

## AJMLS QUICK REFERENCE GUIDE TO PROCEDURES

All paperwork should be sent to [info@alljerseymls.com](mailto:info@alljerseymls.com)

### PAPERWORK REQUIRED:

**-Withdrawal w/Protection** – send to the office within 48 hours.

### Input-

**All office Middlesex Co. listings:** Residential (1 to 4 family & attached), Res, Rental, Land (to 4 lots), Developments (to 4)

**Adult Community-** Placed in ADU but also may be entered in Residential and/or Res. Rental.

*Listings must be entered by midnight of the following date after the "Listing Agreement begins on" date.*

**No showing or Delay Showing:** If in "A" status must state in "Remarks" Section; "No Showing or Showing Starts...." Or similar verbiage if property cannot be shown. (Delay max 14 days – otherwise "T" status)

**Status Change to "U", "US", "W"** must be entered in the system immediately. "C" must be entered in the system within 7 days

### Optional Statuses:

"T": Explain in the Licensee Notes (i.e. temporarily not for sale, for sale but cannot be shown, off market until ...)

"AR": the CD is the last date of signatures (assuming delivery to seller/buyer of contract is the same day).

"AR" status is an Active Status – upon conclusion of AR – status must be U or US accordingly.

**Data Entry:** "TC" must be updated within 60 days if date has been exceeded.

**Images** - 1 image must be uploaded within 10 days. Front of home is required but is not required to be in the 1st position. Copyright protected - Broker owns the picture.

**Branding/links etc.** - Virtual Tours/Pictures/Remarks may not be branded or have links. No phone numbers, agent photos, OH Info., logos, websites (HomePath.com, HUDHomestore.com, Your own, etc...). You can use Licensee Notes section.

**ER/EA**– must be correctly identified.

**Inappropriate words** – Wording that may violate LAD or HUD – Protective Classes (i.e., walk, children, church, American etc.)

### OTHER INFO:

**Negotiations:** Through Listing Agent only unless directed by LA/LA Broker or Licensee Notes with other directions

**Proprietary Information** - Participants shall not disseminate the AJMLS database (Matrix) full detailed listing information (i.e., Licensee Reports) or any other listing display containing proprietary listing information to the public.

**Showing: Instructions** - must be followed for each showing - if none entered, contact Listing Office.

**Lock Boxes** – If using an "electronic" lockbox on a property located in Middlesex County, the current electronic lockbox being supported by the AJMLS will be permitted. Multiple boxes are allowed.

**Statistical Reports** - Disclaimers must be used when publishing AJMLS statistical reports. "The information contained herein has not been compiled or approved by the All Jersey Multiple Listing System, Inc."

**DO NOT SEND THE FOLLOWING TO MLS:** Listing Agreement, Price/Extension/Commission Changes, Data Input Forms, Atty Letters, Atty General Notice, Lead Addendums, Contracts, Mortgage Applications, Other MLS's Cover Pages, and Changes in status other than noted above.

# **OPERATING PROCEDURES**



**Adopted: August 1, 1968**  
**Revised: Aug 2022**

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## **THE CENTRAL JERSEY MULTIPLE LISTING SYSTEM OPERATING PROCEDURE**

### **SECTION I - PURPOSE**

- 1) **Description and Purpose:** This Operating Procedure is the delineation of the Rules, Regulations and Procedures under which the Multiple Listing System aspect of the business of the Corporation (hereinafter referred to as "MLS") shall be conducted. Its purpose is to provide to the members a procedure to govern their relationship with the MLS and each other.
- 2) **Office:** The MLS shall maintain a central office where all listings, corrections, sales contracts, changes in the terms of a listing, withdrawals, and all other material applicable to the MLS will be delivered, and where all matters pertaining to the MLS will be immediately reported. The office shall be open on a daily basis Monday through Friday (with the exception of legal holidays), and as otherwise established by the Board of Directors. It shall make available to all members of the MLS, by computer and/or in printed form, the current and pertinent data on listings, contracts, closed sales, etc., as entered into the systems or still available in another form. The Chief Executive Officer of the MLS shall manage the office.

## **SECTION II – MEMBERSHIP**

**1) Application for Membership:** Upon filing of application, applicant will be assigned an ID. No retired ID shall be reassigned until all comps and listings under that ID, regardless of status, have been purged from the database.

**A. Resident:** A Broker having an office in Middlesex County may have access to the Central Jersey MLS only via full membership in the Central Jersey MLS. Applicants for resident membership in the MLS shall fulfill the following requirements:

- i. Submit a completed application and fee of \$250.00 to the MLS, attention of the Membership Committee.
- ii. Provide Real Estate Commission verification that the applicant is a licensed Real Estate Broker in New Jersey. The applicant shall also be in compliance with Article VI of the Constitution & Bi-Laws.
- iii. Upon formal notice of acceptance, promptly remit payment for 5 shares of stock at \$150.00 per share.
- iv. Read and agree to abide by the terms of the Constitution and Bi-Laws, Stockholders Agreement and Operating Procedures of the MLS. The applicant shall acknowledge compliance with this requirement by signing the Stockholders Agreement.
- v. A Resident Member who no longer maintains a bona fide office in Middlesex County and wishes to participate as a Non-Resident member shall file an application for Non-Resident membership and pay the required fees set forth in Section II Paragraph 1 B, except that the application fee shall be waived.

**B. Non-Resident:** Applicants for Non-Resident Membership in the MLS shall fulfill the following requirements:

- i. Satisfy requirements (i), (ii), and (vi) appearing in Section II, Paragraph 1 A.
- ii. Non-Resident Members shall be required to comply with all rules and regulations of the Central Jersey Multiple Listing System. Their agreement to do so shall be in the form of a signed statement as follows:  
“I have examined in detail the Constitution, Bi-Laws and Operating Procedures of The Central Jersey Multiple Listing System. I understand that there may be parts of the Operating Procedures of The Central Jersey Multiple Listing System which are different from those which I presently observe in my business practice. I understand that notwithstanding any procedure which I may follow presently, in my relationship to members of The Central Jersey Multiple Listing System I agree to comply with, operate under and be bound by The Central Jersey Multiple Listing System regulations only. I further understand that Non-Resident membership does not entitle me to voting privileges.”
- iii. Non-Resident Member becomes eligible for conversion to Resident Membership:
  - a. If a Non-Resident member opens a bona fide office in Middlesex County, he shall become a stockholder and the required number of shares of stock will be issued to him. Payment will be represented by previously paid “Non-Resident Fee” in the same amount.
  - b. If Non-Member joined via promotion period, payment will be equivalent to Resident payment for stock.
- iv. Non-Resident Membership shall be limited to those brokers who do not have a licensed real estate office in Middlesex County.

## **2) Application for Branch Office Participation:**

- A.** Branch Offices located in Middlesex County shall be registered with the MLS for a fee of \$150.00 and shall provide and maintain on-line computer service. Said registration, payment of the appropriate fees and connection with the MLS computer data base will entitle the registered branch office to receive MLS services. Should a member who closed a registered branch office re-open within one year, registration fee will not be charged.
- B.** Any real estate brokerage business office, not a member of The Central Jersey Multiple Listing System but engaged in area real estate sales, and in which office a member of The Central Jersey Multiple Listing System shall have an ownership or other interest, shall be declared by said member and shall be considered a branch office of the member's office as registered with the MLS and fees as required in the Operating Procedures shall be applicable.

## **3) Affiliate Participation:** Affiliate Participation shall be a limited service. Affiliate Participation is offered to Licensed Real Estate Appraisers who shall:

- A.** Submit a completed application and fee of \$250.00 to the MLS.
- B.** Pay annual Participation fee.
- C.** Provide verification of New Jersey Real Estate Appraiser License.
- D.** Restrictions: Affiliate Participants shall be prohibited from using MLS information for any purpose other than providing appraisal services.
  - i. If an Affiliate Participant uses or allows the use of MLS information to list, sell, lease or exchange real estate, a mandatory penalty of five hundred dollars (\$500) shall be imposed, with no credit for prior fees paid.
  - ii. Affiliate Participants shall not supply MLS information to the public or to anyone, except in connection with appraisal services. For violation of this provision, a \$500 penalty shall apply.
  - iii. Affiliate Transfers shall be limited to transfers within the same company with which the affiliate participant is associated. Transfer fee shall be \$150.00, application fee shall be waived.

## **4) Completion of Application:** Applicants are to complete all the requirements for membership. Applicant will be notified when application has been accepted and processed.

## **5) Termination of Application or New Member:**

- A.** The termination of an application is subject to the approval of the Board of Directors.
- B.** If a new member requests withdrawal of membership after completion of, the MLS shall retain the full application fee and refund the balance of fees remitted, provided that the request for withdrawal is received within ten (10) days from date of finalization of membership and there has been no log of entry into database system.

## **6) Transfer of Membership:** Application fee shall not apply when an existing membership is being transferred to a qualified applicant and the member requesting the transfer is an active member in good standing. In such cases, Transfer Fees shall be as follow:

- A.** In the case of the death of an active member, there shall be no transfer fee, provided the membership is transferred to a qualified person who was affiliated with the real estate agency at the time of death, or to a qualified member of the immediate family.
- B.** For the transfer to a qualified applicant and the continuation of the real estate agency in the same name and location, there shall be a transfer fee of \$150.
- C.** In all other cases there shall be a transfer fee of \$300.

## **7.) Retention of Inactive Status:**

- A.** A member changing to Inactive status shall make his account current within 30 days. If he fails to do so and is a stockholder, his stock certificate will be redeemed against his outstanding balance, and membership terminated. If he is not a stockholder, membership will be terminated.
- B.** Member must remit to MLS annually the fee of \$200.00 and verification of his/her active Broker or Associate Broker License. Failing to do so, his membership will be terminated upon due notice by the corporation.



## **8.) Registration:**

- A.** Each member is required to register with the MLS, on MLS forms, within 2 business days of becoming associated, the name of each licensee associated with the member's office and registered branch offices, certifying that they have complied [will comply] with the terms of this Operating Procedure, and indicating if licensee is Active or Inactive. Inactive licensees are prohibited from maintaining active listings with Central Jersey MLS; any listing taken or maintained by Inactive licensees must be transferred to an active agent within 2 days.

Upon addition or deletion of any licensee with a member's office, such licensee's name and status shall be transmitted within two (2) days to the MLS office. Failure to register a licensee or to file changes as required will result in a fine of \$25 and/or the withholding of services until the requirement is met.

**B. UNAUTHORIZED ACCESS TO INFORMATION:**

For any Inactive or unregistered licensee or other unregistered (unauthorized) person/party who participates in the listing, selling, or renting of real estate in the Central Jersey Multiple Listing System as of the date of change to Inactive status, or who accesses the MLS information source via the use of another person's ID, both the unauthorized party and the participating person shall be subject to a \$500 penalty.

Participation includes but is not limited to MLS on-line information, printed books/CDs or listing information, and key services.

**C. EXCEPTIONS:**

- i. A licensee located in a member's out-of-county branch office that is not a participating branch may register and pay agent fee via an in-county office of that agency.
- ii. Any licensee situated in an office located out of Middlesex County who does not use and does not intend to use the service of the MLS and does not list and does not intend to list Middlesex County properties, is not required to be registered, and will be designated as Non-Participant. For any such out-of-county inactive or unregistered licensee who participates in the listing of real estate in the Central Jersey Multiple Listing System, both the inactive or unregistered agent and the participating person shall be subject to the above penalties.

- D.** Any reciprocal arrangements that exist between the Central Jersey MLS and another MLS will take precedence over this Section.

## **9.) Orientation:** Each member shall encourage everyone (including but not limited to managers, licensees, and assistants) with an active status to view an on-line MLS orientation

### **SECTION III - LISTINGS**

**1.) Exclusive Right to Sell vs Exclusive Agency:** The MLS shall accept and publish exclusive listings submitted to the MLS by its members. Members must correctly identify whether the listing is an Exclusive Right to Sell Listing, or an Exclusive Agency listing.

Exclusive Right to Sell ("ER") listings shall be as defined in the MLS Listing Agreement as published on MLS forms. On "ER" listings, the seller shall not install "by owner" signs on the property or indicate in any way that the property is available directly by owner.

Exclusive Agency ("EA") listing is defined as a listing whereby the seller has the right to sell the property directly to a prospective purchaser regardless of the listing agency's commission amount. "EA" listings shall permit the seller to place "by owner" sign(s) on the property.

Improper classification of Listing Type shall be considered a misrepresentation and shall subject the member to a penalty of Twenty-Five Dollars (\$25) for each offense.

**A. Mandatory Listings:** It is mandatory that each member shall place with the MLS all his exclusive listings, and any extensions thereof, of properties listed for sale and located in Middlesex County and those located in municipalities that adjoin and are contiguous to the boundary lines of Middlesex County, as set forth below:

- i. RESIDENTIAL: one, two, three and four family homes,
- ii. RESIDENTIAL RENTAL: properties meeting "Residential" criteria being marketed for rent.
- iii. ADULT COMMUNITY: any residential listing classified as Adult Community must be entered in the Adult Community listing class. Listing Broker may, at his discretion, add the listing to additional appropriate listing classes, standard listing fee applies to additional entries.
- iv. LAND: residential vacant land divisible into not more than four (4) lots according to local ordinance.
- v. DEVELOPMENT LISTINGS: developments of up to 4 homes with the same ownership.
- vi. OTHER PROPERTY TYPES: any other property types, if taken on a Central Jersey Multiple Listing System form.
- vii. "OPTIONAL" LISTINGS TAKEN ON AN MLS LISTING AGREEMENT: Any listing, regardless of property type or location that is taken on a Central Jersey MLS form.
- viii. UNCIRCULATED LISTINGS: Should owners request that their listing not be circulated through the Central Jersey Multiple Listing System, the request shall be noted on the listing agreement and submitted to the MLS together with the standard MLS-approved form for uncirculated listings, properly signed. If the owner is also requesting to Waive Broker Co-operation, MLS-approved form for Waiver of Broker Co-operation must be submitted properly signed. Listing Agent will enter listing into system making appropriate change to entry labeled "MLS Circulation". Upon sale and transfer of title of this property, should be changed to closed; access to property information will no longer be restricted.

A \$25 penalty shall apply if at any time the property goes under contract during this delayed period, an additional penalty of \$25 shall apply.

**B. Optional Listings:**

- i. DUAL MEMBER'S LISTINGS: When a broker is a member of more than one Multiple Listing service, on listings of properties located in the county of such other membership in which his office is situated, filing is optional. If both brokers in a cooperative sale are members of more than one multiple listing system one of which system is the Central Jersey Multiple Listing System, and the property is situated in Middlesex County, the rules of the Central Jersey Multiple Listing System shall prevail.
- ii. DEVELOPMENTS OF 5 or MORE HOMES OR BUILDING LOTS: If a member chooses to list a development of 5 or more homes or building lots, then all sales shall be listed and reported.
- iii. OTHER PROPERTY TYPES: Members may, at their option, list any other types of properties with the MLS, provided said listings are Exclusive Listings.

- iv. LISTINGS PRE-DATING MEMBERSHIP: Upon Finalization of membership, Members may, at their option, submit any of their active listings to MLS which predate Member's membership date.
- v. PORTFOLIO SALE: "If" 2 or more non-adjacent properties are being sold for 1 price and will not be sold separately, listing is permitted only in the Commercial Property Class.

### **C. Special Listing Situations:**

- i. THIRD PARTY LISTINGS: In the event an owner who is a transferred employee and/or has entered into a purchase agreement with a national corporation desires to sell his property and to give an MLS Member an exclusive listing with the proviso that said national corporation may purchase the said property from the employee without paying the commission, then, and in such event, the MLS Member shall be permitted to accept such exclusive listing and the MLS shall publish the listing.
- ii. EXCLUSIONS: No more than three (3) exclusions which must be in writing and specify the full names and addresses of the exclusions; these exclusions automatically expire 14 days after the date of the listing agreement.
- iii. CONTRACT PURCHASER: Listing Member must disclose by entry in "Remarks" if the Seller of a property is a "Contract Purchaser".
- iv. DEVELOPMENT LISTINGS WITH MULTIPLE UNITS: Residential Developments and Commercial listings with multiple units – when a unit is rented or sold the listing status must be changed to Closed. A new listing must be submitted for the remaining unit(s). This regulation does NOT pertain to Multi-Family (2 - 4 units) listings.
- v. MULTIPLE PROPERTY TYPES: A listing may be placed in multiple property types if appropriate by law. At time change of status is applicable (i.e., AR, U, US), one (1) entry is to show change and one (1) Entry is to be changed to "T".

**2.) Required Data Entry Time Frame:** It is mandatory that said listings shall be entered into database no later than midnight of the day after the effective date of the listing. The effective date (referred to as the Listing Date) is the latter of the "beginning on" date on the listing form or the date that the last seller has signed the listing form. All listings shall be available to all members as soon as taken by Listing Member, whether or not they have been transmitted, entered, or distributed. Failure to enter listing as required shall result in an automatic penalty of \$25.00. If at any time the property goes under contract during this delayed period, an additional penalty of \$25.00 shall apply.

**3.) Listing Forms:** All Listing Agreements must be submitted. Failure to file Listing Agreement forms for said properties shall result in a penalty of \$25.00 after 2 days.

**4.) Required Information:** Failure to include necessary information with submission of listing shall subject the Listing Member to an automatic penalty. Information shall be entered in the field specified for that particular information. Entering information in an inappropriate field will subject the member to an automatic penalty of \$25.00. Inappropriately positioned information is defined as the use of a specific field for information that is unrelated to that specific field and includes but is not limited to inappropriate entries in "Address", "Subdivision", "Remarks", and "Directions".

**Listing image(s)** are to be uploaded within 10 days. One image must be the front view of the property, positioning of this image is at Listing Member's discretion. For failure to upload a minimum of 1 property image/s within 10 days, Listing Member shall be subject to an automatic penalty \$25.00.

A member or agent who lists a property that was previously listed in MLS is restricted from using photo(s) from a previous listing without prior listing broker's permission. If prior Lister reports to MLS that his photo(s) are being used on a specific listing, Relister shall have two (2) business days to provide to MLS a copy of written permission for their use or remove the copied photo. Failure to do so shall subject Relister Agency to an automatic penalty of \$25.00.

## **5.) Submission of Listing:**

**A.** A copy of all correctly completed (valid) signed exclusive listing agreements shall be sent to the CJMLS office by midnight of the 2<sup>nd</sup> day of the listing date. Failure to submit a valid listing agreement will result in an automatic penalty of \$25.00.

The act of an agent signing the seller(s) name(s) without written consent is prohibited; the act of signing for the seller(s) with the agent's initials without written consent or accepting the signature of someone other than the person legally permitted to do so are also prohibited and are subject to automatic penalties as defined in Section 7 Paragraph 2 of Operating Procedures.

**B.** In the event there is any additional agreement between sellers and the listing broker other than the listing agreement provided by the Multiple Listing System, a copy of said agreement must be forwarded to the MLS together with the Listing Agreement and the terms of said agreement must be disclosed to any broker/agent potentially sharing listing broker compensation including but not limited to subagents, buyer-brokers and transaction agents.

**6.) Listing Expiration:** Listing shall expire at midnight of the expiration date. Any member, after due notice and hearing before the Arbitration and Grievances Committee, having been found guilty of attempting to solicit another member's listing before the expiration of the same, shall have imposed the maximum fine for any such offense.

## **7.) Disclosure of Listings:**

**A.** Dissemination: A copy of the signed Listing Agreement shall not be disclosed or copied and distributed to any person whether or not associated with the MLS, without the consent in writing of the listing member. Except as is necessary in the sale of real estate to prospective purchasers, the information contained in Listing Agreements or on the MLS Electronic Access Site(s), the MLS website, or any other electronic advertising medium fed by the Central Jersey MLS database shall not be disclosed to anyone not associated with the MLS without the consent in writing of the Listing Member; however, disclosure a) of a member's own listings, and b) in accordance with IDX provisions in which a member is an IDX participant, shall be permitted. A member is permitted to disclose his own listings to anyone not associated with the MLS. The Board of Directors may disseminate listing information and/or statistical information to government agencies, with the stipulation that the information is for their own private evaluation and may not be disseminated to any other source.

**B.** Computer Access: Members are prohibited from accessing another member's restricted data. If a technical means of unauthorized entry is used by a member or anyone affiliated with the member, the member shall be in violation of this paragraph and may have computer access disconnected. In addition, member shall be subject to penalty of \$500 per offense. Upon payment of penalty/penalties, computer access will be restored.

**C.** Participants shall be precluded from use, including without limitation, the display, distribution or reproduction of the Multiple Listing System media of any kind, including but not limited to electronic display, transmission, or printing of electronically transmitted information, created and copyrighted by the Central Jersey Multiple Listing System, Inc., and the material contained therein. Nothing herein shall preclude any participant from utilizing, displaying, distributing or reproducing its own listings in any manner determined by it to be necessary or appropriate or duly authorized by it except as noted below.

**D.** Participants shall not disseminate the MLS database full detailed listing information (i.e., Detailed Licensee Report with/without images) or any other listing display containing proprietary listing information to the public. For violation of this paragraph, a penalty of \$25 per fully disclosed listing shall apply.

**E.** The Board of Directors may from time to time order and direct the compilation and record of certain statistical information relative to the activity of the MLS and that of its members, either on an individual or a comparison basis. Such information shall be classified as restricted information which cannot be reproduced, published or disseminated in any manner by any member of the MLS in whole or in part.

- i. **Listing Content:** Listing content contained in the CJMLS Vendor's database, the CJMLS website or any other source of information provided by or through the CJMLS, may not be directly or indirectly exported, transferred, or in any manner supplied to a third party or used by a member for any other business which is not exclusively the business of a licensed real estate agent except through filing of a request and payment of established fees.
- ii. **Scraping:** The copying, modifying, and/or distributing of the information from a listing, or from any of the above-named sources is strictly forbidden and will result in interruption of MLS access.

#### **8.) Advertising/Display of Information:**

- A.** Members shall not advertise properties for less than the list price.
- B.** Members shall, on request, furnish other MLS Members complete information on advertised listings.
- C.** Any statistical information which relates to listings, sales, or rentals of listings of other agencies, that is published and/or distributed by a member shall contain the following clause, in the same size type as is used in the body of the advertisement/publication of the information: "The information contained herein has not been compiled or approved by the Central Jersey Multiple Listing System, Inc." A \$25 penalty shall be imposed.
- D.** Video and Virtual Tours, and property photos shall not include text, audio, logos, embedded links, or identifying symbols that identify the listing agency, listing agent, web designer, virtual tour company, or any third parties. 'Branded' Tours, links or displays containing the above prohibited identifiers shall be subject to a \$25 penalty. URL's may include the name of the virtual tour company.
- E.** Links to external websites (i.e., HomePath.com, HUDHomestore.com) or any other link to any site or language which identifies or contains information about the listing broker/agent/seller may be entered in the Licensee Notes section only. Insertion of such language or links to prohibited identifiers in any other field shall be subject to a penalty of \$25.
- F.** The MLS from time to time shall publish an Internet display policy referred to as 'ILD'. Members shall abide by the provisions and regulations in the ILD policy.

#### **9.) Retention of Records:**

The MLS shall retain the following records for the periods of time specified below:

Listing Agreements: One year after Fiscal-Year-End of listing entry date

Change or letters relating to specific listings: One year after Fiscal-Year-End of date of change.

#### **10.) Inactive/Transferred Agents:**

- A.** If an agent becomes inactive in our MLS, Broker shall assign agent's listings to an active agent within 2 days of becoming inactive. The CJMLS shall have the right to transfer those listings to the Broker/Manager of that firm after notification has been sent to the broker. If the broker does not transfer the listings within 2 days it will result in a \$25 fine.
- B.** If an agent transfers to another firm but their listings are staying with the listing office, the broker/manager may transfer those listings to an active agent in that firm. If the broker does not transfer those listings and penalties are being assessed, the CJMLS shall have the right to transfer those listings to the Broker/Manager of that firm after notification has been sent. Any assessed penalties from time of the agent's transfer to another company will be the firm's responsibility.

**11.) Violations of Section III:** For any violation of this section a penalty a \$25 fine will be imposed except where indicated. Services will be suspended at renewal until compliance is met. Habitual offenders, in addition to being fined Twenty-five \$25, shall be referred to the Arbitration and Grievances Committee with recommendation for suspension or termination of services.

## **SECTION IV - SHOWING & NEGOTIATIONS**

### **1.) Listing Members' Rights & Responsibilities:**

Unless otherwise directed in writing by the Seller, the Listing Member shall preside over and have full knowledge of all showings and negotiations. Listing Members have an obligation to expedite the showing of their listings and the presentation and negotiation of all written offers to purchase or lease. To facilitate these objectives, the following procedure shall be complied with when showing or negotiating the sale/lease of property listed through the MLS:

- A.** The Listing Member shall extend the fullest measure of cooperation to the Participating Agent in all preliminary negotiations without reservation or delay. Upon request of Participating Agent in behalf of a prospective purchaser, the Listing Member shall promptly inform Participating Agent if any offer is under consideration by the owner or if a deal is otherwise pending. However, with owner's consent, a Participating Agent may still show the property and may still submit offers. Any such offer transmitted to Listing Member must be presented by the Listing Member immediately to the owner.

If the Participating Agent requests, they shall be permitted to accompany the Listing Member when the offer is presented to the owner unless the Listing Member/Agent was instructed in writing by the owner(s) that all offers are to be presented solely by the Listing Member/Agent without the Participating Member's/Agent's presence. Upon request, Listing Member is to transmit to MLS a copy of seller(s)'s instructions within 2 business days.

Unless otherwise directed by the seller(s) in writing, the Participating Agent shall have the option of submitting its potential purchaser's offer in a sealed envelope, to be opened in the presence of the seller(s) and in the company of the Listing Member's representative. If the seller(s) request in writing that all offers are to be presented without the presence of the Participating Member/Agent and MLS requests a copy of seller(s) instructions, Listing Member/Agent is to transmit to MLS a copy of such instructions within 2 business days.

- B.** If Listing Broker/Agent so directs, Participating Agent may, with Listing Agent/Broker's permission, negotiate directly with the Seller.
- C.** Any request for a delay in showing of property must be made by Seller, in writing on the listing agreement or separately, and separately signed. Delayed Showing time period not to exceed 14 days in any Active Status with appropriate verbiage in Remarks (use of "T" status required if days exceed 14). Restriction shall apply to Listing Member, Listing Member's agents, and all agents. For violation of this restriction, a penalty of \$25 shall be imposed.
- D.** Notification of change in delayed showing must be made immediately to any members/agents that have submitted a notice\* regarding an appointment for "Do Not Show" listings. A penalty of \$25 shall be imposed. \*Notice to Show Form for Delayed Showings.
- E.** If using an "electronic" lockbox on a property located in Middlesex County, only the current electronic lockbox being supported by the CJMLS will be permitted. Multiple boxes are allowed. A \$25 penalty will be assessed for non-compliance.

### **2.) Participating Agents' Rights & Responsibilities:**

- A.** The Participating Agent shall not contact the owner of any property listed without the consent or approval of the Listing Member. At no time shall a Participating Agent enter or re-enter a listed property without the consent of the Listing Member.



- B.** Should a Participating Agent contact the owner without the consent of the Listing Member for the purpose of showing the property, he shall be subject to a hearing before the Arbitration and Grievances Committee upon filing of written complaint, at which hearing he shall show evidence of his efforts and inability to contact said member.
- C.** The Participating Agent shall negotiate through the Listing Member except as provided in Section IV, Paragraph 1 B and Paragraph 2 D. Should a Participating Agent contact the owner without the consent of the Listing Member for the purpose of negotiating, or should he enter into negotiations during a showing, he shall be subject to a hearing before the Arbitration and Grievances Committee upon filing of written complaint by the Listing Member and subject to penalties as prescribed.
- D.** Selling Member may contact the Seller for negotiating purposes if the Listing Member and the MLS are notified by standard MLS "Transmittal Letter" to the Listing Member and the MLS between the hours of 8:30am and 4:30pm, and:
  - i) Two (2) calendar days have elapsed since the Listing Member was notified of a written offer and the offer has not been presented to the Seller, provided the Seller was available;
  - ii) Two (2) calendar days have elapsed from the date on which the initial offer was presented to the Seller and the offer has not been accepted, rejected or countered by the Seller;
  - iii) Two (2) calendar days have elapsed in the negotiation process since the Listing Member or Seller was advised of the potential buyer's last offer and no response has been received by the Selling Member.
- E.** A Member shall not initiate communication with the owner of a listed property on anything related to the listing or sale of the listed property without the consent of the Listing Member or Owner. At no time shall a Member enter or re-enter a listed property without the consent of the Listing Member.

### **3.) Disclosure of Business Relationship:**

Members shall disclose their business relationship upon first contact with the listing Office and Seller.

### **4.) Violations of Section IV:** the following automatic penalties shall apply unless otherwise specified:

- For the first offense, a Twenty-five Dollar (\$25) fine will be assessed.
- Habitual offenders, in addition to being fined Twenty-five (\$25, shall be referred to the Arbitration and Grievances Committee where, if they cannot show just cause for the offense, they will be subject to suspension and/or termination.

## **SECTION V - REPORTING PROCEDURE**

**1.) Changes, Revisions:** Listing Member shall immediately report all listing changes to the MLS, by computer entry and/or fax. Changes that affect dates as well as any corrections to the listing agreement shall be confirmed by submitting the change with seller(s)' signature(s) to the MLS office within two (2) calendar days. Failure to submit other required Notice of Change forms for status changes/dates within two (2) days results in an automatic penalty. The act of an agent signing the seller(s)' name(s) without written consent is prohibited, the act of signing for the seller(s) with the agent's initials without written consent or accepting the signature of someone other than the person legally permitted to do so, are also prohibited and are subject to automatic penalties as defined in Section 7 Paragraph 2 of Operating Procedures.

**2.) Withdrawal of Listings:** A listing may be withdrawn from the MLS, but in no event shall the owner be released from the terms of the Exclusive Listing Agreement except by mutual agreement between the Broker and the owner.

- A.** Conditional Withdrawal (with protection clause) - Withdrawal form with the Broker's and the Owner's signature shall stipulate that no sale present or prospective exists at the time of withdrawal and shall further stipulate that in event of contracts being entered into during the term of the listing and (a specified period of time to be negotiated) thereafter, the Listing Member shall be entitled to a full commission payable at closing. In addition, the form shall contain a noticeable caution reminding the sellers that in the event there is a protection clause in this withdrawal agreement, the seller may be exposing himself to a possible double commission should he relist during this protection period. Failure to submit a valid withdrawal form within two (2) days will result in an automatic penalty.
- B.** Unconditional Withdrawal (without protection clause, effective on broker's/owner's signature date) – submission of unconditional withdrawal form to MLS is not required unless requested by MLS.

### **3.) Reporting of Contracts/Status Changes:**

- A.** "AR" STATUS: Reporting of status change to AR- Attorney Review, is optional.
- B.** When a listing status is changed to Temporarily Off Market (T), no form is needed but listing agents must explain in the Licensee Notes section why the listing is Temporarily Off the Market. For example: temporarily not for sale, for sale but cannot be shown, off market until (date), etc.
- C.** "U" and "US" STATUS (Under Contract, on completion of Attorney Review): Listing Member shall notify the MLS Office by computer entry, of the "Under Contract" status of the listing no later than the end of the first business day immediately following notification of completion of attorney review.
- D.** Status changes from any Active Status ("A", "AR", "ACS") directly to Closed ("C") are prohibited and represent a violation.
- E.** Listing Member shall notify the MLS Office by computer entry, of a revised "Anticipated Closing Date" ("TC Date") if Closing of Title is delayed. Anticipated Closing Dates more than 60 days overdue shall subject Member to an automatic.
- F.** If a listing in any Active Status ("A", "AR", "ACS") cannot be shown, Listing Member must clearly indicate this by entering appropriate verbiage in Remarks.
- G.** Member shall furnish Cooperating Member with a copy of fully executed contract within one business day of receipt of same.
- H.** Listing Members shall report closings and sales prices to the MLS office within seven (7) calendar days from the time closing takes place.



- I. Upon cancellation of an Attorney Review or Under Contract status, Member shall immediately report status change to Cooperating Member, and the Listing Member shall immediately report the status change by computer entry. If the status change is not reported or is reported more than one business day after cancellation, a \$25 fine shall be levied against the member who caused the delay.

Additional offenses shall be referred to the Arbitration & Grievances Committee to determine whether a suspension and/or additional monetary penalty are to be imposed.

**4) Violations of Section V:** the following automatic penalties shall apply unless otherwise specified:

- For the first, second and third offenses, a Twenty-five Dollar (\$25) fine.
- Habitual offenders, in addition to being fined Twenty-five (\$25) for each offense, shall be referred to the Arbitration and Grievances Committee where, if they cannot show just cause for the offense, they will be subject to suspension.

## **SECTION VI - COMMISSIONS AND FEES**

### **1.) Commissions:**

- A.** Listing Member shall state the Selling Member's commission on all listings transmitted to the MLS. Reciprocal arrangements between members shall be permitted and shall take precedence over that stated in the listing, as permitted by the New Jersey Real Estate License Act Paragraph 11:5-7.6.
- B.** In the event that a Listing Member wishes to change his commission split(s) on a particular listing, he shall immediately enter the change(s) via computer and forward to MLS the revision bearing Agent's and Seller's signatures. The change(s) shall become effective at the time that the entry is made in the database, but shall not apply to (a) any signed, bona fide written offers to purchase that were submitted to the Listing Member prior to the entry of the change(s), (b) listings of properties that are in Attorney Review or Under Contract; in these cases, the commission split that existed at the time the offer was submitted shall apply if such signed offer subsequently results in a fully executed contract.
- C.** In event of any dispute between members of the MLS as to which member is entitled to a commission on a sale, or in event that more than one member claims a commission on the sale, they must consent and agree to submit dispute to arbitration, the decision shall be final and binding.

### **2.) Recurring Fees and Charges:**

- A.** All members are on a cash basis.
- B.** Each member and branch office shall be assessed an annual fee.
- C.** Each agent as described in Section II Paragraph 8 A, shall be assessed an annual fee. Agents suspended due to non-payment of annual Agent Fee will be charged a reactivation fee of \$25.00 in addition to Agent Fee. Past-due balances in Agents' accounts will result in suspension and charge of a reactivation fee of \$25.00; all reactivation fees are payable prior to reactivation.
- D.** Failure to remit promptly will result in withholding of services and termination of membership. CJMLS reserves the right to delete listings generated by suspended members after a 48-hour notice has been sent. It is the Member's responsibility to advise his Sellers that Member's listings have been deleted from the CJMLS system during Member's suspension.
- E.** Members suspended for non-payment of Annual Dues will be charged a reactivation fee of \$250.00 in addition to pro-rated Annual Dues. Past-due balances in Members' accounts will result in suspension of services and charge of a reactivation fee of \$250.00; all reactivation fees are payable prior to reactivation.
- F.** Credits in Members' accounts resulting from overpayments may be refunded at the member's request. Any credits in members' accounts declared by the Board of Directors are not refundable.

### **3.) Payment of Commissions and Fees:**

- A.** All fees and all commissions shall be disbursed to the cooperating member as soon as possible after receipt of commission by closing member, but in no event later than ten (10) days thereafter.
- B.** Failure to remit in accordance with this Section shall be deemed authority to the MLS Office to withhold publications, supplies, etc., and circulation of listings until monies are paid.

## **SECTION VII - VIOLATIONS AND PENALTIES**

### **1.) Violation of Operating Procedure:**

- A.** Commission-related matters: A filing fee of \$200 shall be submitted by the complainant on the filing of a complaint relating to a commission dispute. If the complaint does not go before the Hearing Panel, \$100 of the fee will be refunded to the complainant; if the complaint is heard by the Hearing Panel, no portion of the filing fee shall be refunded. If found guilty, the alleged violator shall reimburse the full amount of the filing fee to the complainant.
- B.** Procedural Violations: Complaints for violation of an Operating Procedure that do not relate to the distribution of a commission shall require a non-refundable filing fee of \$25.00. If found guilty, the alleged violator shall reimburse the full amount of the filing fee to the complainant.
- C.** In the event that a member violates any provisions of the Operating Procedure, the Violator shall be subject to the penalties provided herein, or where not specified, to such penalties as may be fixed by the Arbitration and Grievances Committee.
- D.** WAIVER OF HEARING: For any violation of any paragraph where a hearing before the Arbitration & Grievances Committee is specified, the offending member may request waiver of hearing. Waiver of hearing shall be subject to approval of the Review Panel of the Arbitration & Grievances Committee, and payment of appropriate fine.
- E.** A review of the cases and findings of the Arbitration & Grievances Committee may be made, and a report compiled; the contents of this report shall be at the discretion of the Arbitration & Grievances Committee. Violations will be cited but names of violators omitted. The report at the discretion of the Committee may be circulated to the members.

### **2.) Fines and Penalties:**

- A.** Except as otherwise provided herein, no fine or penalty shall be imposed for the violation of this Operating Procedure unless a complaint has been filed and a determination made pursuant to Article XIV Section 3 of the Constitution & Bi-Laws of the Central Jersey Multiple Listing System.
- B.** The fines and penalties for violating this Operating Procedure shall be paid to the Corporation within ten (10) days of receipt of written notice that such fine or penalty has been imposed.
- C.** The MLS Stockholder/Member shall be responsible for all fines and penalties imposed by the MLS for any violation of the Operating Procedure levied against their office, themselves, or agents in their office. EXCEPTION: Penalties resulting from an agent's failure to properly file required paperwork will be the responsibility of the agent. Penalties that are not paid timely will result in an interruption of agents' MLS services and will be attached to the agent's record for future collection. In addition, all fines must be paid, and all violations remedied prior to being able to renew membership.
- D.** MAXIMUM PENALTIES: For a violation of any paragraph of this Operating Procedure for which a specific fine or penalty is not established, the Arbitration and Grievances Committee, by majority vote, may impose the following:
  - i. For the first offense, a maximum fine of Two Hundred Fifty Dollars (\$250).
  - ii. For the second offense, a maximum fine of Five Hundred Dollars (\$500).
  - iii. For the third offense, a maximum fine of One Thousand Dollars (\$1,000) and/or termination of the member's rights in and to the use of MLS, as provided in Section VII, Paragraph 3.

### **3.) Suspension and Termination:**

- A.** The Board of Directors shall be empowered to suspend or terminate the rights of a member in and to the use of MLS for any serious or flagrant violation of this Operating Procedure, in addition to doing so for a violation hereof which specifies same as a penalty; or for any action which the majority of the Board of Directors determines to be detrimental to the good and welfare of the MLS.
- B.** In the event a majority of the Board of Directors deems it necessary to invoke Paragraph A hereof, it shall proceed in the manner provided in Article XIV, Section 3, of the Constitution and Bi-Laws of the Corporation.
- C.** QUORUM: At any Meeting of the Board of Directors, eight (8) members of the Board shall constitute a quorum with a maximum of 2 via proxy for the transaction of business. Any Director may be represented at any Meeting of the Board of Directors by a written proxy.

## **SECTION VIII - INTERPRETATION AND AMENDMENTS**

**1.) Construction and Interpretation:** In the event this Operating Procedure is required to be construed or interpreted, it shall be done in such a manner as to be favorable to the interests of the Corporation, and give meaning to the intention and design of the Corporation in establishing the Multiple Listing System.

**2.) Amendment:** The rules and regulations contained in this Operating Procedure may be changed, amended or supplemented from time to time, by a majority vote of the Board of Directors at any regular meeting of the Board, provided such matter has first been referred to and reported upon by the Constitution Committee. Any action of the Board of Directors may be reviewed by the general membership at a special meeting called in accordance with Article VII, Section 3B of the Constitution and Bi-Laws.