

Rules and Regulations Kentucky Commercial Real Estate Alliance

Authority: Metro Search, Inc. shall operate a Commercial Information Exchange for its members, which shall be subject to the bylaws of Metro Search, Inc. and such rules and regulations hereinafter adopted.

Purpose: The CIE serves as an information exchange. Participants who have been retained by sellers of commercial or industrial property to market those properties may submit information on those properties to the CIE and Participants who have been retained by buyers of commercial or industrial property may submit information on the type(s) of property sought to the CIE. Any compensation agreements related to property included in the Exchange compilation must be made on an individual basis outside the CIE between the Participants involved.

A Commercial Information Exchange is not a Multiple Listing Service. No offers of cooperation and compensation are communicated by filing information on a property with the CIE.

Supervision The Exchange shall be operated under the supervision of the CIE Committee in accordance with the rules and regulations, subject to the approval of the Board of Directors of Metro Search, Inc.

Appointment of Committee: The President of MSI shall appoint, subject to confirmation by the Board of Directors, a Commercial Information Exchange Committee of nine (9) standing members. All members of the Committee shall be Participants in the Exchange except, at the option of MSI, REALTORS® licensed with Participants may be appointed to serve in such numbers as determined by the local Board. The Committee members so named shall serve staggered three (3) year terms. In addition to the nine (9) members there may be, at the discretion of the committee, the addition of one seat for representation for each Association of REALTORS® affiliating with the Exchange, and there shall be two ex-officio members; the President of Metro Search, Inc or a representative appointed on behalf of the President of Metro Search Inc., and the President of the Kentucky CCIM Chapter, or a representative appointed on behalf of the president of Kentucky CCIM Chapter. The Committee shall select its Chairperson from among the members thereof.

Vacancies: Vacancies and unexpired terms shall be filled as in the case of original appointments.

Attendance: Any Committee member who fails to attend three (3) consecutive regular or special meetings of the Committee, without an excuse acceptable to the Chairperson of the Committee, shall be deemed to have resigned from the Committee and the vacancy shall be filled as herein provided for original appointees.

Filing Procedures

Note: In view of the fact that a Commercial Information Exchange is not a Multiple Listing Service, and no offers of cooperation or compensation can be extended through the Exchange, it is not essential that a Participant retained by a property owner to market the property have an exclusive right to sell, exclusive agency, or open listing. Other forms of agreement through

which the Participant agrees to provide certain marketing services may be the basis for authorizing the submission of property information to the Exchange. Where the Participant is acting on behalf of a buyer, the Participant may submit information describing the type of property sought to the CIE even though the Participant may not be the buyer's exclusive agent. Where the Participant is acting on behalf of the seller or lessor, it is essential that there be a written agreement between the Participant and the seller or lessor authorizing the Participant to submit information on the property to the CIE.

Section 1—Filing Procedures: Submission of any property information to the CIE is voluntary on the part of the Participant. Information on property for sale, lease, or exchange of the following types located within the territorial jurisdiction of the CIE may be submitted by Participants to the Commercial Information Exchange:

- (a) land
- (b) business opportunity
- (c) motel/hotel
- (d) mobile home parks
- (e) commercial income
- (f) industrial
- (g) investment
- (h) office space
- (i) retail
- (j) institutions/churches

While the Commercial Information Exchange does not require a Participant acting on behalf of a seller or lessor to utilize a particular listing contract or other form of agreement, the Exchange shall require use of a standardized property information sheet to submit information on properties for sale, lease, or exchange to the CIE. The Commercial Information Exchange does not require a Participant acting on behalf of a buyer to utilize a written buyer's agent agreement, but shall require use of a standardized property information sheet to submit information on properties sought to the CIE.

The Exchange accepts information on properties which are currently listed on an exclusive right to sell or lease basis, exclusive agency basis, or open listing basis as well as other forms of agreement that make it possible for the Participant to market the property. Any property information submitted on properties for sale, lease, or exchange must include the seller's written authorization for the Participant to submit information on the property to the CIE.

The Exchange will not publish information on properties taken on a net listing basis because such listings are considered unethical and, in most states, illegal.

Section 1.1—Filings Subject to Rules and Regulations of the Exchange: Any property information to be filed with the CIE is subject to the rules and regulations upon filing.

Section 1.2—Detail of Information Filed with the Exchange: Any property information sheet submitted to the Exchange must include a description of the type of property, the address, the price, the square footage, the acreage (if vacant land) and one picture or image (unless the seller(s) expressly direct that photographs of their property not appear in the CIE compilation), or a description of the property sought, or any pertinent information as determined by the CIE.

Listing agent contact information may not be included in the Property Overview field. It is to be listed only in Agent Contact Information.

Section 1.3—Change of Status: Any change in price or other change in the terms of the information originally filed shall be submitted to the Exchange within seventy-two (72) hours (excepting weekends and holidays).

Section 1.4—Withdrawal of Filing Prior to Termination: Filings may be withdrawn from the Exchange by the filing Participant through the submission of a written withdrawal notice signed by the Participant.

Section 1.5—Specification of Price: The Participant, acting on behalf of a seller or lessor, shall specify the price at which the property is being marketed unless the property is subject to auction.

Section 1.6—Multiple Unit Properties: Any property which is to be sold, leased, or exchanged, or which may be marketed separately must be so indicated on the property information sheet. When any part of a filed property has been sold, leased, or exchanged, the rules related to notifying the Exchange shall be observed.

Section 1.7—Filings of Suspended, Expelled, or Resigned Participants: When a Participant is suspended, expelled, or voluntarily resigns from the Exchange, all property information filings submitted by the Participant shall be removed from the compilation of current information by the Exchange.

Negotiations

Section 2—Negotiations: The filing of information with the Exchange by a Participant acting on behalf of a seller or lessor does not, in and of itself, constitute an offer of cooperation. Any Participant, or licensee affiliated with a Participant, wishing to cooperate in the marketing of the property must contact the filing Participant to determine the type of cooperation offered, the compensation offered (if any) to Participants procuring a purchaser or lessee, and the terms and conditions upon which the property being offered may be shown.

Any Participant, or licensee affiliated with a Participant, attempting to locate a property on behalf of a buyer must contact the Participant representing the seller/lessor to determine the terms and conditions of cooperation, the compensation offered (if any), and to arrange showings of prospective properties.

Section 2.1—Presentation of Offers and Counter-offers: A filing Participant acting as the agent of a seller or lessor shall present all offers to the seller or lessor until closing unless precluded by law, government rule, regulation, or unless otherwise agreed in writing between the seller(s) or lessor(s) and filing Participant. Unless a subsequent offer is contingent upon the termination of an existing contract, the filing Participant shall recommend that the seller(s) or lessor(s) obtain the advice of legal counsel prior to accepting a subsequent offer. Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre existing contract has been terminated.

Section 2.2—Right of Participant Producing Offer in Presentation of Offer: The Participant producing the offer or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase, lease, or exchange. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the filing Participant. However, if the seller or lessor gives written instructions to the filing Participant that the Participant producing the offer not be present when an offer the broker secured is presented, the Participant producing the offer has the right to a copy of the seller's or lessor's written instructions. None of the foregoing diminishes the filing Participant's right to control the establishment of appointments for such presentations.

Section 2.3—Right of Seller/Lessor Representative in Presentation of Counter-Offer: The Participant representing the seller or lessor, 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 (except where the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the Participant representing the seller or lessor not be present when a counter-offer is presented, that broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 2.4—Reporting Sales: Sales, leases, or exchanges shall be reported to the CIE by the Participant making the original information filing within seventy-two (72) hours (excluding weekends and holidays) of acceptance of a contract to purchase, lease, or exchange.

Section 2.5—Reporting Cancelled Pending Sales: The Participant making the original filing shall report any cancelled sale, lease, or exchange to the Exchange within seventy-two (72) hours and the property information filing shall be reinstated in the compilation of current information.

Section 2.6—Disclosing the Existence of Offers: Listing brokers, in response to inquiries from buyers or cooperating 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 cooperating broker.

Section 2.7—Availability of Listed Property: Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

Prohibitions

Section 3—Information for Participants Only: Property information published through the Exchange may not be made available to any broker or firm not participating in the Exchange without the prior express consent of the filing Participant.

Section 3.1—“For Sale” Signs: Only the “For Sale” signs of the filing Participant may be placed on the property.

Section 3.2—“Sold” Signs: Prior to closing, only the “Sold” sign of the Participant filing Information on a property for sale may be placed on the property, unless the listing broker authorizes the cooperating (selling) broker to post such a sign.

Fees and Charges

The charges made for participation in the CIE shall be as determined, and as amended from time to time by the Board of Directors of MSI.

a. Application Fee: An applicant for participation in the CIE shall pay an application fee established by the MSI Board of Directors, with such fee to accompany the application.

b. Participation Fee: The annual participation fee of each Participant shall be an amount established by the MSI Board of Directors, times each salesperson and licensed or certified appraiser who has access to and use of the CIE; 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 in accordance with accounting policies.

Participants may request a no-cost waiver of the participation fees for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS or CIE where the principal broker participates. Participants must sign a certification of nonuse of the CIE services by their licensees which will include penalties and termination of the waiver if violated.

Compliance with Rules

Section 5—Compliance with Rules: The following action may be taken for noncompliance with the rules:

(a) For failure to pay any service charge or fee within one (1) month of the due date, and provided that at least ten (10) days notice has been given by MSI, the Participant or Subscriber shall be suspended until service charges or fees are paid in full. If such amounts are not paid within two (2) months after the due date, the participation of the Participant or Subscriber shall automatically terminate.

(b) For failure to comply with any other rule, the provisions of Sections 7 and 7.1 shall apply.

Section 5.1—Applicability of Rules to Users and/or Subscribers: Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the CIE are subject to these rules and regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of CIE information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the Participant to the same or other discipline. This provision does not eliminate the Participant’s ultimate responsibility and accountability for all users and subscribers affiliated with the Participant.

Meetings

Section 6—Meetings of Commercial Information Exchange Committee: The Exchange Committee 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 6.1—Meetings of Participants: The Committee may call meetings of the Participants in the Exchange.

Section 6.2—Conduct of Meetings: The Chairperson or Vice Chairperson shall preside at all meetings. 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 and Disputes

Section 7—Consideration of Alleged Violations: The CIE Committee shall give consideration to all written complaints alleging violations of the rules and regulations.

Section 7.1—Violations of Rules and Regulations: If the alleged offense is a violation of the rules and regulations of the Exchange and does not involve a charge of alleged violation of one or more of the provisions of Section 14 of the rules and regulations or a request for arbitration, the following shall apply:

For each violation of any Rule or Regulation, staff will notify the Subscriber (agent) and Participant (broker) by email with a detailed description of the violation including the specific rule or regulation involved. The Subscriber (agent) will have five (5) days to correct the issue. If the violation is not cured after five (5) days, a \$100 fine will be assessed to the Subscriber (primary listing agent.) The Subscriber (primary listing agent) will receive notice of the fine via email to the Subscriber (primary listing agent) and Participant (broker). Should the violation not be cured, the Subscriber (primary listing agent) will be assessed an additional fine of \$100 for each five (5) day period until the violation has been remedied or until the accumulated fines reach \$400. When the accumulated fine reaches \$400, the Subscriber's (primary listing agent) access to the CIE system will be suspended until such time the fine is paid and the error is corrected.

A Participant (broker) or Subscriber (agent) may appeal a fine or notice of violation by written request to the KCREA committee. Such request must be submitted within fifteen (15) calendar days of the initial fine assessment and must be signed by the Participant (broker) and the Subscriber (agent). Fines will cease to accumulate upon receipt of written request for appeal until such time that the appeal request is heard.

Alleged violations of Section 14 of the rules and regulations shall be referred to the Board's Grievance Committee for processing in accordance with the professional standards procedures of the Board, except that if the charge alleges a refusal to arbitrate, such charge shall be referred directly to the Board of Directors of the Board.

Section 7.2—Complaints of Unethical Conduct: All complaints of alleged unethical conduct shall be referred by the Exchange Committee to the Secretary of the Board of REALTORS® for appropriate action in accordance with the Board’s professional standards procedures.

Confidentiality of Exchange Information

Section 8—Confidentiality of Exchange Information: All information provided by the CIE to Participants shall be considered confidential and is provided exclusively for the use of Participants authorized and qualified to act as agents in the sale, lease, exchange, appraisal, or purchase of property filed with the Exchange and for the use of 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 8.1—Exchange Not Responsible for Information Submitted by Participants: The information published by the Exchange is communicated without change as filed by the Participants. The Exchange does not verify the information provided and disclaims any liability or responsibility for its accuracy. Each Participant agrees to hold the Exchange harmless against any liability arising from any inaccuracy or inadequacy of the information such Participant provides.

Ownership of Exchange Compilation* and Copyright

Section 9—By submitting property information to the CIE, the Participant represents that he has been authorized to grant and also thereby does grant authority for the Board to include the property information in its copyrighted Exchange compilation and also in any comparable report, sold report, or other historical or statistical report unless expressly indicated otherwise in writing at the time the information is filed with the Exchange.

Section 9.1—All right, title, and interest in each copy of every Exchange compilation created and copyrighted by Metro Search, Inc., and in the copyrights therein, shall at all times remain vested Metro Search, Inc.

Use of Copyrighted Exchange Compilation

Section 10—Distribution: Participants shall at all times maintain control over, and responsibility for, each of the Exchange compilations leased to them by Metro Search, Inc. and shall not distribute the compilation to anyone other than subscribers affiliated with the Participant.

Section 10.1—Display: Participants, and licensees with affiliated Participants, shall be permitted to display the Exchange compilation to prospective sellers, lessors, and purchasers only in conjunction with their ordinary business activities of attempting to market properties or to identify suitable properties for buyers or lessees.

Section 10.2—Reproduction: Participants or their affiliated licensees shall not reproduce any Exchange compilation or any portion thereof, except in the following limited circumstances.

Participants and their affiliated licensees may reproduce from the compilation, and distribute to prospective sellers, lessors, and purchasers, a reasonable number of single copies of property information contained in the Exchange compilation. Nothing contained herein shall be construed to preclude any Participant from utilizing, displaying, distributing, or reproducing property information sheets or other compilations of data pertaining exclusively to properties submitted to the Exchange by the Participant.

Any 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 property 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 Commercial Information Exchange 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.

Use of Exchange Information

Section 11—Limitations on Use of Exchange Information: Use of information from the compilation of current property information, from the statistical report, or from any sold or comparable report of the Board or Exchange for public mass media advertising by a 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 the Exchange must clearly demonstrate the period of time over which claims are based and must include the following, or substantially similar, notice: Based on information from the Board/Association of REALTORS® (alternatively, from the Kentucky Commercial Real Estate Alliance, CIE) for the period (date) through (date).

Changes in Rules and Regulations

Section 12—Changes in Rules and Regulations: Amendments to the rules and regulations of the Exchange shall be by a majority vote of the Members of the Committee, subject to approval by the Board of Directors of Metro Search, Inc.

Arbitration of Disputes

Section 13—Arbitration of Disputes: By becoming and remaining a Participant, each Participant agrees to arbitrate disputes involving contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the Code of Ethics with Exchange Participants in different firms arising out of their relationships as Exchange Participants subject to the following qualifications:

(a) If all disputants are members of the same Board of REALTORS®, or have their principal place of business within the same Board's territorial jurisdiction, they shall arbitrate pursuant to the procedures of that Board/Association of REALTORS®.

(b) If the disputants are members of different Boards of REALTORS®, or if their principal place of business is located within the territorial jurisdiction of different Boards of REALTORS®, they remain obligated to arbitrate in accordance with the procedures of the (State Association) of REALTORS®.

Interboard Arbitration Procedures: Arbitration shall be conducted in accordance with any existing inter-board agreement or, alternatively, in accordance with the Interboard Arbitration Procedures in the Code of Ethics and Arbitration Manual of the National Association of REALTORS®. Nothing herein shall preclude Participants from agreeing to arbitrate the dispute before a particular Board/Association of REALTORS®.

Standards of Conduct for Exchange Participants

Section 14—Standards of Conduct for Exchange Participants:

Section 14.1—Exchange Participants shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other Exchange Participants have with clients.

Section 14.2—Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without the consent of the seller/landlord.

Section 14.3—Exchange Participants acting as subagents or as buyer/tenant representatives or brokers shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker.

Section 14.4—Exchange Participants shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the Exchange Participant, the broker refuses to disclose the expiration date and nature of such listing; i.e., an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client, the Exchange Participant may contact the owner to secure such information and may discuss the terms upon which the Exchange Participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing.

Section 14.5—Exchange Participants shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by an Exchange Participant, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the Exchange Participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the Exchange Participant might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement.

Section 14.6—Exchange Participants shall not use information obtained from listing brokers through offers to cooperate made through the Commercial Information Exchange or through other offers of cooperation to refer listing brokers' clients to other brokers or to create buyer/tenant relationships with listing brokers' clients, unless such use is authorized by listing brokers.

Section 14.7—The fact that an agreement has been entered into with an Exchange Participant shall not preclude or inhibit any other Exchange Participant from entering into a similar agreement after the expiration of the prior agreement.

Section 14.8—The fact that a prospect has retained an Exchange Participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other Exchange Participants from seeking such prospect's future business.

Section 14.9—Exchange Participants are free to enter into contractual relationships or to negotiate with sellers/ landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent.

Section 14.10—When Exchange Participants are contacted by the client of another Exchange Participant regarding the creation of an exclusive relationship to provide the same type of service, and Exchange Participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement.

Section 14.11—In cooperative transactions, Exchange Participants shall compensate cooperating Exchange Participants (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other Exchange Participants without the prior express knowledge and consent of the cooperating broker.

Section 14.12—Exchange Participants are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another Exchange Participant. A general telephone canvass, general mailing or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, or organization, or other classification or group is deemed "general" for purposes of this rule.

The following types of solicitations are prohibited:

Telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their property with another Exchange Participant; and mail or other forms of written solicitations of prospects whose properties are exclusively listed with another Exchange Participant when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current listings, "for sale" or "for rent" signs, or other sources of information intended to foster cooperation with

Exchange Participants

Section 14.13—Exchange Participants, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service.

Section 14.14—Exchange Participants, acting as buyer or tenant representatives or brokers, shall disclose that relationship to the seller/landlord's representative or broker at first contact and shall provide written confirmation of that disclosure to the seller/landlord's representative or broker not later than execution of a purchase agreement or lease.

Section 14.15—On unlisted property, Exchange Participants acting as buyer/tenant representatives or brokers shall disclose that relationship to the seller/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement. Exchange Participants shall make any request for anticipated compensation from the seller/landlord at first contact.

Section 14.16—Exchange Participants, acting as representatives or brokers of sellers/landlords or as subagents of listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement.

Section 14.17—Exchange Participants are not precluded from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through a CIE may not be used to target clients of other Exchange Participants to whom such offers to provide services may be made.

Section 14.18—Exchange Participants, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer/tenant representatives or brokers, nor make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation.

Section 14.19—All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not with the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client. Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, Exchange Participants shall ask prospects whether they are a party to any exclusive representation agreement. Exchange Participants shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects.

Section 14.20—Participants, users, and subscribers, prior to or after their relationship with their current firm is terminated, shall not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude Participants from establishing agreements with their associated licensees governing assignability of exclusive agreements.

Section 14.21—These rules are not intended to prohibit ethical albeit aggressive or innovative business practices, and do not prohibit disagreements with other Exchange Participants involving commission, fees, compensation or other forms of payment or expenses.

Section 14.22—Exchange Participants shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices.

Section 14.23 – Exchange Participant’s firm websites shall disclose the firm’s name and state(s) of licensure in a reasonable and readily apparent manner.

Websites of licensees affiliated with a Participant’s firm shall disclose the firm’s name and the licensee’s state(s) of licensure in a reasonable and readily apparent manner.

Section 14.24 – Exchange Participant’s 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 may not:

1. engage in deceptive or unauthorized framing of real estate brokerage websites;
2. manipulate (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result;
3. deceptively use meta tags, keywords or other devices/methods to direct, drive, or divert Internet traffic,
4. present content developed by others without either attribution or without permission, or
5. otherwise misleading consumers, including use of misleading images.

Section 14.25 – The services with CIE 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, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

CIE 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 person engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.

Orientation

Section 15—Orientation: Any applicant for Exchange Participation and any licensee affiliated with an Exchange Participant who has access to and use of CIE-generated information shall complete an orientation program of no more than twelve (12) classroom hours devoted to the CIE rules and regulations and computer training related to CIE information entry and retrieval.