



MLS CITATION POLICY

JUNE 1, 2023

California Regional Multiple Listing Service, Inc. MLS Citation Policy & Schedule of Fines

The purpose of this citation policy is to ensure the integrity of the MLS including the currency and accuracy of its information. Fines will be issued and processed in accordance with this Citation Policy. The citable offenses and fines are subject to change upon approval of the CRMLS Board of Directors. The Citation Policy is in addition to and does not replace the provisions of Section 14 of the CRMLS MLS Rules and Regulations.

- 1) A violation of the rules must be corrected within two (2) days of receipt of a Warning Notice of violation sent to the Violator and/or Responsible Participant. Failure to timely correct a noted violation will result in the issuance of a Citation. Failure to correct a violation within two (2) days of receipt of the Citation is a violation of MLS Rule 14.4(a) and will result in an additional Citation for failure to correct. A non-conforming listing may be subject to removal by the MLS from active display.
- 2) Receipt of notices referenced in this Policy is presumed to be the sooner of three (3) business days after mailing or one (1) business day after an email has been sent. CRMLS will utilize the email address provided by the Participant/Subscriber as contained within the MLS Platform. Every MLS Participant and Subscriber shall be required to maintain a current, accurate, and active email address at which they may be contacted.
- 3) Fines are due within twenty (20) calendar days of receipt of a Citation.
- 4) If a violator wishes to contest a Citation, the violator may, within twenty (20) calendar days of receipt of a Citation, request a review in accordance with the procedures set forth below. Failure to request a review in writing within twenty (20) calendar days of receipt of the citation, according to these procedures, will result in the opportunity for a review being waived. A request for review will not be processed unless the violation at issue has been corrected.
- 5) The amount of the fines is set by the CRMLS Board of Directors, and as a result CRMLS Staff does not have the authority to waive or reduce any fine.
- 6) Citation Review Procedures:
 - a) A request for a Citation Review must be filed online at <https://go.crmls.org/crmls-citation-review-request> within twenty (20) calendar days of receipt of a Citation.
 - b) Supervisor level Compliance staff shall conduct an internal audit of the case taking into consideration any additional evidence provided by the Violator. CRMLS Supervisors may either withdraw the Citation, or process the Citation Review by compiling relevant facts and evidence, including all evidence provided by the Violator, and forwarding to the Violator's local AOR/BOR.
 - c) The Violator's AOR/BOR shall process all aspects of the Citation Review once presented with the Citation Review from CRMLS.
 - d) The Citation Review by the AOR/BOR shall be managed by a Panel of 3 members of the AOR/BOR Professional Standards Committee. The review Panel shall evaluate the documentary evidence presented by both CRMLS and the Violator. No verbal testimony or in-

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person hearing shall be permitted. The review Panel shall either confirm or withdraw the Citation. No additional MLS rule violations or Code of Ethics charges may be added to the case. CRMLS may charge an additional \$100 Citation Review Processing Fee in addition to any fine amount for any Citation Review that results in the review Panel confirming the violation.

- e) Notwithstanding item (d) above, at the time of submission of a Citation Review request the Violator may instead elect to have a full disciplinary case, including a full evidentiary hearing consistent with the C.A.R Code of Ethics and Arbitration Manual. If a full hearing process is chosen:
 - i) The Citation Review will be sent to the Violator's AOR/BOR for review by the Grievance Committee, which may add additional MLS Rule or Code of Ethics Violations. It is the role of the Grievance Committee to determine if there is sufficient evidence present to justify a Professional Standards Review Hearing. The Grievance Committee will consider both the violators written statement in the request for review and the evidence presented by CRMLS. The Grievance Committee may dismiss the Citation if it finds that there is insufficient evidence of a violation.
 - ii) If the Grievance Committee finds sufficient evidence of the rule being violated, a Professional Standards Hearing will be scheduled at the Violators local AOR/BOR. The local Association's Professional Standards Committee will conduct a full evidentiary hearing and will render a final decision. That decision may include additional MLS Rule or Code of Ethics Violations in addition to the original citation. CRMLS may charge an additional \$200 Citation Review Processing Fee in addition to any fine amount for any Citation Review that results in the professional standards panel confirming the violation. Depending on the policies of the local association, the Violator may be subject to administrative fees in addition to the fines assessed.
 - f) Failure to either pay a fine or request a review within twenty (20) calendar days of receipt of a Citation may subject the violator to suspension from the MLS in accordance with section 17.1 of the MLS Rules and Regulations.
- 7) The CRMLS and/or governing Association Board of Directors reserves the right and discretion to charge a Participant or Subscriber with rules violations by virtue of the Professional Standards hearing process, including the possibility of additional fees or fines, suspension or expulsion, rather than utilizing the citation process. Thus, the below fines may not be all inclusive.
- 8) Any Participant or Subscriber who receives 3 (three) Citations in a calendar year, and within that same year engages in further Rules violations whereby additional Citations are warranted, shall be referred to the governing Association for review and consideration of additional discipline and/or termination of MLS Services pursuant to Rule 14.3.1.
- 9) CRMLS may apply this Policy and the provisions of the CRMLS Rules and Regulations with reasonable discretion, including but not limited to, issuing single Warning or Citation Notices for multiple violations by a single Violator, issuing separate Warning or Citation Notices for co-Violators, or otherwise attempting to accurately assign responsibility for violations.

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The violation fine schedule is set forth as follows:

Rule	Warning	Summary	Fine
4.3	Yes	Failure of Participant/Subscriber to Notify the MLS of Termination, Transfer, or Addition of Any Clerical Users Affiliated with Participant/Subscriber	\$100
4.5	No	Failure of Participant to Notify the MLS of Termination, Transfer, or Addition of any Licensees Under Participant's License	\$250
5.1.6	No	Failure to Comply with "Certification of Nonuse" (back fees owing under Certification to be cumulatively added to citation amount)	\$250
7.2	Yes	Duplicate Listing Entry	\$100
7.3	No	Prohibited Co-Listing	\$250
7.5	Yes	Improper Classification of Listing Agreement Type	\$100
7.6	Yes	Improper Classification of Property Type	\$100
7.8	No	Failure to Input Listing in MLS or Register Property	\$500- \$2500*
7.8	Yes	Failure to Disclose Known Additional Property Owner Information	\$100
7.9	No	Failure to Submit Listing to MLS Upon Marketing of Property	\$500- \$2500*
7.9.1	No	Marketing or No Written Permission on a No-Cooperation Listing	\$500- \$2500*
7.11	No	Failure to Update/Change Listing Information (Subscriber)	\$250
7.11	No	Failure to Obtain Written Authorization for Changes to Listing Agreement (Participant)	\$500
7.12	No	Withdrawal of Listing Prior to Expiration	\$250
7.15	No	Failure to Offer Unconditional Compensation	\$100
7.18.3	Yes	Failure to Comply with Auction Listing Requirements	\$100
7.18.4	Yes	Failure to Comply with New Construction Listing Requirements	\$1,500
7.20	Yes	Failure to Disclose Participant/Subscribers Interest in the Subject Listing	\$250
7.22	No	Expiration, Extension, and Renewal of Listing	\$250
7.25	Yes	Failure to Disclose Dual/Variable Commission	\$250
7.27	Yes	Failure to Disclose REO Status	\$100
8.1	No	Failure to Obtain Seller Authorization to List in the MLS	\$1,500
8.2	No	Failure to Provide Written Documentation Requested by the AOR/MLS	\$250
8.2	No	Failure to Provide Listing Agreement when requested by the AOR/MLS	\$500
8.3	Yes	Display of Inaccurate Listing Status	\$250
8.3	Yes	Failure to Input Accurate Information	\$100
8.3	Yes	Failure to Verify Accurate Listing Information (Auto Sold)	\$250
8.3	No	Failure to Correct Incomplete/Inaccurate Information within 2 Business Days After Notification by the AOR/MLS	\$250
9.3	Yes	Misrepresenting the Availability to Show or Inspect	\$250
9.3	No	Showing of a Coming Soon or Hold Listing	\$500- \$2500*
9.9	No	Failure to be Present when Providing Access to a Listed Property to Buyers/Potential Buyers	\$1,500
10.1	No	Failure to follow advertising requirements for Coming Soon status listings	\$250
10.1	No	Failure to Obtain Seller's Authorization for Coming Soon status listings	\$750

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Rule	Warning	Summary	Fine
10.2	No	Failure to Timely Report Listing Status Changes and Sales	\$250
10.4	Yes	Failure to Timely Report Cancellation of Pending Sale	\$250
10.5	No	Failure to Report Seller's Refusal to Sell	\$1,500
11.5(a)	Yes	Improper Media Content	\$100
11.5(b)	No	Use of Media without Prior Written Authorization	\$1,500
11.5(c)	Yes	Untruthfulness/Misrepresentation in Media	\$100
11.5(d)	No	Improper Subsequent Use of Media	\$1,500
11.5(d)	Yes	Double Watermark Photo(s)- Failure to Obtain/Use Authorized Original Media	\$100
11.5(e)	No	Branding in Media	\$100
11.5.1	No	Mandatory Submission of Photograph/Rendering (except Business Op)	\$250
12.1	No	Failure to Timely Notify of DRE/OREA Adverse Action	\$1,500
12.5	Yes	Misuse of Public Remarks	\$250
12.5.1	No	Misuse of Other Remarks/Media	\$250
12.7	No	Unauthorized Use of Term "Sold"	\$250
12.8	No	Unauthorized Advertisement of Listing of Another Broker	\$1,500
12.8.1(a)	No	Unauthorized Advertisement of Listing of Another Broker on Neighborhood Market Report	\$1,500
12.8.1(b)	No	Failure to Provide Listing Attribution on Neighborhood Market Report	\$250
12.8.1(c)	No	Displaying Unauthorized Listing Content on Neighborhood Market Report	\$250
12.8.1(c)	No	Displaying Unauthorized Photograph on Neighborhood Market Report	\$1,500
12.9	No	Failure to Provide Adequate Informational Notice on Print/Non-Print forms of Advertising and Public Representations	\$100
12.10	No	False and Misleading Advertising and Representations; True Picture Standard of Conduct	\$250
12.11	No	Unauthorized Use of MLS Information	\$1,500
12.12	No	Unauthorized Distribution of MLS Information and Passcodes	\$1,500
12.12.1	No	Unauthorized Clerical User Access and Use of MLS Information	\$1,500
12.15	No	Misuse of MLS Reproduction	\$1,500
12.15.2	No	Unauthorized Reproduction of Confidential Fields and Information	\$1,500
12.15.4	No	Unauthorized Compilation Downloading or Transmission of Data; Failure to Restrict Access to Authorized Party	\$1,500
12.22	No	Current, Accurate and Active Email Address Required	\$500
13.2	No	Unauthorized Sharing of Lockbox Key	\$1,500
13.4	No	Failure to Account for Lockbox Key	\$1,500
13.5	No	Failure to Obtain Seller's Permission to Place a Lockbox	\$1,500
13.6	No	Failure to Abide by Lockbox Requirements	\$250
13.7(a)	No	Unauthorized Entrance into a Listed Property	\$1,500
13.7(b)	No	Failure to Follow Showing Instructions	\$1,500
13.8	No	Failure to Report Lost or Stolen Lockbox Keys	\$1,500
13.9	No	Failure to Timely Remove Lockbox after COE, Expiration, or Cancellation	\$250
14.4(a)	No	Failure to Correct any Violation – Subscriber	\$250
14.4(a) / 4.7	No	Failure to Correct any Violation – Participant Broker	\$250
19.2	No	Misuse of MLS Data on the Internet; Violation of IDX Rules	\$1,500
19.3	No	Misuse of MLS Data on the Internet: Violation of VOW Rules	\$1,500

* 1% of list price, no less than \$500 and not to exceed \$2,500