service Compilations* and Copyrights

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

Section 12.1 - All right, title, and interest in each copy of every BLC® listing service compilation created and copyrighted by the Metropolitan Indianapolis Board of REALTORS® and in the copyrights therein, shall at all times remain vested in the Metropolitan Indianapolis Board of REALTORS®.

Section 12.2 - Each participant shall be entitled to lease from the Metropolitan Indianapolis Board of REALTORS® a number of copies of each BLC® listing service compilation sufficient to provide the participant and each person affiliated as a licensee (including licensed or certified appraisers) with such participant with one copy of such compilation. The participant shall pay for each such copy the rental fee set by the Board.** participants shall acquire by such lease only the right to use the BLC® listing service compilations in accordance with these rules.

* The term "BLC® listing service compilation," as used in Sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to the participants, including but not limited to bound book, loose-leaf binder, computer database, card file, or any other format whatever.

** This section should not be construed to require the participant to lease a copy of the BLC® listing service 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 BLC® listing service and who does not, at any time, have access to or use of the BLC® listing service information or BLC® listing service facility of the Board.

Use of Copyrighted BLC® Listing Service Compilations

Section 13 - Distribution: participants shall, at all times, maintain control over and responsibility for each copy of any BLC® listing service compilation leased to them by the Board 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 BLC. Use of information developed by or published by a Board BLC® 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 or published by a Board BLC® listing service where access to such information is prohibited by law.

Section 13.1 - Display: participants and those persons affiliated as licensees with such participants shall be permitted to display the BLC® listing service compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing, and able buyers for the properties described in said BLC® listing service compilation.

Section 13.2 - Reproduction: participants or their affiliated licensees shall not reproduce any BLC® listing service compilation or any portion thereof, except in the following limited circumstances.

participants or their affiliated licensees may reproduce from the BLC® listing service compilation and distribute to prospective purchasers a reasonable* number of single copies of property listing data contained in the BLC® listing service compilation which relate to any properties in which the prospective purchasers are or may, in the judgment of the participants or their affiliated licensees, be interested.

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.

Any BLC® listing service 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.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that a Board or Board-owned BLC® listing service 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 and regulations.

*It is intended that the participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the participant is seeking to promote interest. The term reasonable, as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent and thus reasonable in number, shall include, but are not limited to, the total number of listings in the BLC® listing service compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

Use of BLC® Listing Service Information

Section 14 - Limitations on Use of BLC® listing service Information: Use of information from BLC® listing service compilation of current listing information, from the Board's statistical report, or from any sold or comparable report of the Board or BLC® listing service for public mass-media advertising by a BLC® listing service 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 Board or its BLC® listing service 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 Metropolitan Indianapolis Board of REALTORS® for the period (date) through (date).

Section 14.1 – Content: A Participant shall not change the content of any BLC® Listing Service Listing Information that is distributed to prospective purchasers or buyers from the content as it is provided in the BLC® Listing Service. The Participant may, however, augment BLC® Listing Service Listing Information with additional information not otherwise prohibited by these rules or by other applicable BLC® Listing Service rules or policies as long as the source of such other information is clearly identified. (Adopted 2/09)

Section 14.2 - Notice: A Participant shall cause to be placed on listing information distributed to prospective purchasers or buyers a notice indicating that the BLC® Listing Service Listing information is deemed reliable but is not guaranteed accurate by the BLC® Listing Service and include the copyright statement “© (current year) Metropolitan Indianapolis Board of REALTORS®”. (Adopted 2/09)

Section 14.3 – Identification: A Participant shall cause any listing that is distributed to prospective purchasers or buyers to identify the name of the listing firm in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data. (Adopted 2/09)

Section 14.4 – Limits: A Participant shall limit the number of listings distributed to prospective purchasers or buyers to not more than 500 current listings and not more than 100 sold, expired, withdrawn or pending (“under contract”) listings in response to any inquiry. (Adopted 2/09)

Internet Data Exchange (IDX)

Section 15 IDX Defined - IDX affords BLC® listing service participants the option of authorizing display of their active listings on other participants' Internet Web sites.

Section 15.1 Authorization - participants' consent for display of their active listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the BLC® listing service that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download or frame the aggregated BLC® listing service data of other participants. Even where participants have given blanket authority for other participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller.

Section 15.2 Participation - Participation in IDX is available to all BLC® listing service participants who are REALTORS® who are engaged in real estate brokerage and who consent to display of their listings by other participants. This requirement can be met by maintaining an office as defined under Indiana State License Law from which participants are available to represent real estate sellers or buyers (or both).

Section 15.2.1 - participants must notify the BLC® listing service of their intention to establish an IDX site and must make their site directly accessible to the BLC® listing service for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 15.2.2 - participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent “scraping” or other unauthorized accessing, reproduction, or use of the BLC® listing service database.

Section 15.2.3 - Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly-accessible Web sites or VOWs) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers.

Section 15.2.4 - participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location (“uptown,” “downtown,” etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right-to-sell, or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each participant. (Amended 11/06)

Section 15.2.5 - participants must refresh all BLC® listing service downloads and refresh all BLC® listing service data at least once every seven (7) days.

Section 15.2.6 - Except as provided in these rules, an IDX site or a participant or user operating an IDX site may not distribute, provide, or make any portion of the BLC® listing service database available to any person or entity.

Section 15.2.7 - When displaying listing content, a participant's or user's IDX site must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface.

Section 15.3 - Display - Display of listing information pursuant to IDX is subject to the following rules:

Section 15.3.1 - Listings displayed pursuant to IDX shall contain only those fields of data designated by the BLC® listing service on the Custom Full Details Format. Display of all other fields (as determined by the BLC) is prohibited. Confidential fields intended only for other BLC® listing service participants and users (e.g., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed on IDX sites.

Section 15.3.1.1 - The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed on IDX sites.

Section 15.3.2 - participants shall not modify or manipulate information relating to other participants' listings. (This is not a limitation on site design but refers to changes to actual listing data.) BLC® listing service data may be augmented with additional data not otherwise prohibited from display so long as the source of the additional data is clearly identified. This requirement does not restrict the format of BLC® listing service data display or display of fewer than all of the available listings or fewer authorized data fields.

Section 15.3.3 - All listings displayed pursuant to IDX shall identify the listing firm in a readily visible color and typeface not smaller than the median used in the display of listing data.

Section 15.3.4 - Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own Web sites subject to their participant's consent and control and the requirements of state law and/or regulation.

Section 15.3.5 -All listings displayed pursuant to IDX shall show the BLC® listing service as the source of the information.

Section 15.3.6 - participants (and their affiliated licensees, if applicable) shall indicate on their Web sites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, that the data is deemed reliable but is not guaranteed accurate by the BLC® listing service and include the copyright statement "© (current year) Metropolitan Indianapolis Board of REALTORS®".

Section 15.3.7 - The data consumers can retrieve or download in response to an inquiry shall be limited to 50 listings on a single page.

Section 15.3.8 - The right to display other participants' listings pursuant to IDX shall be limited to a participant's office(s) holding participatory rights in this BLC.

Section 15.3.9 - Listings obtained through IDX must be displayed separately from listings obtained from other sources, including information provided by other BLCs. Listings obtained from other sources (e.g., from other BLCs, from non-participating brokers, etc.) must display the source from which each such listing was obtained.

Section 15.3.10 - Display of expired, withdrawn, sold and pending listings is prohibited.

Section 15.3.11 - participants are required to employ appropriate security protection such as firewalls, provided that any security measures required may not be greater than those employed by the BLC.

Virtual Office Website (VOW) Rules for BLC® Listing Services

Section 16.1 (a) - A Virtual Office Website ("VOW") is a Participant's Internet website, or a feature of a Participant's website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search BLC® listing service 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.

Section 16.1 (b) - As used in Section 16 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.

Section 16.1 (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 BLC® Listing Service by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use BLC® Listing Service Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to BLC® Listing Service Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

Section 16.1 (d) - As used in Section 16 of these Rules, the term "BLC® Listing Service Listing Information" refers to active listing information and sold data provided by by Participants to the BLC® Listing Service and aggregated and distributed by the BLC® Listing Service to Participants.

Section 16.2 (a) - The right of a Participant's VOW to display BLC® Listing Service Listing Information is limited to that supplied by the BLC® Listing Service(s) in which the Participant has participatory rights. However, a Participant with offices participating in different BLC® Listing Services may operate a master website with links to the VOWs of the other offices.

Section 16.2 (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").

Section 16.2 (c) - Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other BLC® Listing Service Participants whose listings will be displayed on the Participant's VOW.

Section 16.3 (a): Before permitting any consumer to search for or retrieve any BLC® Listing Service 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.

Section 16.3 (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.

Section 16.3 (c) - If the BLC® Listing Service has reason to believe that a Participant's VOW has caused or permitted a breach in the security of BLC® Listing Service Listing Information or a violation of BLC® Listing Service rules, the Participant shall, upon request of the BLC® Listing Service, 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 BLC® Listing Service, provide an audit trail of activity by any such Registrant.

Section 16.3 (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 BLC® Listing Service's ownership of, and the validity of the BLC® Listing Service's copyright in, the BLC® Listing Service database.

Section 16.3 (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.

Section 16.3 (f) - The Terms of Use Agreement shall also expressly authorize the BLC® Listing Service, and other BLC® Listing Service Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with BLC® Listing Service rules and monitoring display of Participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

Section 16.4 - A Participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

Section 16.5 - A Participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of BLC® Listing Service 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 BLC® Listing Service.

Section 16.6 (a) - A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the BLC® Listing Service 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.

Section 16.6 (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

Section 16.6 (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.

Section 16.7 (a) - Subject to subsection (b), a Participant's VOW may allow third-parties (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.

Section 16.7 (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 BLC® Listing Service 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 16.8, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customers that a particular feature has been disabled "at the request of the seller."

Section 16.8 - A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the BLC® Listing Service and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 16.9 - A Participant shall cause the BLC® Listing Service Listing Information available on its VOW to be refreshed at least once every three (3) days.

Section 16.10 - Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable BLC® Listing Service rules or policies, no Participant shall distribute, provide, or make accessible any portion of the BLC® Listing Service Listing Information to any person or entity.

Section 16.11 - A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 16.12 - A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 16.13 - A Participant who intends to operate a VOW to display BLC® Listing Service Listing Information must notify the BLC® Listing Service of its intention to establish a VOW and must make the VOW readily accessible to the BLC® Listing Service and to all BLC® Listing Service Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable BLC® Listing Service rules or policies.

Section 16.14 - A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

Section 16.15 - A Participant shall not change the content of any BLC® Listing Service Listing Information that is displayed on a VOW from the content as it is provided in the BLC® Listing Service. The Participant may, however, augment BLC® Listing Service Listing Information with additional information not otherwise prohibited by these Rules or by other applicable BLC® Listing Service rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the format of display of BLC® Listing Service Listing Information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields

Section 16.16 - A Participant shall cause to be placed on his or her VOW a notice indicating that the BLC® Listing Service Listing Information displayed on the VOW is deemed reliable but is not guaranteed accurate by the BLC® Listing Service and include the copyright statement "© (current year) Metropolitan Indianapolis Board of REALTORS®".

Section 16.17 - A Participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

Section 16.18 - 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 **100** sold listings in response to any inquiry.

Section 16.19 - A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

Section 16.20 - 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.

Section 16.21- A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another BLC® Listing Service or from a broker not participating in the BLC® Listing Service, to identify the source of the listing.

Section 16.22 - A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another BLC® Listing Service or from a broker not participating in the BLC® Listing Service, to be searched separately from listings in the BLC® Listing Service.

Section 16.23 - Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the BLC® Listing Service.

(Adopted 2/09)

Changes in Rules and Regulations

Section 17 - Changes in Rules and Regulations: Amendments to the rules and regulations of the Service shall be by a majority vote of the Members of the BLC® listing service Policy Committee, subject to approval by the Board of Directors of the Board of REALTORS®.