

Arlington Board of REALTORS
Procedure for Implementing Notices and Fines of MLS Violations and
Key\Keybox Agreement Violations

This Procedure covers three (3) sources of Notices and Fines:

1. NTREIS MLS Rules Violations

Fines are assessed to the Participant (Broker or Appraiser) for violations. NTREIS MLS Rule 5.06 states:

Each Participant shall be liable for all obligations to the MLS for the Participant's firm, partnership, or corporation and for compliance with the Bylaws of NTREIS and these Rules by all persons affiliated with such Participant who utilize the MLS.

2. ARBOR Key \ KeyBox Rules Violations

Fines are assessed to the Associate as the responsible person who signed the Key\KeyBox Agreement. If the violation also includes a violation of the MLS rules the Participant may be fined also.

3. NTREIS MLS Violations Using Datachecker System

Fines are assessed to the Participant (Broker) at the end of the Grace Period defined in the Datachecker Notices. Datachecker Notices and Fines for 1st, 2nd, 3rd Notices of Violations do not require a MLS Panel or Committee for review before a Fine is implemented.

1st Notice of Offense – No Charge - 2 Business Days to make corrections

2nd Notice of Offense - \$50 fine - 2 Business Days to make corrections

3rd Notice of Offense - \$50 fine - 2 Business Days to make corrections

If NOT corrected after 3rd Notice, the Violation will be referred to the MLS Complaint Panel in the procedure described below.

MLS Violations other than by Datachecker Notice: Fines are assessed to the Participant (Broker) per MLS Rule 5.06. Fine amounts are assessed by the MLS Complaint Panel for NTREIS MLS Rules not having a NTREIS defined amount.

Procedure After MLS Rule Violation Complaint Receipt by ARBOR:

Upon receipt of a written complaint alleging a violation of MLS Rules, MLS Staff shall notify the accused Participant (Broker) by telephone, email, and/or by facsimile transmission of the alleged violation. The accused Participant must respond by mail, email, or facsimile transmission not later than 5 business days either (a) admitting a violation of said rules or (b) denying a violation of said rules. If the accused Participant admits a violation of said rules, the accused Participant shall waive a hearing before the MLS Complaint Panel and agree to pay the appropriate or assessed fine within thirty (30) days after receipt of invoice or (ii) request a hearing before the MLS Complaint Panel on the alleged violation. If the accused Participant fails to respond as set forth herein, or denies the alleged violation of said rules the MLS Staff shall refer the alleged violation to the MLS Complaint Panel for a hearing at the

earliest scheduled meeting date, provided that the accused Participant receives at least ten (10) days prior written notice of the date, time, and place of the scheduled hearing. The accused Participant may appear at such hearing in person or be represented by a duly authorized REALTOR® representative appointed in writing prior to the day of the Panel hearing.

If the Participant fails to respond, the MLS Complaint Panel will convene and render a decision.

If the Participant requested a hearing, the MLS Complaint Panel will be convened, review the complaint, hear witnesses and review any supporting documentation and render a decision. The Panel can dismiss the complaint or render a fine and/or sanctions to the Participant. If a Fine is assessed, the Participant will be notified within 48 hours and must pay the fine within thirty (30) days after receipt of invoice or (ii) appeal the Panel's decision before the MLS Committee (excluding Panel members) on the alleged violation. There will be an administrative fee of \$100 for each unsuccessful appeal.

Failure to pay fine within 30 days of receipt of the fine will result in immediate MLS suspension. A \$25 Broker\Office Re-connect Fee will be assessed to Fine total.

Procedure after Key or KeyBox Rule Violation Complaint Receipt by ARBOR:

This procedure is identical to the MLS Violation Rule Complaint (above), except, the person responsible for the Key/KeyBox Rules Agreement will receive Notices and Fines and sanctions.

(This may be a Broker, a Sales Associate or a Licensed Inspector)

MLS Complaint Panel Composition:

The Complaint Panel will convene at the earliest convenient date determined by the Committee Chairman. The Complaint Panel will be appointed by the MLS Committee Chairman. The Panel will consist of 4 current MLS Committee members plus the Vice-Chairman. The Vice-Chairman will conduct the complaint hearings. Committee members will serve on the panel to hear no more than two (2) received complaints at one time. Panel members may be rotated to other Committee members after two (2) hearings. MLS Committee Members in the same firm as the complainant or the respondent may not serve on the Complaint Panel or in the Committee Appeal Hearing. Panel members may not hear appeals to the MLS Committee. The Committee Chairman will preside over appeals to the MLS Committee.

NOTE: There are no changes to the MLS Rules and Regulations in this notice. This is only a procedural change in how the Fees, fines and sanctions are assessed and the appeals procedures. Members are encouraged to read the complete Multiple Listing Service Rules and Regulations, KeyBox System Rules and Regulations, and the ARBOR Keypad Lease Agreements which are available on ARBORi.com or upon request.

Complaint Panel and Appeal Hearing Procedure :

- Complaint Panel:
 - MLS Staff will receive the complaint, review the complaint and determine if a possible violation of the Rules has occurred.
 - Witness list, written communication and supporting documentation will be assembled by MLS Staff
 - Both Complainant and Respondent will be notified of the Complaint Panel hearing date at least ten (10) days prior by written notice of the date, time, and place of the scheduled hearing.
 - At time of Panel hearing;
 - The member(s) will come in and the Panel Chairman will introduce them.
 - The Chairman will state the Rule(s) and fine(s) being discussed.
 - The member(s) will be given approximately 10 minutes to present their case.
 - The members of the Panel will be allowed to ask questions. Questions will be limited to helping the Panel members understand or clarify facts pertaining to what occurred in this situation only. The Chairman will rule on questions that do not adhere to the current issue or complaint.
 - Upon completion of questions, the member(s) will be excused and the Panel will discuss the facts and make a decision.
 - The member will be notified of the Panel's decision by MLS Staff within 48 hours. Notification may be delivered by phone, fax, email or postal mail.

- Appeal Hearing to MLS Committee
 - MLS Staff will receive the appeal and schedule an Appeal Hearing of the MLS Committee
 - Both Complainant and Respondent will be notified of the Appeal Hearing at least ten (10) days prior by written notice of the date, time, and place of the scheduled hearing.
 - At time of Appeal hearing;
 - The member(s) will come in and the Committee Chairman will introduce them .
 - The Chairman will state the Rule(s) and fine(s) being discussed.
 - The member(s) will be given approximately 10 minutes to present their case.
 - The members of the Committee will be allowed to ask questions. Questions will be limited to helping the Committee members understand or clarify facts pertaining to what occurred in this situation only. The Chairman will rule on questions that do not adhere to the current issue or complaint.

- Upon completion of questions, the member(s) will be excused and the Committee will discuss the facts and make a decision.
- The member will be notified of the Committee's decision by MLS Staff within 48 hours. Notification may be delivered by phone, fax, email or postal mail.
- If the Complaint Panel's decision is over-turned by the Appeal Hearing, all fines and/or sanctions will be dismissed.
- If the Complaint Panel's decision is upheld by the Appeal Hearing, the \$100 administrative fee will be invoiced and added to the member's total amount due.