

Rules and Regulations
Kosciusko Board of REALTORS®
Appendix: Fine Schedule

Rev. 04/21

Rules and regulations exist to ensure that there is an orderly marketplace, and that includes having timely, accurate and robust MLS Data. The following schedule will be adhered to by the KBOR Board of Directors and Staff.

Complaints may be initiated by:

- KBOR MLS Staff
- Participants or Subscribers to the MLS

(Reporting of alleged violations of the Rules and Regulation **MUST BE IN WRITING**, no other form of complaint will be accepted.)

- Unlicensed administrative and clerical staff affiliated with an MLS Participant.
- ListingDIV Compliance checker; the Paragon error reporting function.

Definitions:

MLS Participant: The MLS Participant is recognized as the Owner and/or Managing Broker of a member Firm. They are responsible for ensuring that all affiliated Subscribers, including registered staff, broker assistants, comply with the rules, regulations and policies of the Service.

MLS Subscriber: The MLS Subscribers are non-Owners and/or Brokers and are reported as individual users of the MLS beneath the responsible MLS Participant and firm.

Compliance with Rules: Authority to Impose Discipline:

By becoming and remaining a participant or subscriber in the MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. The discipline imposed may only consist of one or more of the following:

- a. Letter of Warning
- b. Letter of Reprimand
- c. Attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location and duration.
- d. Appropriate, reasonable fine not to exceed \$15,000.
- e. Suspension of MLS rights, privileges and services for not less than thirty (30) days nor more than one (1) year.
- f. Termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

Any MLS must issue sanctions for violations of MLS rules. In any instance where a participant in an association MLS is charged with a violation of the MLS bylaws or rules and regulations of the service, and such charge does not include alleged violations of the Code of Ethics or the Standards of Conduct for MLS participants, or a request for arbitration, recipients of an administrative sanction may request a hearing before the KBOR/MLS Board of Directors.

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CATEGORY I VIOLATIONS—(Compliance Fee Schedule Page 5)

Definition	A rule violation relating to basic listing information provided by a participant or subscriber.
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- Violations Include (but are not limited to):
1. Listing Procedures:
 - a. Listings shall be entered to the MLS within two (2) business days after all necessary signatures of seller(s) have been obtained, **or**
 - b. Per the Clear Cooperation, within one (1) business day of marketing a property to the Public. Public marketing includes, but not limited to, flyers, yard signs, digital marketing on public facing websites, brokerage website displays, email blasts, etc., **or**
 - c. Per Listed Coming Soon, the completed *Listed Coming soon Authorization Form* signed by seller must be submitted by the listing Participant to KBOR MLS Staff.
 2. Any associated documents required by listing (Sales Disclosure, Lead Base Paint) and photos must be uploaded at the time of listing being input into the system.
 3. Submit the photo(s) (for vacant land an aerial or photo is required), for new construction architectural rendering acceptable until file is closed. Upon closing actual photo must be submitted as the primary photo. Water access property listing utilizing water view as main photo will be acceptable prior to closing. Upon closing primary photo must consist of dwelling. Submitting a photo in the MLS which does not accurately depict the property for sale, by including people, inserted text (such as marketing or promotional messages) or digital or physical alterations of the photograph.
 4. Any change in listed price or other change in the original listing agreement not submitted to the MLS within one (1) business days of receipt of signed document by seller.
 5. Any listing bearing names, phone numbers, web site addresses, company slogans or any language that infers identification of a company or individual.
 6. Entering confidential or “agent only” information in any field other than the agent remarks field.
 7. Failure to report the correct selling office and selling agent on the sold listing.
 8. Other violations as may be changed or added to the KBOR MLS Rules and Regulations.

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CATEGORY II VIOLATIONS—(Compliance Fee Schedule Page 5)

Definition

A rule violation that may be considered a potentially “willing” violation.

Violations Include (but are not limited to):

1. KBOR Participant (or subscriber) duplicates photographs or descriptive text fields into a new listing without permission from previous Listing Participant.
2. Advertising a property prior to obtaining a signed contract in any format including signage and social media outlets.
3. Per Clear Cooperation, advertising on any platform before the one (1) Business Day requirement of the listing being entered into the MLS. Public marketing includes, but is not limited to, advertising on social media, flyers, yard signs, digital marketing on public facing websites, brokerage website displays, email blasts, etc.
4. Only the “For Sale” signs of the listing broker may be place on a property. Prior to closing, only the “sold” sign of the listing broker may be placed on a property, unless the listing broker authorizes the cooperating broker (selling) broker to post such a sign.
5. Utilizing the Co-List Agent Field incorrectly. The co-list field can only be used when a specific property has been listed by 2 agents from the same or different office.
6. Teams—The name of the Listing and Selling Agent in Paragon must be the same agent whose name is on the listing agreement and purchase agreement.
The listing agent will be the agent whose name is on the listing agreement
The selling agent will be the agent whose name is on the purchase agreement.
7. Modifying or manipulating information relating to another participant’s listings.
8. Other violations as may be changed or added to the KBOR MLS Rules and Regulations.

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CATEGORY III VIOLATIONS—(Compliance Fee Schedule Page 5)

Definition

A rule violation that due to their nature are not considered
“correctable”.

Violations Include (but are not limited to):

1. Failure to provide KBOR MLS Staff with requested documentation immediately upon request or within the designated time period set by the Staff.
2. Knowingly providing false data in informational fields.
3. Failure to obtain seller’s written consent before entering status changes relating to amendments to the listing agreement with a seller.
4. Any MLS 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. Providing MLS information to brokers or firms that do not participate in MLS.
5. Entering or extending a listing in the MLS without a signed listing agreement or extension.
6. Entering a duplicate listing in the same class for the same property in the MLS that are both Active.
7. Misrepresenting the availability of listed property by keeping the listing active , but not allowing showings.
8. Listing agents completing and signing Seller Disclosures on behalf of the seller.
9. KBOR Participant or Subscriber may not use Amendments, Addendums or any other forms or agreements to circumvent the Rules and Regulations and/or policies of the MLS in any way on any Listing Contract or Listing with the MLS.
10. Failure to disclose the existence of an offer. 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.
11. Other violations as may be changed or added to the KBOR Rules and Regulations

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COMPLIANCE FINE SCHEDULE

Fine Amounts	Category I	Category II	Category III
1st Notice	Written Warning	Written Warning	Fine = \$500
2nd Notice	Fine = \$500	Fine = \$750	Fine = \$1,000
3rd Notice	Fine = \$1,000	Fine = \$1,500	Fine = \$2,000
4th Notice	MLS Privileges Suspended		

Written acknowledgment/response, corrections, and compliance are required within two (2) business days of notice. Failure to correct the error or respond in the noted time frame will result in violation escalation.

- All Violation Notices will be in writing with defined compliance timelines and an explanation of the specific MLS Rule and Regulation. The notices will be sent to both the Participant and Subscriber.
- Category determination and fine amounts will relate to the gravity and duration of the offense.
- Repeat violations will be tracked. MLS participants and subscribers can receive no more than three (3) administrative sanctions in a calendar year before they are required to attend a hearing for their actions and potential violations of the MLS rules and potential loss of MLS service.
- MLSs may charge an administrative processing fee of up to \$500 in addition to any discipline imposed, used to help cover the costs of holding the hearing.
- Failure to pay fines by the due date may result in termination of MLS service for the Participant's firm. If MLS service of a Participant is terminated for non-payment of fine(s), the service will be reinstated when the fine(s) have been paid.
- Consideration of Violation compliance may change at the decision of the MLS Board and/or Staff if there are extenuating circumstances.
- Any Participant or Subscriber having reason to believe that the sanction imposed is without merit may file a written complaint to the Board for review and consideration.