

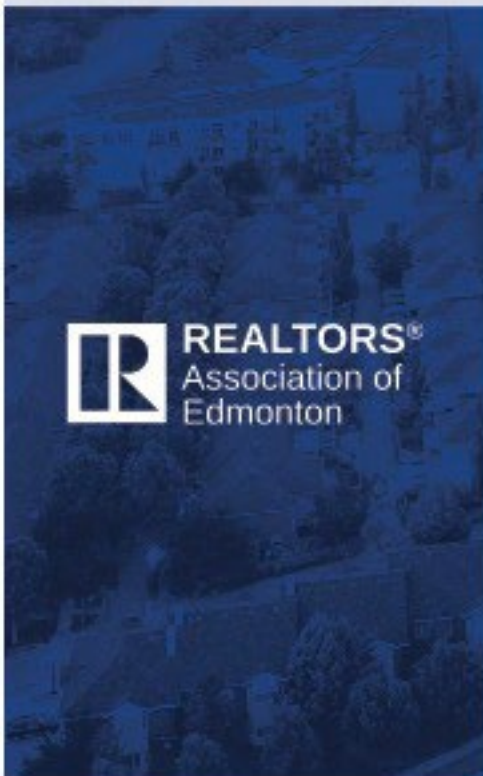


# Rules & Regulations

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REALTORS® Association of Edmonton

November 6<sup>th</sup>, 2022



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## PART 1 - MLS® SYSTEM LISTING RULES

*It is the duty and a requirement of each Member to comply with these rules in their dealings with fellow Members, Board staff, AREA staff and members of the public.*

*Members are also expected to conduct themselves in accordance with the Alberta Real Estate Act, the REALTOR® Code, and Common Law with which these rules are fully compatible. In the event, however, that provisions in these rules do not align, the Alberta Real Estate Act (the Act) will take precedence, as will current legislation.*

*These rules are fully binding on Members where the phrasing of a particular section or sentence indicates that a Member shall or must abide by the procedure or action indicated. Sections or sentences with use of the word “should” are intended to be advisory in nature and to suggest best practice, the preferred course of action.*

*A Member who is found to be in contravention of these rules may be sanctioned in accordance with their Board’s policy. A Member has the right to appeal the decision, as provided in the bylaws of the Member’s Board. It is the duty and a requirement of each Member to comply with these rules in their dealings with fellow Members, Board staff, AREA staff and members of the public.*

### 1. TERMS AND DEFINITIONS

1.01 In these Provincial MLS® System Listing Rules for Alberta REALTORS®, unless the context requires otherwise: (BOD 11/24/2021)

- a. “Agent” means an industry member who is expressly or implicitly authorized to act for or represent another person.
- b. “Approved”, when referencing a real estate form, means a form that is provided by the Alberta Real Estate Association for use by Alberta REALTORS®, sometimes referred to as Provincial Standard Form(s) and/or any specific forms that the Board may provide for the use of its Members.
- c. “Board” means the Board or Association.
- d. “Brokerage” is a real estate brokerage that is licensed under the Real Estate Act.
- e. “Brokerage Member” is a Brokerage that is a Member of the Board and employs a licensed and registered broker.
- f. “Brokerload” means the entering of listing information from the MLS® Listing Contract, the MLS® Data Input Sheet and any other applicable data, onto the Board’s MLS® System.

- g. “Business Day” means every day precluding Saturday, Sunday and statutory holidays.
- h. “Client” means a person who has entered into a service agreement with an industry member in accordance with the Real Estate Act Rules, whether or not that service agreement is in writing.
- i. “Co-operating Brokerage” is either a Brokerage Member, or a Brokerage that is a member of any other real estate board in Alberta, that affects the trade of the property as a Buyer’s Representative, or otherwise.
- j. “Consent” means the voluntary and informed approval, agreement or permission given by a competent person for some act or purpose.
- k. “CREA” means The Canadian Real Estate Association or any successor organization.
- l. “Customer” means a person who has contacted, but not engaged or employed, an industry member to provide services.
- m. “Employ” means to appoint, authorize or otherwise arrange to have another person act on one’s behalf, including as an independent contractor and "employed", "employs", "employment" and "employee" shall have such similar expanded definitions.
- n. “Listing Agreement” means the service agreement formed between a seller, as Client, and a Brokerage Member in respect of one or more aspects of a disposition of property, and when it is part of an MLS® Listing, includes the approved Listing Contract.
- o. “Listing Brokerage” means a Brokerage Member which has listed the property for disposition through the Board’s MLS® System using an MLS® Listing Contract.
- p. “MLS®” and “Multiple Listing Service®” are two of the MLS® Marks owned by CREA and licensed by CREA.
- q. “MLS® Data Input Sheet” means the data input sheet, as prescribed by the Board from time to time to be used to obtain and submit property information for MLS® Listings listed on the Board’s MLS® System.
- r. “MLS® Listing” means a listing on the Board’s MLS® System using an MLS® Listing Contract.
- s. “MLS® Listing Contract” means an Approved Listing Agreement, whether applying to full or limited service and, in either case, includes: the agreement portion and any subsequent amendment(s) thereto; and any subsequent amendment(s) thereto, whether or not the Board requires the submission of the agreement portion.
- t. “MLS® Listing System Status” is the category in which an MLS® Listing must be reported on the Board’s MLS® System, depicting the current state of the MLS® Listing.
  - a. Active – An MLS® Listing Contract is in effect and the listing is being marketing

- through the Board's MLS® System.
- b. Expired – An MLS® Listing where the term of the Listing Contract has ended.
  - c. Pending – the MLS® Listing is subject to a conditional offer continues to be marketed through the Board's MLS® System to external websites like REALTOR.ca.
  - d. Sold – The MLS® Listing is reported Sold when subject to an offer with no conditions remaining other than closing.
  - e. Terminated – The MLS® Listing Contract has been terminated by the Seller and the brokerage.
  - f. Withdrawn – An MLS® Listing Contract is in effect but the listing has been temporarily removed from being visible on the Board's MLS® System.
- u. "MLS® Marks" - made up of MLS®, Multiple Listing Service® and the MLS® logos permitted by CREA are certification marks owned by CREA and licensed by CREA pursuant to the terms and conditions set out in CREA's By-laws, Rules, and policies. The MLS® Marks identify professional services rendered by members in good standing of CREA to effect the purchase and sale of real estate as part of a "plural system arrangement", also known as a co-operative selling system (the "MLS® services"), in compliance with CREA's By-laws, Rules and policies, and the REALTOR® Code of Ethics as amended from time to time, and in compliance with all applicable federal and provincial laws and regulations. The MLS® Marks do not identify or describe a computer database of real estate listings.
- v. "MLS® System" of the Board is the co-operative selling system operated and promoted by this Board in association with the MLS® Marks. The MLS® System of a Board includes an inventory of listings (MLS® System database) of participating REALTORS®, including all text, images and information gathered, compiled, stored or published by a Board, in whatever format it is gathered, compiled, stored or published, and including all such text, images and information which is made available by the Board to Members, in whatever format it is disseminated. The MLS® System of a Board ensures a certain level of accuracy of information, professionalism, and co-operation amongst REALTORS® to affect the purchase and sale of real estate.
- w. "Member" means a real estate Brokerage, Broker, associate Broker or Associate who is a Member of an Alberta Real Estate Board.
- x. "Person" includes, where applicable, an individual, a partnership, a corporation, an organization, and a business.
- y. "Principal Broker Member" means the person approved to operate a real estate Brokerage or their authorized delegate.
- z. "Real Estate Act" means the Alberta Real Estate Act and any successor legislation.
- aa. "Real Estate Act Regulations" means the regulations created under the Real Estate Act,

from time to time, and includes any additional regulations, amended regulations or successor regulations.

- bb. “Real Estate Act Rules” means the rules created under the Real Estate Act, from time to time, and includes any additional rules, amended rules or successor rules.
- cc. “Real Estate Licensee” means a person who is licensed under the Real Estate Act as a real estate brokerage, real estate broker, real estate associate broker or real estate associate.
- dd. REALTOR® and REALTORS® are two of the REALTOR® Marks controlled by CREA and licensed by CREA.
- ee. “REALTOR® Marks” - made up of REALTOR®, REALTORS® and the REALTOR® logos permitted by CREA – are certification marks controlled by CREA and licensed by CREA pursuant to the terms and conditions set out in CREA’s By-laws, Rules and policies. They identify Members in good standing of CREA who provide real estate brokerage services (the “REALTOR® services”) in compliance with CREA’s By-laws, Rules and policies, and the REALTOR® Code of Ethics, as amended from time to time, and in compliance with all applicable federal and provincial laws and regulations.
- ff. “Seller” means a person disposing or attempting to dispose of an interest in real estate by sale.
- gg. “Virtual Enhancing” means virtually changing, adding, or augmenting features on property photos that would materially affect the property value. This may include walls, or changing the layout, locations, size, or type of windows.
- hh. “Virtual Staging” means adding virtual unattached goods (chattels) of realistic size to property photos in order to give perspective on room dimensions.

## 1.02 Interpretations

Where there is any reference made in these MLS® System Listing Rules to any Statute or Regulation or any part of it, such a reference shall also be deemed to include any amendment, re-enactment or successor legislation of that Statute or Regulation, as the case may be.

## 2. MLS® LISTINGS

### 2.01 Requirements

The Listing Brokerage must secure an MLS® Listing Contract signed by the owner/owners or any person lawfully entitled to list the property for sale or by their lawfully authorized representative(s), such as the applicant in a court ordered sale.

- a. Only the Approved forms of MLS® Listing Contract, amendment, or extension thereof,

shall be used for MLS® Listings to be serviced through the Board's MLS® System.

- i. All required data fields must be completed in such MLS® Listing and a full and accurate description of the property must be provided.
- b. GST, where applicable, must be included in the list price on all MLS® Listings for residential property. In cases where there is uncertainty of the application of GST, such as on Country Residential properties, Members shall note a statement of disclosure regarding GST due diligence in the Public Remarks field.
- c. All MLS® Listings must have a minimum duration of 60 days.
- d. In applicable instances, the word “Buyer” may be interchangeable with “Tenant” and the word “Seller” may be interchangeable with “Landlord”.

## 2.02 Three Pillars of the MLS® System

- a. Only listings that comply with the following Three Pillars of the MLS® Marks as established by CREA can be listed in the Board's MLS® System:
  - i. Only Listing Brokerages may place an MLS® Listing on the Board's MLS® System, with listings posted to MLS® System(s) that are not the Listing Brokerage's own Board's System to be posted via an inter-board listing (see section 6.08 of these MLS® Listing Rules).
  - ii. The listing REALTOR®/Listing Brokerage must act as agent for the Seller to post, amend, or remove a property listing in a Board's MLS® System. The nature of any additional services to be provided by the listing REALTOR®/Listing Brokerage to the Seller is determined by agreement between the listing REALTOR®/ Listing Brokerage and the Seller.
  - iii. The Listing Brokerage agrees to pay the Co-operating Brokerage compensation for the co-operative selling of the property. An offer of compensation of zero is not acceptable.
- b. The following are the interpretations of the 3 pillars of the MLS® Marks, as set out in CREA's by-laws and rules:
  - i. The Listing Brokerage shall be available to provide professional advice and counsel to the Seller on all offers and counter offers unless otherwise directed by the Seller in writing.
  - ii. The Listing Brokerage is responsible and accountable for the accuracy of information submitted to the Board for inclusion in the Board's MLS® System (see section 2.07 below). The Board is responsible for ensuring that the data submitted to it meets reasonable standards of quality.
  - iii. Only REALTORS® are permitted to display the MLS® Marks in signage,



advertising, etc.

- iv. Where the Seller directs the Listing Brokerage in writing to do so, the Seller's contact information may appear in the REALTOR® only remarks (non-public) section of an MLS® Listing on the Board's MLS® System. The Seller's contact information shall not appear in the general (public) remarks section of an MLS® Listing on the Board's MLS® System. The Listing Brokerage may include a direction in the general description section to visit the Listing Brokerage (and/or listing REALTOR®) website to obtain additional information about the listing (but the nature of such additional information shall not be specified).
  - v. Where the Seller has reserved the right to sell the property themselves, that fact shall be specified in the Board's MLS® System.
- c. While all efforts have been made by the Board to ensure that none of these MLS® System Rules in this document violate any of the principles in the Three Pillars and the Interpretations of the Three Pillars set out in paragraphs (a) and (b) above, if it is determined by the Board in consultation with CREA, that any of the rules in this document violate any of the principles in the Three Pillars and the Interpretations of the 3 Pillars set out in paragraphs (a) and (b) above or the Competition Act, they will be amended or deleted as may be required.
- d. All information in the general (public) remarks section of an MLS® Listing on the Board's MLS® System must be property specific. Without limiting the generality of the foregoing, self-promotion and/or any contact information of the Listing Brokerage, listing REALTOR® or Member, including but not limited to e-mail addresses, URLs (website addresses), virtual tour information and electronic links of any other kind, fax numbers or references to other "team members" or assistants is not permitted in the general (public) remarks section of an MLS® Listing on the Board's MLS® System.

## 2.03 Additional Requirements

*(BOD 11/24/2021)*

- a. All MLS® Listings must disclose the Seller's full legal name, except in instances where the Seller provides the Listing Brokerage written instructions not to disclose. In these instances, the Seller's written instructions, with the Listing Brokerage's acknowledgement, must be retained by the Listing Brokerage and provided to the Board upon request.
- b. Active properties listed on the Board's MLS® System shall be available for showings within 24 hours of a request being made to view it, with the following exceptions:
  - i. If the property is occupied by a tenant as defined in the Residential Tenancies Act, that property will be available for showing as prescribed by the Residential Tenancies Act.
  - ii. If the property is a judicially ordered sale, the property will be available for showing as prescribed by the judicial order.

- iii. Commercial properties which are not subject to this Rule 2.03.b.

## 2.04 Photographs/Images

- a. An MLS® Listing will be considered to be “incomplete” as an MLS® Listing in accordance with subsection 2.01 and subsection 2.07, if there is not:
  - i. at least one photograph or artist’s rendering of the exterior of the property (including condominiums);
  - ii. for vacant land, either a photograph or artist’s rendering or a map of the area.
- b. Photographs or artists’ renderings shall not include any wording or other embellishments not related to the property, such as, but not limited to: corporate logos, advertisements, Member contact information or any messages other than “Sample Photo”.
- c. All images uploaded to the Board’s MLS® System become the property of the Board. The Board is entitled to use these images at its sole discretion and reserves the right to watermark these images with its brand to demonstrate ownership.
- d. Any alteration of an image owned by the Board is prohibited.
- e. Members shall not use any of the images from Active MLS® Listings or previous Listings, regardless of the format, without the written consent of the former Listing Brokerage.
- f. Photographs or images of community amenities may be uploaded to the Board’s MLS® System, provided they are clearly labelled as such in the photograph comments. For example, a photograph of the community splash park is labelled Community Photo: Auburn Bay Splash Park.
- g. When using Virtually Staged property images, images of a show home or show suite, or artist’s renderings, the Listing Brokerage must disclose this fact in the public remarks on the Board’s MLS® System.
- h. Virtually Enhanced images, or any photos that may misrepresent the property, are not permitted on the Board’s MLS® System.
- i. Images uploaded to the Board’s MLS® System shall not contain any persons.

## 2.05 Privacy Consent Requirements

- a. In addition to all other requirements contained in these MLS® System Listing Rules, when dealing with any property that is the subject of an MLS® Listing, all Listing Brokerages and Co-operating Brokerages must obtain the consent of their Sellers or

buyers that is required by the CREA Privacy Code, and/or by any provincial or federal applicable legislation, in order for the Board to collect, use and disclose the listing, sale/lease and purchase information about the property and the transaction on the Board's MLS® System and within the Board's MLS® System database.

- b. Immediately upon request by the Board, a REALTOR® shall provide the Board with proof of the consent described in paragraph (a) from the Seller or buyer in regard to any property that is the subject of an MLS® Listing (or landlord or tenant, if the MLS® Listing is for the lease of the property).

## 2.06 Modifications or Unusual Conditions

If an MLS® Listing has unusual conditions or an MLS® Listing includes any modification to the approved MLS® Listing Contract, such as, but not limited to, foreclosure situations, which modification shall be considered to be a special agreement, such conditions or special agreement must be included in the REALTOR® Remarks section of the MLS® Listing.

## 2.07 Accuracy/Completeness of Information

- a. The Board acts solely as publisher of the MLS® System database and is not obligated to or responsible for reviewing the accuracy, the completion and/or propriety of any MLS® Data Input Sheet and/or MLS® Listing Contract and/or any MLS® Listing on the Board's MLS® System.
- b. It is the Listing Brokerage's responsibility to verify the accuracy of its MLS® Listing and all documents and other matters that make up the MLS® Listing and to correct any inaccuracy and/or incompleteness or notify the Board of any such inaccuracy immediately as may be necessary in the circumstances. This applies regardless of any agreement between the Listing Brokerage and the Seller that attempts to waive or shift the responsibility for the accuracy of the MLS® Listing and all matters that make up the MLS® Listing or any information submitted to the Board for inclusion in the Board's MLS® System to the Seller or any other person.
- c. The Listing Brokerage, by placing an MLS® Listing on the Board's MLS® System, shall indemnify and save the Board harmless from any loss to the Board arising out of any claim regarding the MLS® Listing Contract, the MLS® Data Input Sheet and/or publication of the MLS® Listing on the Board's MLS® System. This applies regardless of any agreement between the Listing Brokerage and the Seller that attempts to waive or shift the responsibility for the accuracy of the MLS® Listing and all matters that make up the MLS® Listing or any information submitted to the Board for inclusion in the Board's MLS® System to the Seller or any other person.

## 2.08 Auction Listings

- a. The Board may allow the posting of auction listings on their MLS® System providing the listing and associated contract(s) are in accordance with these rules and all other regulatory requirements.

### 3. MLS® LISTING PROCEDURES

#### 3.01 Submitting MLS® Listings to the Board

- a. MLS® Listings must be
  - i. Brokerloaded into the Board's MLS® System; or
  - ii. delivered to the Board in the process required by the Board, within two (2) Business Days of the commencement date of the MLS® Listing.
- b. For Brokerloaded MLS® Listings, there is no requirement to send the MLS® Data Input Sheet to the Board. For MLS® Listings that are to be loaded into the MLS® System by the Board, a copy of the completed MLS® Data Input Sheet shall be delivered to the Board within two (2) Business Days of the commencement date of the MLS® Listing.

#### 3.02 Individual listings

- a. All individual properties listed must have a separate legal description and LINC number.
- b. Properties with more than one legal description and LINC number may be posted on the Board's MLS® System as one listing provided that the Seller has made the request in writing and:
  - i. they are part of a land assembly package, where a single site will be formed from a number of lands for eventual development or redevelopment; or
  - ii. they are being sold as one property by legal requirement; or
  - iii. they are part of a farm package.
- c. A property may be listed in more than one property category within the Board's MLS® System. For example, a duplex (or a triplex or fourplex) may be listed as a whole, or as individually titled units.

#### 3.03 Amending Listings

- a. Any changes to the price, terms, or conditions on an existing MLS® Listing must be acknowledged by the Seller in writing before updating the MLS® Listing.
- b. If Brokerloading to the Board's MLS® System, the Listing Brokerage must make the corresponding changes to the MLS® Listing in the Board's MLS® System within two (2) Business Days of the effective date of the Amendment to the MLS® Listing. If submitting to the Board for loading, the Listing Broker shall notify the Board of any changes to the price, terms or conditions of an existing MLS® Listing within two (2) Business Days of the effective date of the Amendment to the MLS® Listing.

### 3.04 Extending Listing

An MLS® Listing may be extended to a new expiry date, provided that:

- a. Before the original expiry date, the Listing Brokerage obtains an Extension/Amendment Agreement signed by the person(s) who signed the MLS® Listing Contract; and
- b. The Listing Brokerage, if Brokerloading, makes the changes in the Board's MLS® System to reflect the new expiry date or, if the Listing Brokerage is notifying the Board to make the changes in the Board's MLS® System, that such notification, in the manner as required by the Board, is made within two (2) Business Days of the signing of the Extension/Amendment Agreement, and, in any event, either action occurs no later than the original expiry date of the MLS® Listing.

### 3.05 Temporary Withdrawals/Suspensions

An MLS® Listing may be temporarily withdrawn for up to ten (10) Calendar Days per withdrawal request, provided that the Listing Brokerage provides written instruction to the Board that are signed by the person(s) who signed the MLS® Listing Contract and that state the reason for temporary withdrawal/suspension.

### 3.06 Terminations of Listings

- a. An MLS® Listing may be terminated upon the signing of a Termination Agreement by the persons who signed the MLS® Listing Contract and the Listing Brokerage/Principal Broker Member. If the Listing Brokerage is Brokerloading, this change in status must be made in the Board's MLS® System within two (2) Business Days of the Termination Agreement being signed or, alternatively, if the Board is making the changes in the MLS® System, reported to the Board within two (2) Business Days of the Termination Agreement being signed.
- b. See section 6.01 regarding continued sale reporting obligations notwithstanding the termination of an MLS® Listing.

### 3.07 Audits of Listings

- a. The Board reserves the right to conduct random audits of MLS® Listings, regardless of the status of the MLS® Listings that are submitted to the Board's MLS® System by Brokerage Members. The purpose of these audits is to verify MLS® Listing-related documentation and/or the Brokerage Member's compliance with the MLS® System Listing Rules.
- b. The Principal Broker Member shall submit any requested documentation relating to one or more MLS® Listings, which may include, but not be limited to, a copy of the MLS® Listing Contract and completed MLS® Data Input Sheet.

#### **4. REPORTING OF MLS® LISTING SYSTEM STATUSES**

- a. The System Status of an MLS® Listing must be reported accurately.
- b. Changes to an MLS® Listing System Status must be made within two (2) Business Days of the effective date of the status change.

#### **5. REPORTING OF PENDING SALES OF MLS® LISTINGS**

*(BOD 11/24/2021)*

- a. Upon acceptance of a conditional offer an MLS® Listing must be reported Pending in the Board's MLS® System.

#### **6. REPORTING OF SALES OF MLS® LISTINGS**

**6.01** An important part of the inherent value of the Board's MLS® System is the transaction data accumulated for sales of MLS® Listings.

- a. Therefore, it is the responsibility of all Board Members, regardless of their business model, to report to the Board all unconditional sales, including the selling price, by Brokerloading to the Board's MLS® System or in writing within two (2) Business Days of when conditions, if any, are removed.
- b. The above Rules apply to an expired listing subsequently sold under the Listing Contract hold-over clause.

##### **6.02 Collapsed Sales**

When an unconditional sale of an MLS® Listing has fallen through and the agreement of purchase and sale has been cancelled, notice shall be immediately provided in writing to the Board by the Listing Brokerage.

##### **6.03 Sale Price Disclosure**

- a. The sale price of all unconditional sales of MLS® Listings must be disclosed in the notice that is provided to the Board or Brokerloaded into the Board's MLS® System and will be recorded on the Board's MLS® System.
- b. The sale price reported shall include GST when reporting a New Home Sale.

##### **6.04 Listing Brokerage's Responsibilities**

The Listing Brokerage is responsible for providing or Brokerloading all such notices to the Board.

## **7. NON-MEMBERS, OUT-OF-BOARD AND OUT-OF-PROVINCE LISTINGS**

### **7.01 Cooperation with Non-Members**

- a. Subject to subsection 2.02(a), which provides that only Listing Brokerages may place an MLS® Listing on the Board's MLS® System, the Board does not prohibit or discourage Members' cooperation with Real Estate Licensees who are not Members of CREA.
- b. Members must understand and comply with their obligations as licensees of the MLS® Marks and the REALTOR® Marks at all times, including when partnering and/or otherwise cooperating with Real Estate Licensees who are not members of CREA. The best source of information about those obligations as licensees of the MLS® Marks and the REALTOR® Marks is CREA.

### **7.02 Out of Province Listings**

The Board will accept MLS® Listings of properties located outside of the Province of Alberta provided the Listing Brokerage is licensed in the jurisdiction where the property is located or performs no real estate activity that requires a license in the jurisdiction where the property is located.

## **8. OWNERSHIP, COPYRIGHT, ACCESS & USE**

### **8.01 Copyrights and Licensing**

- a. The Board is the owner of the copyright in its MLS® System and MLS® System database. The MLS® Marks and MLS® System database is a licensed product for the exclusive use of Members and other users who are authorized in writing by the Board.
- b. Any use of the MLS® System data by any unauthorized user or for any unauthorized purpose is prohibited.
- c. The right to use, reproduce or download the MLS® System data is subject to the authority of the Board and is limited to the specific uses permitted by the Board.

### **8.02 Member Access and Use of MLS® System**

- a. All Members in good standing shall have access to the Board's MLS® System.
- b. Members shall comply with, observe, and be bound by all rules, restrictions, copyright notices or other limitations of access to the Board's MLS® System and use thereof as may be adopted by the Directors from time to time.
- c. A Member, in submitting an MLS® Listing to the Board, consents to such use of information in that MLS® Listing as the Board determines, including the uses more specifically set out in section 8.03.

### 8.03 Sharing and Distribution of MLS® System Data

The Members shall advise and obtain the Seller's and buyer's consent that:

- a. All information concerning the MLS® Listing Contract, the properties affected thereby and the trades thereunder shall be made available not only to all other Members but also Members of other real estate boards in Alberta and any third-party authorized users with whom the Board has a contract and their Clients only to the extent that is reasonable for the marketing of property and statistical purposes;
- b. The Board may, at its option, advertise in any medium, including the Internet, any properties listed on the MLS® System of the Board;
- c. The Board may retain and distribute the listing information indefinitely and may compile and publish any statistical analysis, including historical MLS® System data, on such information.

### 8.04 Board Liability

The Board shall not be responsible for any indirect, special or consequential damages or any other obligation or liability arising out of, or in any way connected with, the Board's MLS® System including, but not limited to, computer failure or interruption, or negligence.

### 8.05 Confidentiality and Disclosure

Under Provincial and Federal privacy legislation, the Board must protect personal information that is in its custody or under its control by making reasonable security arrangements against such risks as unauthorized access, collection, use, disclosure, copying, modification, disposal or destruction.

- a. The non-public information contained on the Board's MLS® System is to be kept confidential and information contained in the Board's MLS® System shall not be distributed to unauthorized persons or used in any unauthorized manner.
- b. Notwithstanding the provisions of this section, the information contained on the Board's MLS® System can be disclosed if it is disclosed for an authorized use. For the purposes of this section, "authorized use" means:
  - i. the extraction of MLS® System data from the MLS® System by Members of the Board in good standing necessary to assist them in representing their Clients or specific identified parties in the trade of real property; and
  - ii. any specific use authorized in writing by the Board.
- c. In order for any use described in paragraph (b) to be "authorized use", such use of the Board's MLS® System must also:



- i. reflect accurate and current information as contained in the Board's MLS® System;
  - ii. include the name of the Listing Brokerage;
  - iii. include the registered MLS® Marks.
- d. "Unauthorized use" is any use not set out in paragraph (b) hereof and includes, but is not limited to:
  - i. the extraction of MLS® System data for the purposes of creating a book or for the population of another listing database;
  - ii. reproduction of MLS® System data beyond that necessary to prepare presentations to a Client or a specific identified Customer;
  - iii. the alteration, modification or reformatting of the MLS® System data on the Board's MLS® System in any form whatsoever, electronic or otherwise;
  - iv. the sale or distribution of any portion of the Board's MLS® System to any third parties.
- e. No use is "unauthorized" if consented to in writing by the Board. Anyone requesting such consent is required to meet all eligibility requirements and agree to such undertakings, terms, and conditions as established by the Board, and shall execute any agreements as required by the Board.

#### 8.06 MLS® System Access Security

- a. Personal computer access codes, log-on account numbers, user IDs, user PINs, and/or passwords and/or any other authenticators issued to a Member in order to provide online access to the Board's MLS® System and/or other Board information and services (collectively, "Access Codes") are for the Member's sole and exclusive use and disclosure to anyone is prohibited.
- b. Computer software/programs, key fobs and/or other items provided by the Board to a Member to access the MLS® System and/or other Board information and services (collectively, "Access Items") are for the Member's sole and exclusive use and selling or distributing or providing these programs to anyone is prohibited.
- c. However, if the Board's MLS® System functionality allows, unique login credentials can be made available to a Member's unlicensed assistant(s) or Brokerage administration staff, provided the person(s) to whom these login credentials are being made available sign the same Agreement the Member signs to receive their credentials. If the Board's MLS® System functionality does not allow unique login credentials, then a Member may disclose their Access Codes and/or Access Items to their unlicensed assistant(s) or Brokerage administration staff. The Member shall be responsible for establishing and maintaining security procedures acceptable to the Board to prevent unauthorized use of

the Access Codes and/or Access Items by their assistant(s) and the Principal Broker Member shall be responsible for establishing and maintaining security procedures acceptable to the Board to prevent unauthorized use of the Access Codes and/or Access Items by their administrative staff.

- d. The Principal Broker Member of each Brokerage Member shall ensure that any individual described in paragraph (c) who has been provided with Access Codes and/or Access Items complies with the Board's by-laws and these MLS® System Listing Rules while in their employ.
- e. The Principal Broker Member of each Brokerage Member shall notify the Board within two (2) Business Days when any individual described in paragraph (c) who has been provided with Access Codes and/or Access Items ceases to be employed by the Brokerage Member.

### 8.07 Unauthorized Use of the MLS® System

- a. Any theft, sabotage, unauthorized use of, or unauthorized access to the Board's MLS® System or MLS® System data constitutes a breach of these MLS® System Listing Rules and shall be dealt with in accordance with the applicable provisions of the Board's by-law. Notwithstanding any sanctions and or penalties imposed by the Board, the Board reserves the right to seek any and all redress and remedies available to it in a civil action against the unauthorized person (Member or non-Member) and/or any Member permitting the unauthorized access to or unauthorized use of the Board's MLS® System by an unauthorized person.
- b. In addition to the Board's rights and remedies set out in paragraph (a), the Board reserves the right to immediately terminate a Brokerage Member's or an individual Member's Access Codes and/or Access Items, without notice, in the event of any unauthorized use of or granting unauthorized access to the Board's MLS® System or any other breaches of the provisions of this section 8.

### 8.08 Inter-board Listings

The Board may be a signatory to one or more agreements with other real estate boards in the province of Alberta (sometimes referred to as Inter-board Listings). Pursuant to these agreements, board Members may have the right, on an individual basis, to post an MLS® Listing to an MLS® System other than their own Board's MLS® System, the posting of such MLS® Listing(s) to be facilitated through the Member's Board. If, through the posting of an inter-board listing, the Member that posts the listing is found to be in breach of the MLS® System Listing rules of the Board on whose MLS® System the listing was placed, the breach shall be dealt with by the Member's own Board.

## **9. SANCTIONS FOR NON-COMPLIANCE WITH MLS® LISTING RULES**

Contravention of these MLS® System Listing Rules will be dealt with in accordance with each Board's policy and procedure.

See [SCHEDULE 1-SANCTIONS FOR NON-COMPLIANCE OF HARMONIZED MLS® SYSTEM LISTING RULES FOR ALBERTA.](#)

## PART 2 – PROVINCIAL PRACTICE RULES FOR ALBERTA REALTORS®

*It is the duty and a requirement of each Member to comply with these rules in their dealings with fellow Members, Board staff, AREA staff and members of the public.*

*Members are also expected to conduct themselves in accordance with the Alberta Real Estate Act, the REALTOR® Code, and Common Law with which these rules are fully compatible. In the event, however, that provisions in these rules do not align, the Alberta Real Estate Act (the Act) will take precedence, as will current legislation.*

*These rules are fully binding on Members where the phrasing of a particular section or sentence indicates that a Member shall or must abide by the procedure or action indicated. Sections or sentences with use of the word “should” are intended to be advisory in nature and to suggest best practice, the preferred course of action.*

*A Member who is found to be in contravention of these rules may be sanctioned in accordance with their Board’s policy. A Member has the right to appeal the decision, as provided in the bylaws of the Member’s Board.*

### 1. TERMS AND DEFINITIONS

1.01 In these Alberta Provincial Practice Rules, unless the context requires otherwise:

- a. “Act” means The Real Estate Act and includes any amendment, re-enactment or successor of that Statute or Regulation, as the case may be.
- b. “Approved”, when referencing a real estate form, means a form that is provided by the Alberta Real Estate Association for use by Alberta REALTORS®, sometimes referred to as Alberta Standard Form(s) and/or any specific forms that the Board may provide for the use of its Members.
- c. “AREA means the Alberta Real Estate Association or any successor organization.
- d. “Associate” is an individual who holds the qualifications of a real estate associate; is licensed as a real estate associate by the Real Estate Council of Alberta; is employed by or associated with a licensed real estate brokerage in Alberta and is registered with and approved to trade in real estate on behalf of that brokerage.
- e. “Authorized Representative” is any licensed broker or manager employed or associated with a licensed real estate brokerage and approved to act on behalf of that brokerage.
- f. “Board” means the Board or Association.
- g. “Broker” is an individual who holds the qualifications of a real estate broker; is licensed as a real estate broker by the Real Estate Council of Alberta; is employed by or associated with a licensed real estate brokerage in Alberta and is registered with and

- approved to operate a real estate brokerage and trade in real estate on behalf of that brokerage.
- h. “Brokerage” is a real estate brokerage that is licensed under the Real Estate Act.
  - i. “Brokerage Member” is a Brokerage that is a Member of the Board and employs a licensed and registered broker.
  - j. “Brokerload” means the entering of listing information from the MLS® Listing Contract, the MLS® Data Input Sheet and any other applicable data, onto the Board’s MLS® System”
  - k. “Business Day” means every day precluding Saturday, Sunday, and statutory holidays.
  - l. “Buyer” means a person acquiring or attempting to acquire an interest in real estate by purchase.
  - m. “Buyer’s Representative” means the Industry Member who is employed by the brokerage and acts on behalf of the Buyer in a real estate transaction.
  - n. “Client” means a person who has entered into a service agreement with an industry member in accordance with the Real Estate Act Rules, whether or not that service agreement is in writing.”
  - o. “Co-operating Brokerage” is either a Brokerage Member, or a Brokerage that is a member of any other real estate board in Alberta, that affects the trade of the property as a Buyer’s Representative, or otherwise.
  - p. “Consent” means the voluntary and informed approval, agreement or permission given by a competent person for some act or purpose.
  - q. “CREA” means The Canadian Real Estate Association or any successor organization.
  - r. “Customer” means a person who has contacted but not engaged or employed an industry member to provide services.
  - s. “Listing” means a record of a property for lease or sale by a Brokerage Member.
  - t. “Listing Brokerage” and “Seller’s Brokerage” mean a Brokerage Member that has listed a property for disposition using a Listing Contract.
  - u. “Listing Contract” means the Service Agreement, whether applying to full or limited service, formed between a Seller, as Client, and a Brokerage Member in respect of one or more aspects of a disposition of property.
  - v. “Member” means a real estate Brokerage, Broker, associate Broker or Associate who is a Member of an Alberta Real Estate Board.
  - w. “MLS® Data Input Sheet” means the data input sheet, as prescribed by the Board

- from time to time to be used to obtain and submit property information for the MLS® Listings listed on the Board's MLS® System.
- x. "MLS® Listing" means a Listing on the Board's MLS® System using an MLS® Listing Contract.
  - y. "MLS® Listing Contract" means a Listing Contract that is part of an MLS® Listing and includes the approved Listing Contract including the agreement portion and any subsequent amendment(s) thereto, whether or not the Board requires the submission of the agreement portion.
  - z. "MLS®" and "Multiple Listing Service®" are two of the MLS® Marks owned by CREA and licensed by CREA.
  - aa. "MLS® Marks" - made up of MLS®, Multiple Listing Service® and the MLS® logos permitted by CREA are certification marks owned by CREA and licensed by CREA pursuant to the terms and conditions set out in CREA's By-laws, Rules and policies. The MLS® Marks identify professional services rendered by members in good standing of CREA to effect the purchase and sale of real estate as part of a "plural system arrangement", also known as a co-operative selling system (the "MLS® services") in compliance with CREA's By-laws, Rules and policies, and the REALTOR® Code of Ethics as amended from time to time, and in compliance with all applicable federal and provincial laws and regulations. The MLS® Marks do not identify or describe a computer database of real estate listings.
  - bb. "MLS® System" of the Board is the co-operative selling system operated and promoted by a Board in association with the MLS® Marks. The MLS® System of a Board includes an inventory of listings (MLS® System database) of participating REALTORS®, including all text, images and information gathered, compiled, stored or published by a Board, in whatever format it is gathered, compiled, stored or published, and including all such text, images and information which is made available by the Board to Members, in whatever format it is disseminated. The MLS® System of a Board ensures a certain level of accuracy of information, professionalism and co-operation amongst REALTORS® to affect the purchase and sale of real estate.
  - cc. "Person" includes, where applicable, an individual, a partnership, a corporation, an organization, and a business.
  - dd. "Principal Broker Member" means the person approved to operate a real estate Brokerage or their authorized delegate.
  - ee. "Purchase Contract" means an enforceable agreement between parties for the purchase and sale, exchange, or other conveyance of real estate.
  - ff. "REALTOR® and REALTORS®" are two of the REALTOR® Marks controlled by CREA and licensed by CREA.
  - gg. "REALTOR® Marks" - made up of REALTOR®, REALTORS® and the REALTOR®

logos permitted by CREA – are certification marks controlled by CREA and licensed by CREA pursuant to the terms and conditions set out in CREA’s By-laws, Rules and policies. They identify Members in good standing of CREA who provide real estate brokerage services (the “REALTOR® services”) in compliance with CREA’s By-laws, Rules and policies, and the REALTOR® Code of Ethics, as amended from time to time, and in compliance with all applicable federal and provincial laws and regulations.

- hh. “RECA” means the Real Estate Council of Alberta
- ii. “Seller” means a person disposing or attempting to dispose of an interest in real estate by sale.
- jj. “Seller’s Rights Reserved” means a Listing which permits the Seller(s) to sell their property themselves, and which must comply with the Three Pillars of MLS® and the interpretations thereof.
- kk. “Service Agreement” means a contract that establishes the relationship between the parties as to the services and obligations to be performed by an industry member.
- ll. “Seller’s Representative” means the Industry Member who is employed by the brokerage and acts on behalf of the Seller in a real estate transaction.

## 1.02 Interpretations

Where there is any reference made in these MLS® System Listing Rules to any Statute or Regulation or any part of it, such a reference shall also be deemed to include any amendment, re-enactment or successor legislation of that Statute or Regulation, as the case may be.

## 2. PROFESSIONAL CONDUCT

### 2.01 Mutual Respect

Mutual respect toward other Members, Board or AREA staff and the public is a requirement. Aggressive or abusive behavior or threats to personal safety will not be tolerated and is not in the professional image of a Member.

### 2.02 Duty to Resolve Issues

It is every Broker Member’s duty to try to resolve issues between Brokerages before initiating a formal complaint against one another. Brokers shall communicate with each other in good faith.

### 2.03 Advice Constraints

A Member should distinguish between business and legal issues and shall not give legal advice. Members’ Clients and Customers should consult lawyers for any legal advice needed. Advice on other issues, such as GST, inspections, mortgage financing, etc. should be given by experts in those fields.

### **3. SOLICITATION OF ASSOCIATES**

#### **3.01 Solicitation at Events**

There shall be no solicitation of Associates during any Board organized real estate meetings, functions, events, educational courses, seminars, on Board property or venues booked by the Board for such purposes.

#### **3.02 Solicitation using Board Web Resources**

There shall be no solicitation of Associates using board web resources, including, but not limited to, board websites and board-hosted social media.

#### **3.03 Sending Recruiting Materials**

Brokers must not send recruiting materials directly to other Brokerages by any delivery system including but not limited to mail, courier, fax, email, telephone or through the use of any other service paid for by the targeted Brokerage.

### **4. SOLICITATION OF CONTRACTS**

Rules contained within section 4 are intended to cover both Buyer and Seller written Service Agreements, where applicable.

#### **4.01 Solicitation of Potential Clients**

A Member shall not solicit a person(s) with a Service Agreement with another Member Brokerage.

- a. A Member shall not solicit a Buyer who has signed a written Service Agreement with another Member. A Buyer's Representative must ask the Buyer(s) whether or not they have entered into a written Service Agreement with another Member Brokerage. If the Buyer is under contract to another Brokerage, the Member must disclose to the Buyer that they may have legal obligations under that contract and should advise the Buyer to seek legal advice.
- b. MLS® System information shall not be used by any Member to target current or previous Clients of any other Member with offers to provide services.
- c. Any direct or personal contact or communication by or on behalf of a Member with a Seller or a Buyer who the Member knows or ought to know has an existing written Service Agreement is deemed to be improper solicitation.
- d. It is not solicitation if contact or communication was requested or initiated by the Seller or the Buyer.

This rule is not intended to prevent or restrict Sellers or Buyers from contacting any Member at



any time for the purpose of obtaining information from a Member with respect to listing the Seller's property after expiration of an existing Listing or, in the case of a Buyer, expiry of a written Service Agreement.

#### 4.02 Advertising for Potential Clients

Advertising designed to reach an identifiable member of the public, which the Member knows or ought to know will include persons with existing written Service Agreements may be deemed to be solicitation. Such advertising shall include a clear, prominent and emphasized disclaimer statement that the advertisement is not intended to cause or induce the breach of, cancellation or assignment of any existing written Service Agreement. Members must not interfere in any way with an existing written Service Agreement.

- a. If, as a result of advertising without a disclaimer statement, excepting general or institutional advertising, a Seller breaches, cancels or assigns an existing written Service Agreement, the advertising may be deemed to be a solicitation on the part of the Member.
- b. General or institutional advertising of a Member's services through radio, television, open houses, social or other media or other means of reaching a large group of the public and is not specifically directed to persons having existing written Service Agreements is not deemed to be solicitation.

#### 4.03 Suggestion for Buyers to View Properties with Other Members

Excluding show homes or open houses, Members shall not suggest to a Buyer that they view properties with other Members with the intention or instruction to the Buyer to return to the first Brokerage Representative to write an offer on a subject property.

### 5. COMMUNICATIONS, NOTICES AND CORRESPONDENCE

#### 5.01 Brokerage Address Maintenance and Changes

Brokerage Members must maintain a current address for service and email address on file at the Board for service of notices, correspondence, bulletins, advisories, invoices or any other form of communication sent by the Board. Brokerage Members must notify the Board within seven (7) Business Days if there is a change to their address for service or email address. A Brokerage Member may change its address for service by delivering written notice to the Board. The change of address for service will become effective seven (7) Business Days after delivery of such notice. The address for service of correspondence, notices, bulletins, advisories, invoices, etc. is the address of record for all communications with:

- a. The Principal Broker Member;
- b. The Authorized Representative associated with that Brokerage; and
- c. Any other Member licensed with that Brokerage.

## 5.02 Delivery of Service Notices and Correspondence

Service of any notice or correspondence from a Board or AREA delivered to the Principal Broker, or Authorized Representative, concerning any Member licensed with that Brokerage, shall be deemed as service to any Member of the Brokerage. The Board or AREA may serve notice on any Member on any Business Day and will be deemed to have been delivered:

- a. On the first Business Day after delivery if sent by courier or registered mail; or
- b. On the first Business Day after transmission if sent by email or fax.

## 5.03 Communicating with the Board/AREA

A Member shall respond in writing to all correspondence from the Board or AREA within the timeframe specified on the notice or correspondence or in accordance with the Board or AREA's rules or policies.

- a. The Board or AREA shall deliver all correspondence to the Brokerage at the latest address for service, on record, for the Brokerage where the Member is registered. The term "correspondence" shall include, but is not limited to, any communication including electronic communication, invoices for services, notices, or requests for response.
- b. Wherever possible, Members will receive information from the Board, or AREA via electronic means. This information will include, but not be limited to the following: notices from Industry Practices; advisories; dispatches; monthly statements; Board or Association publications and other materials deemed appropriate for electronic distribution.

## 5.04 Transmissions to Other Members

Members shall cease transmissions to other Members upon their request. The recipient's addresses shall be removed from the sender's contact list upon the request of the recipient.

# 6. ADVERTISING

## 6.01 Advertising Requirements

All advertising shall comply with the Real Estate Act Rules, Regulations, the REALTOR® Code, the Competition Bureau, CREA's Bylaws and Rules, Board Rules, Regulations, Guidelines and Policies.

## 6.02 Advertising Listings of Other Members

No Member may advertise the Listing(s) of another Member beyond the scope of CREA's Bylaws and Rules without the written permission of the Seller's Brokerage and the Seller.

- a. Under CREA's Bylaws and Rules, all CREA Members may advertise other Brokerages' Listings on their websites under specific terms and conditions. However, the conditions

do not extend to print media, social or commercial websites.

### 6.03 Advertising a Sold Listing

When a Listing is sold by a Member, the Seller's and the Buyer's Brokerages may advertise that fact, with the Buyer's Representative exercising that right after the sale has completed and if the written permission of the current property owner is obtained.

### 6.04 Advertising Address and Price of Sold Property

If a Member wishes to advertise, publish, or make a general distribution of both the address and the sale price of a specific property **prior** to possession or transfer of title, then the Member must obtain the written consent of both the Seller and the Buyer. If the Member wishes to advertise, publish, or make a general distribution **after** the transfer of title, then only the consent of the Buyer is required.

### 6.05 Inaccurate or Misleading Advertising

A Member will not use advertising that is inaccurate, misleading or in any way misrepresents the Member's services or the Seller's property.

## 7. APPOINTMENTS

### 7.01 Buyer Accompaniment at Showings

Unless instructed otherwise by the Seller, a Member, a Seller, or an immediate family member of the Seller must accompany a Buyer at all showings of listed properties.

### 7.02 Making and Keeping Appointments

All appointments must be made through the Seller's Representative or their associate, except where otherwise indicated on the MLS® System.

- a. When a Buyer's Representative is unable to keep an appointment, (s)he shall advise the Seller's Representative immediately. If, upon arrival, the Buyer(s) changes their mind about viewing the property, the Buyer's Representative must notify the Seller's Representative immediately.
- b. If the Seller's Representative has been advised by the Seller or tenant that there has been a change to a scheduled appointment, the Seller's Representative shall notify the Buyer's Representative immediately.

### 7.03 Facilitating Appraisers, Property Inspectors and Other Professionals

The Buyer's Representative must make an appointment with the Seller's Representative or the Seller to facilitate appraisers, property inspectors or any other professional whose services the Buyer has made a condition or term in the Purchase Contract. Unless otherwise

instructed by the Seller in writing, it is the Buyer's Representative's responsibility to provide access and ensure the security of the property during and after the appointment.

#### 7.04 Responsibility to Secure Property

Unless otherwise instructed in writing by the Seller, any Member who accesses or provides access to a listed property, for whatever reason, is responsible to secure the property during and after all showings, viewings, inspections, and open houses.

## 8. KEYS AND KEY BOX SYSTEMS

### 8.01 Use of Property Access Keys

Keys obtained from the Seller's Brokerage to access the property, regardless of the format (e.g., electronic display key, entry card, key, or any other access implement), shall only be used for authorized purposes by Members or other persons approved by the Board.

- a. Authorized purposes consist of inspecting properties, showing properties to prospective Buyers or for the fulfillment of any terms within the Purchase Contract requiring access to the property such as appraisal, home inspection etc.

The following shall be considered unauthorized uses:

- b. Making duplicates of the key obtained from either a key box or the Brokerage without written permission;
- c. After accessing the property, failing to immediately return the key to the Seller's Associate/Brokerage/key box prior to leaving the property;
- d. Turning over the key to any person without the prior written consent of the Seller's Brokerage, the Seller or the Seller's lawyer;
- e. Any other use of the key for any purpose other than authorized uses, as defined.

### 8.02 Facilitating Possession of Property

It is the Buyer Representative's responsibility to obtain keys or other means of access (e.g., security codes or other electronic access) from the Seller's Representative to facilitate possession of the property. The Buyer Representative shall not give the Buyer access to the property without first confirming permission from the Seller's Brokerage, the Seller or the Seller's lawyer to release keys or provide access.

### 8.03 Use of Board-approved Lockboxes

All Members shall use Board-approved lockboxes on all property Listings where one is requested by the Seller.

## 8.04 Entering a Property

Regardless of occupancy, entering a property without authorization is prohibited unless indicated in the MLS® System.

## 8.05 Use of Electronic Access Device

An electronic access device registered to an individual Member is for the Member's exclusive use. Loaning these devices to another Member, non-Member or member of the public is strictly prohibited.

## 8.06 Locating Key Box on Property

A key box may only be placed on the property with the written consent of the Seller, as stated in the Listing Contract. Key boxes must not be placed on municipal properties or equipment belonging to utility companies, municipal property, trees, and balconies of non-listed units in the same complex, lighting fixtures, garbage bins or other such similar places not authorized by the condominium corporation. Upon the receipt of a complaint, the Board will notify the Member to immediately remove the lockbox.

In the case of multi-family properties:

- a. Key boxes must only be placed on/in condominium-approved locations;
- b. Key boxes must clearly identify the Seller's Representative. Keys contained within the key box must be labeled with the Seller's Representative's name and contact information.

## 8.07 Removal of Keys and Key Boxes

Keys and key boxes are to be removed from the property only by the Seller's Brokerage within five (5) Business Days of possession, termination or expiration date of the Listing Contract unless otherwise instructed in writing by the Seller.

# 9. OPEN HOUSES

## 9.01 Member Attendance at Open Houses

Whether the property is vacant or occupied, a Member must be in attendance at all public or REALTOR® open houses, unless otherwise instructed by the Seller.

# 10. SIGNAGE

## 10.1 Identification on Signage

All signage on properties listed on the MLS® System must be in the name of the Seller's Brokerage unless otherwise instructed by the Seller. Alternatively, on Listings that are Seller's

Rights Reserved such as builders or mere postings, a Seller may choose to have their own sign on the property instead of a Brokerage sign.

## 10.2 Signage Removal

A *For Sale* sign must be removed by the Seller's Brokerage immediately upon the expiry date, termination of the Listing Contract, the completion date or at the request of the Seller.

## 10.3 Interference with Signage

No Member shall interfere with a sign of another Member. Where a property Listing transfers to another Member of the Board, the new Seller's Brokerage may remove the signs of the previous Seller's Brokerage in cases where such signs have not been removed. Members shall treat competitor's signs with respect.

## 10.4 Time Sensitive References on Signage

Members must remove all time-sensitive signage references (e.g., "Just Listed, New Listing, Price Reduced, etc.") within ten (10) Business Days of the Listing date or the amendment date of the Listing Contract.

## 10.5 Placement of Sold Signage

The Seller's Representative and/or the Buyer's Representative may place a sold sign on a property their Brokerage was engaged in buying/selling, provided that written permission has been received from the property owner.

# 11. OFFERS

## 11.01 Communication Information on Accepted Purchase Contract

Accepted Purchase Contracts must include the following for the purpose of communicating with the parties to the Purchase Contract and their representatives:

- a. Names of the Seller(s) and the Buyer(s);
- b. Names and contact information of the Seller's Brokerage, Seller's Representative, the Buyer's Brokerage, and the Buyer's Representative.

## 11.02 Presentation of Offers to Purchase

Except when otherwise instructed in writing by the Seller, all offers to purchase must be presented to the Seller within two (2) Business Days. This requirement applies to all offers to purchase, even if the Seller has accepted a Purchase Contract, until the sale is complete.

### 11.03 Notification of Multiple Offers

Except when otherwise instructed in writing by the Seller, the Seller's Representative must notify all Buyers' Representatives if there are multiple offers.

### 11.04 Presentation of Multiple Offers that Include Offer(s) by Seller's Representative

In instances where the Seller's Representative receives multiple offers that include an offer or offers written by the Seller's Representative, the following apply unless otherwise instructed by the Seller:

- a. All offers shall be presented by another Seller's Brokerage Representative delegated by the Brokerage; and
- b. The Seller's Representative must direct all offers to purchase to be submitted to the delegated representative.

### 11.05 Multiple Offer Communication Requirements

Where two or more written offers to purchase are received by the Seller's Representative, the Seller's Representative shall, prior to presentation to the Seller, undertake the following unless otherwise instructed in writing by the Seller:

- a. Inform all competing Brokerages of the existence of all written offers and/or counteroffers as soon as the Seller's Representative becomes aware of any other written offers;
- b. Provide the names of the competing Buyer's Representatives and their Brokerages to all competing Buyer's Representatives upon request.
- c. Inform all competing Brokerages as soon as the Seller's Representative becomes aware of any competing offers that have been withdrawn while negotiations are still ongoing with other Buyers.

## 12. CONVEYANCING

### 12.01 Clarifying Conveyancing and Trust Monies Requirements

Members participating in development of a Purchase Contract shall ensure the Purchase Contract defines who will be responsible for conveying the instructions to the parties' respective lawyers and who holds the trust monies under the terms of trust contained within the Purchase Contract.

## 13. FEE ENTITLEMENT

### 13.01 Fee Payable

The fee, as outlined in the written Service Agreement, is payable to the Brokerage Representative who obtains an accepted Purchase Contract or lease agreement which subsequently closes, provided there is no evidence of unethical activity.

## 14. PAYMENT OF FEES

### 14.01 Fee Alteration and Payment Timeframe

The Seller's Brokerage shall pay the Buyer's Brokerage the fee as posted on the MLS® System at the time the offer was written and signed by the party who initiated the Purchase Contract. The posted fee shall not be altered during the course of negotiations without disclosure and agreement from the Buyer's Brokerage. Any changes to fees payable to either Brokerage will be in the form of a signed written agreement between the two Brokerages. The fee shall be paid within ten (10) Business Days of the following:

- a. Receipt of funds by the Seller's Brokerage; or
- b. Permission to release the funds has been received by the Seller's Brokerage.

In instances where funds are held by the Buyers Brokerage, any fees owing to the Seller's Brokerage must be paid within ten (10) Business Days of either of the following:

- c. Receipt of funds by the Buyer's Brokerage; or
- d. Permission to release the funds to the Buyer's Brokerage has been received by the Buyer's Brokerage.

### 14.02 Recourse When Fee in Full Not Received

In the event the Seller's Brokerage does not receive the fee in full:

- a. The Seller's Brokerage shall:
  - i. When the Seller's Brokerage is shown to be negligent or has not exercised due diligence, pay the Buyer's Brokerage fee in full with any shortfall to be absorbed by the Seller's Brokerage;
  - ii. In the case of no fault, by either the Seller's or Buyer's Brokerage, pay the pro-rated amount of the fee based on funds recovered, divided in accordance with the proportionate share stated in the Fee Agreements;
- b. In the event that reasonable costs are incurred by either Brokerage to collect the fees or the balance of the fees and in the absence of any fault by either Brokerage:
  - i. Those costs shall be shared in accordance with the proportionate share



stated in the written Service Agreement;

- ii. If expenses are incurred in the attempt to collect the fee and, ultimately, no fee or any part of the fee is collected, both Brokerages shall share the costs in accordance with the proportionate share stated in the written Service Agreement.
- c. The Seller's Brokerage must make all reasonable attempts, without delay, to secure the fees owing under a written Service Agreement including, but not limited to, registering a caveat against the property. The declaration of no fee payable to the Seller's Brokerage does not relieve the Seller's Brokerage from using all available means to collect the Buyer Brokerage's fee.

#### 14.03 Receipt of Offers to Purchase After Listing Expiry

When a Buyer's Representative shows a property to a Client while a Listing Contract is in effect and the Buyer's Representative subsequently writes an offer to purchase with that Buyer after the expiry of that Listing, the Buyer's Representative shall:

- a. Contact the Listing Brokerage on record at the time of the showing to verify whether or not a holdover period has been contracted. If so, advise that there is an offer on the property, provided the property has not been relisted by another Member;
- b. If the property has been relisted by another Member, contact the Listing Brokerage that currently holds the Listing Contract to advise that there is an offer on the property.
- c. If there is no holdover period contracted and the property has not been relisted, contact the Seller directly with the offer.

The Buyer's Representative will not contact the Seller of the property concerning the offer without prior instruction from either the Listing Brokerage on record at the time of the showing or the current Listing Brokerage.

## **PART 3 – MEMBERSHIP**

### **1. APPLICATION FOR MEMBERSHIP**

- 1.01 Each applicant shall sign the Covenants, Undertakings and Waiver of Claims as set out in Schedule 6 hereto. In the case of an application for Broker membership, the applicant shall also sign the Additional Covenants as set out in Schedule 7 hereto.
- 1.02 Each application for Broker membership shall be required to submit an opening financial statement.

### **2. PAYMENT OF FEES**

- 2.01 Each application for membership in the Cooperative shall be made in writing on the form approved by the Board of Directors, giving the information and particulars requested therein in full and shall be accompanied by required fees, deposits and annual dues of the Cooperative, The Alberta Real Estate Association and The Canadian Real Estate Association.

### **3. PRIVILEGES AND OBLIGATIONS**

- 3.01 The Board of Directors in its discretion may, suspend all Cooperative privileges or terminate the membership of any person as a result of unapproved changes in control or ownership of the business of that Member. A Broker Member shall notify the Cooperative in writing on the forms prescribed from time to time by the Board of Directors of:
- a. a change in the address of the Broker Members business office;
  - b. the commencement of employment of each Associate and Associate Broker employed by the Broker Member;
  - c. the termination of employment of each Associate and Associate Broker employed;
  - d. the suspension of the license of an Associate or Associate Broker registered with their brokerage.
  - e. a change in partners where that Associate is a partnership;
  - f. a change in the officers or directors of a corporation where the Associate is a corporation;
  - g. a change of the Broker or Broker Designate where that Brokerage is a partnership or a corporation; and
  - h. a change in the share structure or share ownership of the corporation.

- 3.02 Members of the Cooperative shall report in writing to the President & Chief Executive Officer any matter which appears to indicate a breach of the Bylaws, or the REALTOR® Code, or any other conduct by a Member which may justify disciplinary proceedings.
- 1.03 Every Member shall provide the Cooperative with an address for service in the Province of Alberta, which address shall be an office operated by the Member or with which the Member is associated. Every Member shall forthwith notify the Cooperative of any change in address. All documents or other notices under the Bylaws shall be deemed to have been properly served on any Member if delivered by electronic address to the last address provided to the Cooperative by the Member. The date of delivery by electronic means, shall be considered as the date of service to such Member.

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## PART 4 – DUTIES AND RESPONSIBILITIES OF COMMITTEES

### 1. COMMITTEE OPERATIONS

- 1.01 Subject to ratification by the Board of Directors, the Chair shall appoint all Committee Chairpersons with the exception of the Chairperson of the Member Services Committee. The Chair shall be notified of all Committee meetings and shall have the right to attend their sessions and to take part in all discussions and proceedings.
- a. Each Committee Chairperson in co-operation with the President & Chief Executive Officer shall, within 30 days of their appointment, select the Members of the Committee and immediately submit the same to the Board of Directors for approval.
  - b. Each Committee Chairperson shall be responsible for submitting to the Board of Directors for approval, a budget of anticipated expenditures for the operation of the Committee for the fiscal year. No Committee shall make any expenditures on behalf of the Cooperative without the prior approval of the Board of Directors.
  - c. Any Committee Member who remains absent without reasonable cause from three meetings of the Committee of which they are a member will have their appointment to the Committee terminated by the Board of Directors.
  - d. A quorum for any Committee meeting shall require the presence of not less than fifty percent of the Committee members, excluding formal hearings and appeals held by the Arbitration and Professional Standards Committee.
  - e. If a majority of the Committee Members present at any Committee meeting vote in favour of a motion, then the motion shall be deemed to have been passed.
  - f. No Committee Chairperson shall have a vote except in the case of a tie vote and then they shall cast the deciding vote.
  - g. With the exception of the hearing decisions of the Arbitration and Professional Standards Committee, the decisions of any Committee shall be of no force or effect unless approved by the Board of Directors.

### 2. DUTIES AND RESPONSIBILITIES

#### 2.01 Arbitration and Professional Standards Committee:

- a. This Committee shall be appointed by the Committee Chairperson and consist of not less than thirty (30) Members with at least five (5) years of real estate experience.
- b. The Chairperson shall select Members from this Committee to serve on various review, hearing and appeal panels to hear specific complaints. No member of such Committee

shall serve who has a personal or financial interest in the subject matter, or if the member is the licensed Broker or the licensed Associate of any party to the matter at issue.

- c. Before the Committee may conduct a professional standards and/or a formal arbitration hearing with respect to a specific matter or matters, the same must have been referred to the Committee Hearing Panel by the Review Panel, provided always that the Review Panel reserves the right to determine that a particular matter is beyond the jurisdiction of the Committee and that it is not to be referred to the Committee.
- d. A Review Panel shall consist of three (3) Members selected from the Committee.
- e. The decision of the Review Panel shall be binding upon all of the Members who are parties to the disputed matter.
- A. Professional Standards Procedures:
  - a. A complaint must be received by the Cooperative within two (2) years after the date on which the offence is alleged to have been committed.
  - b. Upon receipt of a complaint as to the conduct of any Member, the Committee shall advise the said Member the nature of the complaint and the Member shall forthwith answer in writing any questions relating to the matter under investigation and produce such documents and records as may be requested by the Committee.

If the said Member fails to comply with the requests of the Committee, then the Board of Directors shall in writing give notice to the said Member and the Member's Broker to appear at a hearing before the Board of Directors at a specified time to show cause why the said Member should not be suspended or expelled from membership. The decision of the Board of Directors after such hearing shall be final and binding upon the said Member.

- c. The Review Panel in its sole discretion, may refer the following matters to the Committee:
  - i. differences arising between Members associated with different Member Firms with respect to business practices;
  - ii. complaints from Members with the written approval of their Brokers or the public relating to alleged infringements of the Cooperative's Bylaws, Rules & Regulations or the REALTOR® Code;
  - iii. any other matter which in the opinion of the Review Panel should be dealt with by the Committee.
- d. After investigation and prior to the Review Panel referring a matter to the Committee for a professional standards hearing, the respondent(s) named in the case will be given the option to admit guilt and accept the assessed sanction via a consent agreement. To exercise this option, the respondent(s) will be asked to respond to the consent agreement within ten (10) Board Business Days of receipt. Failure to notify the Association within the prescribed period will result in the case being forwarded to a professional standards

hearing.

- i. Should the respondent(s) accept the consent agreement, there is no option for appeal.
- e. A Professional Standards Hearing Panel shall consist of a minimum of four (4) and no more than five (5) Members selected from the Committee.
- f. Unless the parties to any matter which has been referred to a Professional Standards Hearing consent to lesser notice, the Committee shall give at least ten (10) Board Business Days written notice to the Member and the complainant of the date, time and place of any hearing which the Committee may require the Member to attend. In such case, the Member shall be required to be in attendance. If any Member fails to attend at the hearing, the Committee may proceed nonetheless.
- g. Each party to the proceedings may be in attendance and may present witnesses and introduce such evidence as may be relevant to the matter and shall be entitled to cross examine. In addition, each party to the proceedings may be represented by a Member In Good Standing, or by a lawyer.
- h. All or any part of the proceedings of the hearing may be recorded on a recording device for the benefit of the Hearing Panel. If the decision of the Hearing Panel is appealed, the complainant and/or respondent may make arrangements to listen to the tape. No complainant or respondent will be allowed physical possession of the tape or a copy of the tape.
- i. The Committee shall record in a book kept for that purpose the following:
  - i. a summary of each hearing; and
  - ii. the facts, findings, and decisions of the Committee.
- j. This Committee may obtain and consider evidence from parties and witnesses by any or all of the following means:
  - i. signed statements in writing;
  - ii. affidavits or statutory declarations;
  - iii. oral evidence which may or may not be upon oath or affirmation;
  - iv. emailed statements;
  - v. such other material as the majority of the Committee may deem relevant.
- k. The Committee, after conducting a hearing and an investigation into a matter referred to it, shall forward their written decision within ten (10) Board Business Days to the parties

involved in the dispute. The Committee may direct one or more of the following courses of action.

- i. dismiss the charges;
  - ii. reprimand the Member complained of;
  - iii. instruct the Member to take corrective action;
  - iv. levy a fine or assessment against the Member complained of;
  - v. suspend or terminate the Member from membership;
  - vi. suspend or terminate the Member from participation in the Medallion Sales Achievement Program;
  - vii. disqualify the transaction from Medallion points; and
  - viii. take such further or other steps as the Committee deems advisable.
- I. The decisions of the Committee shall be final and binding upon all of the Members who are parties to the disputed matter, subject only to the right of appeal as hereinafter provided.
- m. Fines levied in a consent agreement or a Professional Standards Hearing shall be no more than \$15,000.00. Subject to the right of appeal, fines must be received no later than ten (10) Board Business Days from the date of the receipt of:
- the consent agreement acceptance; OR
  - the hearing decision.
- Interest will accrue at the Bank of Canada rate plus four (4) percent from the date on which the fines were to be received.
- n. The Board of Directors shall be empowered after a show cause hearing to expel or suspend from membership in the Cooperative any Member who, when instructed in writing, fails or refuses to pay any fees, dues or monetary assessment levied against the Member, or who fails to pay any account owing to the Cooperative.
- B. Appeal Procedures:
- a. An appeal hearing is a hearing to appeal a decision based on the evidence given at the original professional standards hearing. The decision being appealed shall be stayed pending the result of the appeal.

The Appeal Panel has the same rights as the original Hearing Panel and can:

- i. dismiss the appeal;
  - ii. set aside the decision of the Hearing Panel in whole or in part;
  - iii. refer the matter to the Committee for a new hearing; or
  - iv. give any decision and impose any of the penalties set out in the Cooperative's Bylaws.
- b. Any Member who is a complainant or a respondent in a Professional Standards Hearing or a combined Arbitration & Professional Standards Hearing wherein the Member contests the findings of the Committee relative to the professional standards issues, may appeal the decision of the Committee. To Appeal the Cooperative must receive:
- i. written notification together with the required \$500 fee within ten (10) Board Business Days of the party being notified of the Committee's decision;
  - ii. the notice of appeal must state the reasons for the appeal and indicate what is being appealed; the matter of guilt, the amount of penalty, or both;

The Cooperative shall immediately upon receiving the notice of appeal and fee arrange for a transcript of the hearing. Copies of the transcript are to be prepared for the use of the Appeal Panel and a copy for any appellant.

The \$500 filing fee will be used to pay for the transcript of evidence and the balance shall be credited to the general fund of the Cooperative. It shall, upon the disposition of the appeal and at the discretion of the Appeal Panel, be returned in whole or in part to the appellant.

- c. An Appeal Panel shall be comprised as follows:
- i. Chairperson- A Past Chair of the Cooperative who has completed the Cooperative's Course and is currently registered as a Member of the Cooperative; and
  - ii. Panelists - Two (2) Members from the Arbitration & Professional Standards Committee who are active in real estate; who have served a minimum of four (4) years on the Arbitration & Professional Standards Committee within the last six (6) years; and who have completed the Cooperative's Course.
- d. Parties to the appeal shall be given ten (10) Board Business Days notice in writing of the date, time, and place of the hearing. The hearing shall be heard within sixty (60) days of receiving the Notice of Appeal. The Members of the Appeal Panel, together with the appellant(s), will receive all of the documentation that was presented at the original professional standards hearing, plus a complete transcript from the tape recording of the



proceedings. If new evidence is to be submitted, its acceptance is at the discretion of the Chairperson.

All or any part of the proceedings of the appeal hearing may be recorded on a recording device for the benefit of the Panel.

The complainant(s) and the respondent(s) involved will be advised in writing of the decision of the Appeal Panel; such decision shall be final and binding upon the Members involved.

- e. Fines levied in an Appeal Hearing must be received no later than ten (10) Board Business Days from the date of the receipt of the Hearing decision. Interest will accrue at the Bank of Canada rate plus four (4) percent from the date on which the fines were to be received.
  - f. Should any Member fail to comply with any decision of the Committee, then the Board of Directors shall in writing give notice to the said Member and the Member's Broker to appear at a hearing before the Board of Directors at a specified time to show cause why the said Member should not be suspended or expelled from Membership. The decision of the Board of Directors after such hearing shall be final and binding upon the said Member.
- C. Informal Arbitration Procedures:
- a. Unresolved commission disputes arising between Members associated with different Member Firms may be settled by an informal arbitration hearing.
  - b. Once the Cooperative has been contacted, the Industry Standards & Practice Department will contact the other Broker involved in the dispute to see if an informal hearing is acceptable.
    - i. If the Brokers are in agreement, the Cooperative shall immediately obtain from the parties involved a signed "Consent to Arbitration" form as set out in Schedule 8. In addition, both the complainant and the respondent shall forward to the Cooperative a deposit of two hundred and fifty dollars (\$250). Upon receipt of the signed "Consent to Arbitration" forms and the deposits the Cooperative will schedule a hearing.

If the complainant is awarded an amount in excess of the settlement offered prior to the hearing by the other party to the complaint, then the full deposit paid by the complainant shall be returned and the full deposit paid by the respondent shall be forfeited to the Cooperative.

If the complainant is not awarded an amount in excess of the settlement offered prior to the hearing by the other party to the complaint, then the full deposit paid by the complainant shall be forfeited to the Cooperative and the full deposit paid by the respondent will be returned to the respondent.

If the parties settle their dispute before the hearing, the claimant and respondent must notify

the Association in writing prior to two (2) Association business days of the hearing in order to receive a refund of their deposits.

An Informal Arbitration Hearing Panel shall consist of three (3) Members from the Committee.

At this hearing, parties to the dispute are provided the opportunity to state their case and ask questions. Members are encouraged to solve the dispute. If they are unable to come to an agreement, the Panelists will make a decision.

This decision will be binding upon the Members.

An Arbitration hearing can be appealed only on the grounds of failure by the Panel to comply with EREB hearing procedure.

Commissions levied in an Arbitration Hearing must be received no later than ten (10) Board Business Days from the date of the receipt of the Hearing decision. Interest will accrue at the Bank of Canada rate plus four (4) percent from the date on which the commissions were to be received.

Should any Member fail to comply with any decision of the Committee, then the Board of Directors shall in writing give notice to the said Member to appear at a hearing before the Board of Directors at a specified time to show cause why the said Member should not be suspended or expelled from Membership. The decision of the Board of Directors after such hearing shall be final and binding upon the said Member.

If professional standards come into question in an informal hearing, the hearing ends and the matter is referred to the Review Panel of the Arbitration & Professional Standards Committee.

- ii. If a Broker refuses to have the dispute resolved through the informal arbitration process, the Broker and their Associate requesting the arbitration will be required to follow the Formal Arbitration Procedures contained within these Rules and Regulations.
- D. Formal Arbitration Procedures:
- a. Unresolved commission disputes arising between Members associated with different Member Firms may be settled by a formal arbitration hearing.
  - b. A Formal Arbitration Hearing Panel shall consist of a minimum of four (4) and no more than five (5) Members selected from this Committee.
  - c. A commission dispute shall not be referred to arbitration until there has been a meeting and/or written communication between the Brokers of the disputing Member Firms with a view to resolving the dispute.

- d. Should any Member involved in a dispute refuse to attend a face-to-face meeting and/or refuse to respond to any communication even after being formally requested to do so by the Cooperative, the matter will then be referred to the Committee.
- e. The Cooperative must receive written notification either requesting an arbitration or advising of a commission dispute which may lead to arbitration from the Member involved in the dispute within ninety (90) days from the possession date reflected on the successful offer to purchase. Disputes not forwarded within the specified time frame will forfeit their right to an Arbitration hearing.

If the Review Panel has referred any matter to the Committee relating to a commission dispute, the Cooperative shall immediately obtain from the parties involved a signed "Consent to Arbitration" form as set out in Schedule 8

In addition to the "Consent to Arbitration", the complainant and the respondent shall forward to the Cooperative a deposit of five hundred dollars (\$500.00).

If the complainant is awarded an amount in excess of the settlement offered prior to the hearing by the other party to the complaint, then the full deposit paid by the complainant shall be returned and the full deposit paid by the respondent shall be forfeited to the Cooperative.

If the complainant is not awarded an amount in excess of the settlement offered prior to the hearing by the other party to the complaint, then the full deposit paid by the complainant shall be forfeited to the Cooperative and the full deposit paid by the respondent will be returned to the respondent.

If the parties settle their dispute before the hearing, the claimant and respondent must notify the Association in writing prior to two (2) Association business days of the hearing in order to receive a refund of their deposits.

- f. If any party to a commission dispute fails or declines to attend a hearing or declines to sign a "Consent to Arbitration" then the Board of Directors shall, in writing, give notice to the said Member to appear at a hearing before the Board of Directors at a specified time to show cause why the said Member should not be suspended or expelled from Membership. The decision of the Board of Directors after such hearing shall be final and binding upon the said Member.
- g. Unless the parties to any matter which has been referred to the Committee consent to lesser notice, the Committee shall give at least ten (10) Board Business Days written notice of time and place of the said hearing and such Members shall be required to be in attendance. If any Member fails to attend at the hearing, the Committee may proceed nonetheless.

- h. Each party to the proceedings may be in attendance and may present witnesses and introduce such evidence as may be relevant to the matter and shall be entitled to cross examine. In addition, each party to the proceedings may be represented by a Member In Good Standing or by a lawyer.
- i. All or any part of the proceedings of the hearing shall be recorded on a recording device for the benefit of the Hearing Panel.
- j. The Committee shall record in a book kept for that purpose the following:
  - i. a summary of each hearing; and
  - ii. the facts, findings, and decisions of the Committee.
- k. This Committee may obtain and consider evidence from parties and witnesses by any or all of the following means:
  - i. signed statements in writing;
  - ii. affidavits or statutory declarations;
  - iii. oral evidence which may or may not be under oath or upon affirmation;
  - iv. emailed statements;
  - v. such other material as the majority of the Committee may deem relevant.
- l. The Committee, after conducting a hearing or an investigation into matters referred to it, shall forward their written decision within ten (10) Board Business Days to the parties involved in the dispute. The Committee may take such further or other steps as the Committee deems advisable.
- m. The decisions of the Committee shall be final and binding upon all of the Members who are parties to the disputed matter. An Arbitration hearing can be appealed only on the grounds of failure by the Panel to comply with EREB hearing procedure.
- n. Commissions levied in an Arbitration Hearing must be received no later than ten (10) Board Business Days from the date of the receipt of the Hearing decision. Interest will accrue at the Bank of Canada rate plus four (4) percent from the date on which the commissions were to be received.
- o. Should any Member fail to comply with any decision of the Committee, then the Board of Directors shall in writing give notice to the said Member to appear at a hearing before the Board of Directors at a specified time to show cause why the said Member should not be suspended or expelled from membership. The decision of the Board of Directors after such hearing shall be final and binding upon the said Member.

## 2.02 Audit Committee:

This Committee shall consist of the Chair and at least four other Members appointed by the Board of Directors.

This Committee shall keep the Board of Directors advised on all matters affecting the finances of the Cooperative such as the preparation of an annual budget, a monthly review of income and expense statements, recommended budget changes, changes in membership fees, disbursements of an unusual nature, the investment of Cooperative funds and when necessary, reviewing methods of obtaining new revenue.

This Committee shall provide a liaison between the Cooperative's auditors and the Board of Directors.

## 2.03 Government and Political Action Committee

This Committee shall protect and promote the interests of the real estate industry with respect to matters relating to all levels of government, legislation, and all matters of a political nature. This Committee shall be charged with the responsibility of maintaining a watching brief regarding such matters and shall refer its findings and recommendations to the Board of Directors on an annual basis.

## 2.04 Commercial Division Committee

This Committee shall;

- a. be responsible for promoting the sale of commercial real estate through the Association's commercial property listing service and through ICX.ca;
- b. promote membership in the Commercial Division and ensure the relevancy of the Commercial Division to its Members in their day-to-day work in commercial real estate;
- c. ensure Commercial Division services reflect the needs of its Members and enhance Member competence and success;
- d. work in concert with our partners (if any) to monitor the commercial property listing service and recommend changes for improvement;
- e. develop mutually supportive relationships with Commercial Divisions across Canada and the CCN.

## 2.05 Communication Committee

- a. This Committee shall report to the Board of Directors.

- b. The Mandate of the Communication Standing Committee is to promote a positive image of REALTORS® and recommend a rolling annual marketing plan to the Board of Directors related to the internal and external marketing of the Association.
- c. The Committee will provide support to the Marketing Department in the development and execution of the marketing plan which reflects the needs and wants of REALTORS®.

#### 2.06 Member Services Committee

- a. This Committee shall report to the Board of Directors.
- b. This Committee shall be composed of no more than three (3) Broker/Manager and fifteen (15) Associate Members in good standing with the Cooperative. One third (6) in total will be elected annually by the Members in their respective categories, for a term of three (3) years. Committee Members are limited to serving a maximum of six (6) consecutive years on the Committee.
- c. The Committee shall make recommendations relative to the development, establishment, improvement, and continuation of services provided by the Cooperative to meet the needs and promote the interests of the Members.
- d. This Committee shall consist of a Co-Chair who will be elected from the Committee as a whole, a Co-Chair appointed by the Board of Directors who shall be a sitting director, and elected Members based on the formula for the Member Services Committee Nomination & Election Procedures in section G.2.B. (d) within the Bylaws.

#### 2.07. Technology Committee

- a. This Committee shall report to the Board of Directors on an annual basis.
- b. This Committee shall investigate new and existing technologies in order to make it easier for Members to sell real estate and make recommendations for changes and improvements.

## **PART 5 – FUNDS**

### **1. COOPERATIVE FUNDS**

- 1.01** Cooperative Members shall be allowed reasonable compensation for expenses incurred while on Cooperative business as approved by the Board of Directors or the President & Chief Executive Officer, it being understood, however, that no part of the funds of the Cooperative shall be payable to or made available for the personal benefit of any Member.
- 1.02** Where a Director or Officer of the Cooperative is employed by the Cooperative to perform some service for it, or where the Director or Officer is employed by or is an officer, director or shareholder of a Firm employed by the Cooperative to perform some service, the fact that the individual is a Director or Officer of the Cooperative shall not disentitle the individual or such a Firm from being paid for the service.

### **2. COMPENSATION FUND**

- 2.01** The Board of Directors may establish a compensation fund in an amount to be determined by the Board of Directors from time to time and the compensation fund shall be maintained from Cooperative monies.
- 2.02** The Board of Directors may make grants from the compensation fund to any Member Firm to provide relief for all or any portion of a commission loss sustained by such Member Firm in connection with any MLS® System transaction which involved either a present Member Firm or a previous Member Firm.
- 2.03** The Board of Directors may from time to time make rules for the administration of the compensation fund.

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## PART 6 – RAE SPECIFIC RULES

(BOD 10/14/ 2020)

### 1. DEFINITIONS AND INTERPRETATIONS

- a. “ACT” means the Real Estate Act of Alberta and all amendments thereto.
- b. “ADMINISTRATION” means any authorized employee of the Cooperative.
- c. “APPLICANT”: means someone who has applied to become a Member of the Cooperative or is a Member and is applying to the Co-operative for some form of Cooperative service.
- d. “ASSOCIATE” means a licensed real estate Associate as defined by the Real Estate Act of Alberta and who is registered with a Broker Member.
- e. “ASSOCIATE BROKER” means a licensed real estate Associate Broker as defined by the Real Estate Act of Alberta and who is registered with a Broker Member.
- f. “BOARD’ refers to the Board of Directors.
- g. “BOARD OF DIRECTORS” shall mean the Board of Directors of the Edmonton Real Estate Board Co-operative Listing Bureau Limited.
- h. “BROKER” means a licensed real estate Broker as defined by the Real Estate Act of Alberta.
- i. “BROKERAGE” means a licensed real estate Brokerage as defined by the Real Estate Act of Alberta.
- j. “BYLAWS” means the Bylaws of the Edmonton Real Estate Board Co-operative Listing Bureau Limited and without restricting the generality thereof shall be deemed to include the Schedules, located within the Rules and Regulations, as amended from time to time by the Board of Directors.
- k. “CANDIDATES FORUM” shall be a forum held in order that candidates may present their platforms to the membership.
- l. “COOPERATIVE” means the Edmonton Real Estate Board Co-operative Listing Bureau Limited.
- m. “CANADIAN REAL ESTATE ASSOCIATION (CREA)” refers to the national REALTOR® trade Association in Canada in which local board/associations are members.
- n. “ELECTRONIC MEANS” means any system or combination of systems, including but not limited to telephonic, electronic, radio, computer or web-based technology or communication facility, that: in relation to a meeting or proceeding, permits all participants to communicate with each other or otherwise participate in the proceeding contemporaneously, in a manner comparable, but not necessarily identical, to a meeting where all were present in the same location, and in relation to a vote, permits all eligible voters to cast a vote on the matter for determination in a manner that adequately discloses



the intentions of the voters;

- o. “GOOD STANDING” - Members are deemed to be in Good Standing except where a Member has failed to pay the current annual dues, membership fee or assessment or any other subscription or debt due and owing to the Cooperative.
- p. “FIRM” or “MEMBER FIRM”, for the purpose of these Rules and Regulations, shall mean a sole proprietorship, partnership, or a corporation.
- q. “JURISDICTION” shall be the City of Edmonton and such other areas as may be determined by the Board of Directors in consultation and agreement with the Alberta Real Estate Association and/or its Member Cooperatives.
- r. “LISTING BROKERAGE” or “SELLER'S BROKERAGE” means the Firm which lists a property for sale.
- s. “MEMBER” is defined to represent those categories noted in Bylaw D who is in Good Standing.
- t. “MLS®” means Multiple Listing Service® which is a registered Trademark of the Canadian Real Estate Association.
- u. “ORDINARY RESOLUTION” means a resolution that is submitted to a meeting of the Cooperative or a meeting of the Directors and passed at the meeting by a majority of the votes cast. Such a resolution takes effect as soon as practicable upon the vote.
- v. REAL ESTATE COUNCIL OF ALBERTA (RECA) refers to the governing body for Alberta’s real estate brokerage, mortgage brokerage, property management and real estate appraisal professionals.
- w. “SPECIAL RESOLUTION” means a resolution that is submitted to a meeting of the Cooperative or a meeting of the Directors and passed at the meeting by at least 2/3 of the votes cast;
- x. “The REALTOR® CODE” means the Canadian Real Estate Association’s REALTOR® Code and all amendments thereto.

## **2. REGISTRATION AND REPORTING OF STATUS CHANGE**

*(BOD 9/25/2019)*

### **2.01 STATUS CHANGE WITH THE REGULATOR**

When there is a status change with the Regulator, the Principal Broker Member(s) are to complete and provide to the Cooperative, within 2 (two) business days of the status change, a completed form.

### **3. RECORDING DEVICES**

- 3.01 Unless approved by the Board of Directors, no audio or video recording devices, other than the Cooperative's audio recording device, will be allowed at Board meetings, Board hearings, meetings of the Cooperative, or committee meetings.

### **4. INTERNET DATA EXCHANGE (IDX) & VIRTUAL OFFICE WEBSITE (VOW)**

- 4.01 The Cooperative may permit Members hereafter Participants to use MLS® System data in connection with providing Brokerages services over the Internet (or by other electronic means) in accordance with the policies set forth below.

#### **4.02 Scope of Policy**

- a. For purposes of this policy, the term Virtual Office Website (“VOW”) refers to a Participant’s Internet website, or a feature of a Participant’s Internet website, through which the Participant provides real estate Brokerage services to consumers with whom the Participant has first established a relationship where the consumer has the opportunity to search for MLS® System data, subject to the Participant’s oversight, supervision and accountability. As used herein “Participant’s VOWs” and “VOWs” also refers to such websites, or features of websites, operated by Brokerages, non-principal Brokers and Associates affiliated with MLS® Participants, where permitted by this policy.
- b. Participant’s Internet websites may also provide other features, information or services in addition to the VOW, such as Internet Data Exchange (hereinafter IDX). IDX refers to a Participant’s Internet website, or a feature of a Participant’s Internet website, through which the Participant’s makes available for search and display to consumers, in limited format as set out by the RAE, the MLS® System listing data of consenting Listing Brokerages. As used herein Participant’s Internet website and IDX also refers to such websites or features of websites, operated by Brokerages, non-principal Brokers and Associates affiliated with MLS® Participants, where permitted by this policy.
- c. Use of MLS® System active listing data in IDX format on a Participant’s website is subject to the permission of the Principal Broker Member whose listings may be available to consumers via such a website. This permission is presumed unless a Principal Broker Member explicitly “opts out” by directing the Cooperative in writing that its listings not be available for IDX purposes. A Principal Broker Member may independently elect to opt out of IDX, however if a Principal Broker Member opts out, that Principal Broker Member may not provide IDX services using the MLS® System data of other Listing Brokerages.
- d. Principal Broker Members can only opt out of IDX’s , they cannot opt out of VOW’s. Principal Broker Members must explicitly understand that all MLS® System listings will be available to a VOW.

**4.03** The right to display MLS® System listings in response to consumer searches is limited to:

- a. display of MLS® System data supplied by the Cooperative in which the Participant has participatory rights and only where expressly permitted by the Cooperative and;
- b. excluding any specific listings data fields (i.e., Property Address) whose display is prohibited at the request of the Seller, Listing Brokerage, or the Cooperative, or;
- c. those listings belonging to Listing Brokerages who have “opted out” of internet display of their listings by other Participants, or;
- d. display of non-MLS® System or listings exclusive to the Listing Brokerage are not governed by this policy.

**4.04** A Master Franchise may provide or host an Internet website service for its franchisees on behalf of and identified as the site of the franchisee Listing Brokerage, Non-principal Broker or Associate affiliated with the franchisee. Any other display of MLS® System data by a Master Franchise is subject to 3rd party agreements as may be approved by the Cooperative from time to time.

**4.05** **Policies Applicable to Participants' VOWs**

*(BOD 06/26/2019) (BOD 09/21/2022)*

- a. Participants may provide additional Brokerage services via a VOW in addition to making MLS® System listing data available, but only to consumers with whom the Participants have first established relationships, including completion of all actions and/or forms respecting agency disclosure required by provincial law or regulation in connection with providing real estate Brokerage services to clients and customers (hereinafter “Registrants”). The Cooperative recommends that the most current Agency Relationships Guide be displayed for consumer review and acceptance. Such acceptance should require a click to accept at the Buyer Brokerage Verification section and another click at the signature line.
- b. Participants' VOWs must obtain the identity of each Registrant and obtain each Registrant's agreement to “Terms of Use” of the VOW, as follows:
  - i. A Registrant must provide their name, a current telephone number and a valid email address. The Participant must send an email to the address provided by the Registrant and confirming that the Registrant has agreed to the Terms of Use (described in subsection c below). The Registrant may be permitted to access the VOW only after the Participant has verified that the email address provided is valid and the Registrant's agreement to the VOW's Terms of Use is confirmed.
  - ii. The Registrant must supply a username and a password, the combination of which must be different from those of all other Registrants on the VOW, before being permitted to search and view information from the MLS® System

database via the VOW. The username and password may be established by the Registrant or may be supplied by the Participant, at the option of the Participant. An email address may be associated with only one username and password. The Registrant's password and access must expire and may not be valid for longer than 30 days, after which such passwords must be reconfirmed or changed.

- iii. The Participant must at all times maintain a record of the name, telephone number and email address supplied by the Registrant, and the username and current password of each Registrant, such records to be kept for not less than 180 days after the expiration of the validity of the Registrant's password. If the Cooperative has reason to believe that a Participant's VOW has caused or permitted a breach in the security of the data or a violation of MLS® System rules related to use by one or more Registrants, the Participant shall, upon request, provide to the Cooperative a copy of the record of the name, email address, telephone number, username, current password, and audit trail, if required, of any Registrant identified by the Cooperative to be suspected of involvement in the violation.
- c. The Registrant must be required to affirmatively express agreement to a Terms of Use provision that requires the Registrant to open and review an agreement that provides at least the following:
- i. That the Registrant acknowledges that the Terms of Use do not create an agency relationship with the Participant;
  - ii. That all data obtained from the VOW is intended only for the Registrant's personal, non-commercial use;
  - iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;
  - iv. That the Registrant will not copy, redistribute or retransmit any of the data or information provided;
  - v. That the Registrant acknowledges Cooperative ownership of and the validity of the copyright in the MLS® System database. The Participant's Terms of Use may also include other provisions determined by the Participant.
- d. That the Registrant agrees that all information provided may be provided to the Cooperative and may be used to administer and operate the VOW and to investigate any breach of security of the data or the MLS® System rules. After the Registrant has opened for viewing the Terms of Use agreement, a "mouse click" is sufficient to acknowledge agreement to those terms. The Terms of Use Agreement shall not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. An agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating

agency representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labelled and may not be accepted solely by mouse click.

- e. A Participant's website must protect the MLS® System data from misappropriation by employing reasonable efforts to monitor for and prevent "scraping" or other unauthorized accessing, reproduction, or use of the MLS® System database.
- f. A Participant's website must comply with the following additional requirements:
  - i. If authorized by the Cooperative, non-principal Brokers or Associates of Participants may operate internet websites if their Principal Broker consents, such a website to be subject to the control of the Principal Broker. In such cases both the Principal Broker, the non-principal Broker and Associate shall be accountable for compliance with these policies.
  - ii. MLS® System data available on a website shall be refreshed not less frequently than every (1) days and must indicate the date of last update.
  - iii. Except as provided elsewhere in this policy or elsewhere in the MLS® System rules and regulations of the Cooperative, a website or a Participant operating a website may not distribute, provide, or make any portion of the MLS® System database accessible to any person or entity.
  - iv. A Participant's website must display a privacy policy that informs Registrants of the ways in which information obtained from them will be used.
  - v. A Participant may exclude listings from display on the Participant's website based only on objective criteria such as geography, list price, or type of property.
  - vi. A Participant may not provide the identity of a Registrant to any other entity for compensation. Notwithstanding the foregoing, a Participant may provide the identity of a Registrant to another Broker for compensation if;
    - a. the Participant's real estate Brokerage activities principally consist of listing or selling the types of properties filed with the Cooperative;
    - b. the Registrant is seeking property of a type, in a price range, or in a location for which the Participant does not ordinarily provide real estate Brokerage services and;
    - c. the number of Registrant identities provided or the corresponding revenue generated is an insignificant portion of the Participant's real estate Brokerage activities.

For purposes of this paragraph, selling does not include making referrals of prospective purchasers to other real estate Brokerages and listing does not include making referrals of prospective sellers to other real estate Brokerages.

- g. Participants must notify the Cooperative of their intention to establish a website and make their website directly accessible to the Cooperative for purposes of monitoring/ensuring compliance with applicable rules and policies.
- h. The Participant also expressly authorize the Cooperative, and other MLS® Participants or their duly authorized representatives, to access the website for the sole purpose of monitoring compliance with MLS® System rules.

#### 4.06 Policies Applicable to the Cooperative

- a. The Cooperative may enable Participants to operate internet websites, subject to the requirements of provincial law or regulation and the requirements above.
- b. Where the Cooperative permits persistent downloading of the MLS® System database by Participants for display or distribution on the Internet or by other electronic means, the Cooperative requires that Participants must:
  - i. Utilize appropriate security protection, such as firewalls, which requirement may not impose on Participants security obligations greater than those employed concurrently by the Cooperative, and/or;
  - ii. Maintain an audit trail of Registrants' activity on the VOW and make that information available to the Cooperative upon request. This information will be requested if the Cooperative has reason to believe that a Participant's VOW has caused or permitted a breach in the security of the data or a violation of MLS® System rules related to use by one or more Registrants.
  - iii. The Cooperative requires any third party providing a Participant with a website service to complete the Third-Party Agreement.
  - iv. Obey flags that restrict the display of certain data fields or the listings of Brokerages who have opted out of IDX display.

#### 4.07 Requirements of the Cooperative on the Operation of Websites and Participants by Members

*(BOD 09/25/2019) (BOD 09/21/2022)*

- a. A Participant's website may not make available for search by or display the following data intended exclusively for other Association/local board members and their affiliated licensees:
  - i. Instructions or remarks intended for cooperating Brokers only, such as those regarding showing or security of the listed property (private remarks).
  - ii. The Seller(s) and occupant(s) name(s) and contact details, where available.

- b. No advertising may be visible on a page displaying any portion of the listings of other Participants, except the name, address, phone number, and company logo of the Participant operating the website. The name, address and phone number of the non-principal or Associate operating the website (where such websites are permitted), and any other information required by provincial law or regulation, is not prohibited advertising.
- c. MLS® System data fields authorized for display may not be changed. The MLS® System data may be augmented with additional data not otherwise prohibited from display so long as the source of such other data is clearly identified. This requirement does not restrict the format of MLS® System data display or display of fewer than all of the listings or fewer authorized data fields.
- d. There shall be a notice on all MLS® System data displayed indicating that the data is deemed reliable but is not guaranteed accurate by the Cooperative. A Participant's website may also include other appropriate disclaimers necessary to protect the Participant and/or the Cooperative from liability.
- e. All listings displayed on websites shall identify the name of the Listing Agent and Listing Firm.
- f. The number of active listings that Registrants may view on or from a website in response to an inquiry will be limited to 100.
- g. Participants displaying other Brokerage's listings obtained from other sources, e.g., other Associations/local boards, non-participating Brokers, etc. shall display the source from which each such listing was obtained.
- h. A lesser maximum period, determined by the Cooperative, during which Registrants' passwords are valid, after which such passwords must be changed or reconfirmed.
- i. The Cooperative may allow non-principal Brokers and sales licensees affiliated with Participants to operate internet websites, subject to Section 4.08 (2)(c) below.

#### 4.08 Using MLS® System Data (IDX/VOW)

##### 1. General

- a. VOW Defined: VOW means a Participant's Internet website (and, where authorized, websites of non-principal Brokers and sales licensees affiliated with MLS® Participants) through which consumers receive real estate Brokerage services, including the opportunity to search for MLS® System data subject to the Participant's overview, supervision, and responsibility.
- b. IDX Defined: Internet Data Exchange, also known as Brokerage Reciprocity, a reciprocal agreement among Brokers to allow the advertising of each other's listings on each other's websites.

- c. Active Listing Data: Listings in the MLS® System database with the status “A”, or listings exclusive to the Listing Brokerage that are available for purchase.
- d. Copyright: Participants acknowledge that the Cooperative has copyright ownership of the MLS® content and acknowledge that no copyright ownership of MLS® content flows to the Participant.
- e. Remedy for Failure to Comply: Participants acknowledge that the Cooperative may, in addition to all other remedies available for violation of its regulations and without limiting those remedies, require the Participant to immediately cease and close the operation of the Participant’s internet website upon written demand for any violation of these Rules.
- f. Authorization: Participants' use of listings of other Brokers in IDX is subject to the consent of such other Brokers. Brokers’ consent for display of their listings by other Participants in IDXs pursuant to these rules is presumed unless a Principal Broker Member independently and affirmatively withholds that consent ("opts out"). Principal Broker Members may independently "opt out" of the IDXs of other Participants. “Opting out” can be accomplished by notifying the Cooperative in writing, which shall cause a data field to be completed, indicating that the listings of this Brokerage have been designated as “opt out” listings. It is the responsibility of Participants to refrain from displaying the listings of Opted out Brokerages on their IDXs.
- g. Brokerages that opt out of IDX are authorized to have available for search and display on their IDX only the listings of that Brokerage.

## 2. Rules

*(BOD 09/25/2019) (BOD 09/21/2022)*

Participants operating IDX/VOW Websites shall comply with the following:

- a. Participant's website may not make available for search by or display to anyone the following data intended exclusively for other Participants and their affiliated licensees:
  - i. Instructions or remarks intended for cooperating Brokers only, such as these regarding showings or security of listed property. (Realtor /Private remarks).
  - ii. The Seller(s) and occupant(s) name(s) and contact details, where available.



- b. Listings or property addresses of sellers who have directed their Listing Brokerage to withhold their listing or their property address from display on the Internet, including, but not limited to, IDXs shall not be displayed. This does not preclude Listing Brokerages from displaying on their website(s) the listing or property address of consenting sellers.
- c. If non-principal Brokers or Associates are authorized by the Cooperative to operate websites with their Brokers' consent, such websites remain subject to the Brokers' control, and both the Principal Broker Member and the non-principal Broker or Associate shall be accountable under these rules.
- d. No portion of the MLS® System database shall be distributed, provided to or made accessible to any person for the purpose of operating a website except as provided for in these rules.
- e. Website(s) must display the Brokerage privacy policy informing Registrants and/or visitors how information they provide may be used, in accordance with applicable privacy legislation.
- f. Listings from the Cooperative may only be excluded from display on Participants' website based on objective criteria, e.g. type of property, listed price, and geographical location.

## **5. GENERAL RULES**

### **5.01 Listing Brokerage's Rights**

If the Listing Brokerage does not wish to enforce the Listing Contract against the Seller for collection of commission, then the Listing Brokerage will assign this contract to the Brokerage representing the Buyer. The Buyer's Brokerage may then enforce this contract against the Seller to collect that portion of the commission owed by the Seller to the Listing Brokerage, which the Listing Brokerage has agreed to pay to the Buyer's Brokerage.

### **5.02 PROVISION OF EVIDENCE**

When a Member is to appear before the Arbitration & Professional Standards Committee for a hearing, he must supply all correspondence and documentation for the purpose of distribution to panel members. This material must be received at least seven (7) days prior to the hearing date.

## SCHEDULES

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## SCHEDULE 1: SANCTIONS FOR NON-COMPLIANCE OF MLS® SYSTEM LISTING RULES

(AGM 03/21/2019)

### 1. BROKERLOAD & IDENTITY SHARING

1.01 The Member is responsible for the integrity of contractual and property detail and for ensuring that the Rules and Regulations are met. Failure to do so will result in disciplinary action against the Member.

#### 1.02 Disciplinary Action

- a. The first of each differing type of offence will result in an Educational (warning) letter that will remain on file and in effect for a twelve-month period from date of issue.
- b. The second of a similar instance of abuse within a twelve-month period would require the Member to pay an administrative penalty at a cost set out in the annual budget. Failure to do so will result in the loss of Brokerload access until the administrative penalty has been paid by the member.
- c. The third of a similar instance of abuse occurring within a six-month period of the second offence will require the Member to pay an administrative penalty at a cost set out in the annual budget and will also result in the loss of Brokerload Access for three months.

#### 1.03 Disciplinary Action - Identity Sharing (Administrators)

- a. The first of each differing type of offence will result in an Educational (warning) letter sent to both the Principal Broker Member and the Office Administrator. That letter will remain on file and in effect for a twelve-month period from the date of issue.
- b. The second of a similar instance of abuse by the same Office Administrator within a twelve-month period would require the Administrator to pay an Administrative penalty at a cost set out in the annual budget. Failure to do so will result in loss of Brokerload access until the penalty has been paid by the Administrator.
- c. The third of a similar instance of abuse occurring within a six-month period of the second offence will require the Administrator to pay an administrative penalty at a cost set out in the annual budget and will also result in the loss of Brokerload Access for the Office Administrator for three months.

#### 1.04 Disciplinary Action - Identity Sharing (Assistants)

- a. The first of each differing type of offence will result in an Educational (warning) letter sent to the Principal Broker Member, Member and Assistant. That letter will remain on file and in effect for a twelve-month period from the date of issue.

- b. The second of a similar instance of abuse by the same Office Assistant within a twelve-month period would require the Office Assistant and Member to each pay an Administrative Penalty at a cost set out in the annual budget. Failure to do so will result in loss of Brokerload access until the Administrative Penalty has been paid by the Assistant and Member.
  - c. The third of a similar instance of abuse occurring within a six-month period of the second offence will require the Office Assistant and Member to each pay an Administrative Penalty at a cost set out in the annual budget and will also result in the loss of Brokerload Access for the Office Assistant and Member for three months.
- 1.05 Any offence which in the opinion of the MLS® Services Department Manager or the Systems Department Manager, is intentionally false or misleading or damaging to the Cooperative database may result in a Show Cause Hearing.
- 1.06 Listing Brokerages where chronic Brokerload Offences are occurring, the Cooperative reserves the right to take intermediary action.

## **2. INCOMPLETE LISTINGS**

*(BOD 11/24/2021)*

- 2.01 When mandatory information is missing, the listing will be processed, flagged incomplete and a notice emailed to the Principal Broker Member and Associate.
- 2.02 **Disciplinary Action**
- a. Any listing which is flagged incomplete will not be forwarded to CREA for display on REALTOR.ca until the missing information has been provided to the Cooperative.
  - b. The Principal Broker Member will have seven days to provide the missing information.
  - c. On the eighth day, a maintenance fee of \$25.00 will be charged to the Listing Brokerage. This charge will continue each week until the information is updated or until a maintenance fee of \$75.00 is accumulated.
  - d. Once the maximum fine of \$75 is reached an additional notice will be sent to the offending Member advising them that their information system access will be withdrawn should they fail to provide the missing information within seven (7) days.

## **3. RESTRICTION OF SHOWINGS**

*(BOD 06/28/2022)*

- 3.01 Restrictions of property showings, included, but not limited to properties reported pending, are permitted at the request of the seller. Remarks which restrict the showing of a property, in all cases must be placed in the private remarks.

- 3.02 Instructions related to the restrictions of property showings can be acknowledged by the seller in one of two ways;
- a. An amendment to the listing contract signed by the seller or
  - b. The listing input sheet containing the instructions signed by the seller (not applicable to pendings).
- 3.03 Either document must be immediately provided to the Cooperative whether entered by either Administration or “Brokerload”. Failure to do so within two days of either original or subsequent entry of the private remarks will result in the withdrawal of the listing from (A) active status in the MLS® System and a Brokerload offence for those users.
- 3.04 The Cooperative reserves the right to verify the restriction instructions with any seller.
- 3.05 On withdrawn listings, a maximum time frame of ten (10) Calendar Days will be allowed. After ten (10) Calendar Days it will be changed back to active and the Listing Brokerage will be notified. The Principal Broker Member and Seller will have to sign the initial amendment.

#### **4. LATE REPORTING OF SALES**

*(BOD 11/24/2021)*

- 4.01 Failure to report sales as required under 6.01 a & b (page 14) of the Harmonized MLS® System Listing Rules will result in a late reporting fee to the Listing Brokerage which will accrue at a rate of \$25 per Cooperative Business day up to the day it is received at the Cooperative or entered by the Listing Brokerage with a maximum fine of \$1000.00.
- 4.02 Referencing 6.01 (b) (page 14) under Reporting of Sales of MLS® Listings, if there is a judicial sale or if the Listing Contract is left blank in the hold-over clause section, the implied hold-over clause will be 90 days.

#### **5. UNAUTHORIZED DISCLOSURE OF DATA OR DISTRIBUTION OF ACCESS TO COOPERATIVE SERVICES.**

- 5.01 The Member is responsible to protect the integrity of the privileged access to Member Services provided by the Cooperative. Unauthorized disclosure of data or distribution of access to the Cooperative services, as described by, but not limited to, the breach of Section 6.06 (page 17) (i.e., the sharing of access codes, log-on account numbers, user IDs, user PINs, and/or passwords etc. providing online access to the MLS® System and/or other Cooperative information and services), will result in disciplinary action.

## 6. DISCIPLINARY ACTION

- a. Upon receipt of evidence suggesting unauthorized disclosure of data or distribution of access, the Cooperative will contact the user with a notification of a potential breach and potential fine.
- b. Upon receipt of further evidence of a potential breach, a fine of \$3,000 will be charged to the user.
- c. Upon receipt of further evidence of a potential breach, a Review Panel may be invoked by request of the Cooperative staff.
- d. The Review Panel will assess the evidence, frequency and severity of the offence and apply a fine of up to \$10,000 and/or suspension and/or termination of membership.
- e. The CEO of the Cooperative reserves the right, at their sole discretion, to immediately move the matter to a Review Panel (i.e., Schedule 10 section 2 (c), (page 67) at any point in the aforementioned process if they feel it is in the best interests of the Members, public and/or the Cooperative to do so.

## **SCHEDULE 2: SANCTIONS FOR NON-COMPLIANCE OF PROVINCIAL PRACTICE RULES FOR ALBERTA REALTORS®**

(BOD 10/14/2020)

### **1. BROKERAGE REMUNERATION**

Non-payment of the posted cooperating Brokerage remuneration as set out in 14.01 (page 32) will result in the following:

- a. First offence - A warning letter that will remain on file and in effect for a twelve-month period from the date of issue.
- b. Second offence within a 12-month period - \$500 fee;
- c. Third offence within a 6-month period of the second offence - \$1000 fee;
- d. All subsequent offences within a six-month period of the third offence will result in a professional standards hearing.

*All other practice rules will go through the Arbitration & Professional Standards Committee formal complaint process contained within the Bylaws and/or Rules and Regulations.*

### **2. KEYBOX ENFORCEMENT**

The two rules stated below affect RAE Keyboxes and each reported infraction of the rules will consist of an administration fee of \$250.00 and keybox removal by RAE at the Member's expense.

- a. 8.06 Locating Key Box on Property
- b. 8.07 Removal of Keys and Keyboxes

## **SCHEDULE 3: SANCTIONS FOR NON-COMPLIANCE OF RAE SPECIFIC RULES**

(BOD 10/14/2020)

### **1. REGISTRATION AND REPORTING OF STATUS CHANGE**

#### **1.01 Status Change with the Regulator**

Failure to provide the completed the form in the allotted time frame set out in 2.01 (page 35) will result in the following:

- a. If after 2 (two) business days, the Cooperative is not in receipt of the completed form, a \$250.00 fine will be applied to the Brokerage Member account and the Principal Broker Member(s) may be required to attend a “Show Cause Hearing”.

#### **1.02 Affiliate Non-Reporting of Non-Renewal of License**

- a. When the Cooperative becomes aware of an Affiliate who did not renew and did not report, the change to the Cooperative, within 2 business days of the change, a penalty of \$250.00 will be assessed upon application.

- 1.03 The Board of Directors retains the authority to make exceptions if the Broker can provide sufficient grounds.

### **2. GENERAL RULES**

2.01 Failure to provide all correspondence and documentation in the allotted time frame set out in 5.02 will result in the following:

- a. If the Panel considers any correspondence and documentation should have been distributed previously, then the Panel may, at its discretion, assess a fine of \$250.00 against the member offering same into evidence at the hearing.



## **SCHEDULE 4: SANCTIONS FOR NON-COMPLIANCE WITH CREA'S TRADEMARKS**

*(BOD 9/25/2019)*

### **1. TRADEMARKS**

Non-Compliance with CREA's rules and Article 27 of the REALTOR® Code on Trademarks will result in the following:

- a. First offence – A warning letter that will remain on file and in effect for a twelve-month period from the date of issue. Failure to comply with the warning letter may result in a notification being sent to the CREA department responsible for Trademark enforcement.
- b. Second offence within a 12-month period of first offence - \$250.00 administrative penalty. A notification letter may also be sent to the CREA department responsible for Trademark enforcement.
- c. Third offence within a 6-month period of the second offence – A complaint will be sent to CREA for enforcement.

## SCHEDULE 5: PRACTICE OFFENCE PROCESS FOR HARMONIZED PRACTICE RULES

(BOD 9/25/2019)

### 1. AFFECTED HARMONIZED PRACTICE RULES AND PROCESS

1.01 The following are the affected Harmonized Practice Rules that will apply to the Practice Offence Process: (BOD 11/24/2021)

- a. 3.01 Solicitation at Events
- b. 3.02 Solicitation using Cooperative Web Resources
- c. 3.03 Sending Recruiting Materials
- d. 5.01 Brokerage Address Maintenance and Changes
- e. 5.04 Transmissions to Other Members
- f. 6.02 Advertising Listings of Other Members
- g. 6.03 Advertising a Sold Listing
- h. 6.04 Advertising Address and Price of Sold Property
- i. 7.02 Making and Keeping Appointments
- j. 7.04 Responsibility to Secure Property
- k. 8.05 Use of Electronic Access Devices
- l. 10.1 Identification of Signage
- m. 10.2 Signage Removal
- n. 10.3 Interference with Signage
- o. 10.4 Time Sensitive References on Signage
- p. 10.5 Placement of Sold Signage

1.02 The Member with the support of their Broker will complete the online Complaint Form with supporting evidence of the infraction. Once the infraction is verified, an Administrative Penalty may be applied according to the Fee Schedule.

#### 1.03 Administrative Penalty Fee Schedule

- a. First Offence: \$250.00 Administrative Penalty
- b. Second Similar Offence: \$500.00 Administrative Penalty

- c. Third Similar Offence: Complaint sent to a Professional Standards Review Panel as per the Bylaws.

#### 1.04 Appeal Process (BOD 06/26/2019)

- a. Either the Complainant or Respondent may appeal the decision within 10 Cooperative business days of the Decision being delivered to them.
  
- b. If an appeal is filed, the document package will be provided to a 3-member panel of the Professional Standards & Arbitration Committee for review and decision.

## **SCHEDULE 6: COVENANTS, UNDERTAKINGS AND WAIVER OF CLAIMS BY APPLICANT FOR MEMBERSHIP**

### **TO THE EDMONTON REAL ESTATE BOARD CO-OPERATIVE LISTING BUREAU LIMITED**

1. I acknowledge that I have received a copy of and have read and thoroughly understand the Act, the Articles of Incorporation, the Objects, Bylaws, and the REALTOR® Code of the Edmonton Real Estate Board Co-Operative Listing Bureau Limited and in particular the procedure for complaints, discipline and arbitration of disputes.
2. In consideration of the Edmonton Real Estate Board Co-Operative Listing Bureau Limited accepting me to membership in the Cooperative, I hereby irrevocably covenant, undertake and agree:
  - a) to abide by the provisions of the Act, the Articles of Incorporation, the Bylaws, the REALTOR® Code and such regulations as amended from time to time;
  - b) upon receipt of a complaint as to my conduct or request for arbitration, I agree that the complaint shall first be submitted to the Arbitration and Professional Standards Committee for hearing and resolution prior to any action in law or in equity being commenced;
  - c) to refer to the Board of Directors for arbitration all disputes with other Members of the Cooperative which I am not able to settle amicably;
  - d) to abide by the decision of the Arbitration and Professional Standards Committee, subject to the right of appeal as provided for in the Bylaws and/or Rules and Regulations of the Cooperative;
  - e) to pay all costs of business practices or arbitration proceedings in accordance with the provisions outlined in the Bylaws;
  - f) that the discipline procedure set out in the Bylaws and/or Rules and Regulations may be applied against me if I fail to observe any provision of the Bylaws, and the REALTOR® Code as amended from time to time;
  - g) that the Board of Directors may suspend or terminate my membership or make a monetary assessment against me or otherwise discipline me in accordance with the Bylaws, if they find I have violated any provisions of the Bylaws, the Articles of Incorporation, and the REALTOR® Code as amended from time to time;
  - h) to pay each monetary assessment levied against me by the Cooperative and that the Cooperative may recover the same as a debt due to the Cooperative;

- i) to waive, release and forever discharge the Edmonton Real Estate Board Co-Operative Listing Bureau Limited, its Board of Directors, Officers, employees (whether salaried or not), Committee Members, volunteers and Associates from all claims, suits, actions, causes of action and demands of whatsoever nature arising directly or indirectly in connection with my application for membership or my membership in the Cooperative or any arbitration or discipline procedure that may be taken or purported to be taken pursuant to the Bylaws of the Cooperative that affect me or my business, or in connection with any other act done by or on behalf of or relating to the business of the Cooperative;
- j) that, should I be accepted as a Member of the Cooperative, no portion of my membership fee is refundable nor is my membership transferable, except as provided in the Bylaws;
- k) that I am aware I am applying for membership in the Alberta Real Estate Association and The Canadian Real Estate Association, and that I further agree, if I am accepted to membership in the Edmonton Real Estate Board Co-Operative Listing Bureau Limited, that such fees and dues as are assessed by these Associations shall be included in my annual membership dues payable to the Cooperative, and I hereby authorize the Cooperative to forward such fees and dues to these Associations on my behalf;
- l) that it is a condition of Cooperative membership that all Members must be licensed/registered under the Real Estate Act of Alberta and should my real estate license/registration be suspended for any reason whatsoever then, notwithstanding anything to the contrary contained elsewhere in the Bylaws of the Cooperative, my membership shall automatically be suspended and all Cooperative services discontinued forthwith subject to the right of appeal under the Act. Should my license/registration be terminated for any reason whatsoever, then, notwithstanding anything to the contrary contained elsewhere in the Bylaws of the Cooperative, my membership shall automatically be terminated and all Cooperative services be discontinued forthwith subject to the right of appeal under the Act.

IN WITNESS WHEREOF I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature of Applicant

## SCHEDULE 7: ADDITIONAL COVENANTS BY APPLICANT FOR MEMBERSHIP

### TO THE EDMONTON REAL ESTATE BOARD CO-OPERATIVE LISTING BUREAU LIMITED

In consideration of the Edmonton Real Estate Board Co-Operative Listing Bureau Limited accepting me to membership in the Cooperative, I covenant and agree:

1. That immediately after engaging or employing a licensed Associate or Associate Broker, I shall obtain a properly completed application for membership in the Cooperative from such Associate or Associate Broker together with the required fees and annual dues and forthwith forward same to the Cooperative office.
2. That I shall not engage or employ any Associate or Associate Broker:
  - a) who declines to apply for membership in the Cooperative immediately upon being so employed;
  - b) whose application for membership is rejected by the Cooperative;
  - c) who is under suspension or expulsion from membership in the Cooperative;
  - d) who refuses to meet uniform and reasonable educational requirements or standards of competence and integrity deemed necessary for the protection of the public as it relates to Cooperative Bylaws, procedures and approved documents and forms.
  - e) who fails to pay the fees or the dues or any other assessment payable to the Cooperative.
3. That I shall not engage or employ any Associate or Associate Broker who is not now eligible for membership pursuant to the Bylaws of the Cooperative.

IN WITNESS WHEREOF I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature of Applicant

## SCHEDULE 8: CONSENT TO ARBITRATION

### TO THE EDMONTON REAL ESTATE BOARD CO-OPERATIVE LISTING BUREAU LIMITED

The undersigned, being a Member of the Edmonton Real Estate Board Co-Operative Listing Bureau Limited, hereby agrees that the matter in issue between the undersigned

And

be referred to the Arbitration and Professional Standards Committee in accordance with the Bylaws of the Edmonton Real Estate Board Co-Operative Listing Bureau Limited and, pursuant thereto, the undersigned agrees:

- (a) to abide by the decision of the Arbitration and Professional Standards Committee as set out in the Bylaws of the Cooperative;
- (b) to pay all costs of the arbitration proceedings in accordance with the Bylaws of the Cooperative.

Claim of remuneration by complainant is: \_\_\_\_\_

Offer of remuneration by respondent is: \_\_\_\_\_

IN WITNESS WHEREOF I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Member Firm

## SCHEDULE 9: PRINCIPLES OF COMPETITION

### TO THE EDMONTON REAL ESTATE BOARD CO-OPERATIVE LISTING BUREAU LIMITED:

I acknowledge that I have received a copy of, and thoroughly understand the thirteen points of the Principles of Competition as presented below:

A Real Estate Board MUST NOT:

1. Fix, establish, suggest, maintain, or control the commission rates or fees for MLS® or other listing services or any services to be rendered by members.
2. Fix, establish, suggest, maintain, or control the division of commission or fees between Cooperative Members or Members and non-members.
3. Require financial support of the Multiple Listing Service® operation by any formula based on commissions charged for the provision of real estate services.
4. Finance a Multiple Listing Service® operation by any formula based on sales price, unless that fee does not exceed \$400.00 as increased in accordance with any increases in the Consumer Price Index as published by Statistics Canada and experienced since January 2000.
5. Require or agree with a publisher or publication in which the Cooperative or association has no financial interest to refuse any type of advertising from members or non-members including refusals based on the commission rate or fees contained therein or recommend the type of advertising to be accepted by such publishers/publications.
6. Prevent or restrict advertising by members of commission rates or fees, or advertising of for sale by owner or consultative services, or offering or
7. Generally restrict advertising by members or non-members unless the advertising is:
  - i. False or misleading,
  - ii. Prohibited by law, or
  - iii. Restricted at the request of the vendor.
8. Prohibit or discourage cooperation with non-members.
9. Limit or interfere with the terms of the relationship between members.
10. Require brokers or Associates work full time in real estate sales, brokerage, or related industries a condition of membership although membership may be terminated based on complaints that member(s) are proven not available to serve the public on a regular and consistent basis and/or in accordance with standards of competence and integrity necessary to serve the public.



11. Refuse membership in a Cooperative or association to any broker or Associate unless they fail to meet uniform and reasonable financial and educational criteria or standards of competence, integrity and character that are reasonably necessary for the protection of the public.
12. Reject a listing submitted to the MLS® system by a member on the basis of price, commission rate or fees contained in the listing.
13. Prohibit or discourage a member from accepting a listing from a vendor preferring to give “office exclusive.”

IN WITNESS WHEREOF I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Member Firm