



## Effective January 2016

(Revised August 22, 2022)



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It is the duty and a requirement of each Member to comply with these rules, in addition to all other CREB® policies and guidelines, 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.

It is the responsibility of each Member to read and make themselves familiar with all of the content herein. All CREB® Members have been provided access to the CREB® Rules via [www.creblink.com](http://www.creblink.com).

## OUTLINE OF CREB® RULES

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CREB® Rules consist of the following Parts:

- PART I - CREB® MEMBERSHIP AND PRACTICE RULES
- PART II - PROVINCIAL PRACTICE RULES FOR ALBERTA
- PART III - PROVINCIAL MLS® SYSTEM LISTING RULES FOR ALBERTA
- PART IV - INTERNET RULES
- PART V - ADMINISTRATIVE JUSTICE
- PART VI - PILLAR 9™ MLS® SYSTEM RULES

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# PART I – CREB® MEMBERSHIP AND PRACTICE RULES

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## 1. PREAMBLE AND DEFINITIONS

### 1.01 Preamble

All Members must comply with all CREB® Rules, Policies, Guidelines and Bylaws for every Listing posted on the MLS® System as interpreted by the Manager of Member Practice.

### 1.02 Definitions

In these CREB® Rules, Part I, unless the context requires otherwise:

“Act” means the *Real Estate Act of Alberta* and includes any amendment, reenactment or successor of that Statute or Regulation, as the case may be.

- a. “Advertising” means all forms of representation, promotion and solicitation disseminated in any manner and by any means of communication to the Public for any purpose related to licensed real estate activity.
- b. “Assistant” is an individual under a written employment agreement with a member that does not have authorization to trade in real estate under the Real Estate Act.
- c. “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.
- d. “Board Services” means services provided by the Board which may include but are not limited to: MLS® System access including any associated assistants, showing management system access, key management system access, billing services, course registration and Media Services products.
- e. “Brokerage” is a real estate brokerage that is licensed under the Act, is a Member of CREB® and employs a licensed and registered broker who is a member of CREB® in good standing.
- f. “Business Days” means every day precluding Saturday, Sunday and statutory holidays.
- g. “Buyer” means a person acquiring or attempting to acquire an interest in real estate by purchase or lease.
- h. “CREB®” means the Calgary Real Estate Board Cooperative Ltd.
- i. “Individual Member” means an Individual who is a Member of the Board.
- j. “Listing” means a record of a property for lease or sale by a Brokerage Member.

- k. "MLS®" means the Multiple Listing Service® operated by CREB®.
- l. MLS® System Status Definitions:
- i (A) Active – An MLS® Listing Contract is in effect and the listing is being marketed through the Board's MLS® System.
  - ii (S) Sold – The MLS® Listing is reported Sold when subject to an offer with no conditions remaining other than closing.
  - iii (P) Pending– The MLS® Listing is subject to a conditional offer and continues to be marketed through the Board's MLS® System to external websites like REALTOR.ca.
  - iv (X) Expired – An MLS® Listing where the term of the Listing Contract has ended.
  - v (T) Terminated – The MLS® Listing Contract has been terminated by the Seller and the brokerage.
  - vi (W) Withdrawn – An MLS® Listing Contract is in effect but the listing has been temporarily removed from being visible on the Board's MLS® System
- m. "Member" any Member of CREB® as defined in the Bylaws of CREB®.
- n. "Property", with respect to an MLS® System listing, means real estate as defined in the Real Estate Act, section (u).
- o. "Seller's Representative" means the Member representing the Seller.
- p. "Purchase" in respect of real estate, includes an exchange, an option, a lease or any other acquisition of an interest in real estate.
- q. "Representatives"
- i. "Buyer's Representative" means the Member representing the Buyer.
  - ii. "Sellers Representative" means the Member representing the Seller.
- r. "Sale" in respect of real estate includes an exchange, an option, a lease or purchase, or any other disposition of an interest in real estate.
- s. "Seller" means a person disposing or attempting to dispose of an interest in real estate by sale or lease.
- t. "Special Clause Sale" is a conditional sale that is subject to the Sale of Buyer's Property.
- u. "Trade" includes any of the following:

- i. A disposition or acquisition of, or transaction in, real estate by purchase or sale;
- ii. An offer to purchase or sell real estate;
- iii. An offering, advertisement, listing or showing of real estate for purchase or sale;
- iv. Property management;
- v. Holding oneself out as trading in real estate;
- vi. The solicitation, negotiation or obtaining of a contract, agreement or any arrangement for an activity referred to in subclauses (i) or (v);
- vii. Collecting, or offering or attempting to collect, on behalf of the owner or other person in charge of real estate, money payable as:
  - (1) Rent for the use of the real estate; or
  - (2) Contributions for the control, management or administration of the real estate;
- viii. Any conduct or act in furtherance or attempted furtherance of an activity referred to in subclauses (i) to (viii);
- ix. “Written Services Agreement” means a contract that establishes the relationship between the parties as to the services and obligations to be performed by an industry member.

## 2. CREB® RULES

### 2.01 Membership

- a. CREB® requires that all Individual Members and Broker Members must be Members of The Alberta Real Estate Association (AREA) or organized real estate in Alberta and must have valid authorization from the Real Estate Council of Alberta (RECA).
- b. Broker Members who have licensed Associates must ensure all their Associates are Members of The Alberta Real Estate Association (AREA) or organized real estate in Alberta.

### 2.02 Individual Billing and Collection

- a. In accordance with the Collections Policy for Individual Members' accounts at CREB®, Individual Members and their Managers and Brokers will be advised that the account is overdue and request his/her co-operation in helping to collect the balance owing. Failure to bring the overdue portion of the account to a zero balance within seven (7) days of Notice of Suspension will result in a suspension of Board services.

- b. The Broker or Manager will be required to terminate this Individual Member's registration with CREB® and therefore must terminate their license with RECA by the end of the month in which Notice to Suspend was initiated. Fines to Brokers will be billed on the 5th day of the month following the termination of services.
- c. Members will be charged interest on all overdue accounts at a rate of 17.5% (annually) or such other rate as may be determined by CREB® from time to time.

### **2.03 Duties and Obligations of Brokerage Members**

The Brokerage Member is responsible for:

- a. Promptly collecting and delivering to CREB® any money which any Individual Member now registered to the Brokerage or previously registered to the Brokerage owes to CREB®, which shall include but is not limited to entrance fee, annual dues, fines and fees.
- b. Terminating the registration of any Associate or Individual Member who:
  - i. does not apply to become a Member of the Alberta Real Estate Association (AREA) or organized real estate in Alberta who:
  - ii. has their application to become a Member of the Alberta Real Estate Association (AREA) or organized real estate in Alberta rejected; or
  - iii. is expelled as a Member of the Alberta Real Estate Association (AREA) or organized real estate in Alberta.

### **2.04 Rules for Unlicensed Assistants**

- a. An Assistant employed by any Member is the responsibility of the Member they are employed by and must have a written registration/employment agreement containing the Broker's acknowledgment and consent.
- b. An Assistant must always clearly identify themselves to the Public and/or REALTORS® as Assistants to their employers.
- c. An unlicensed Assistant may perform any and all duties required by the Member provided that those duties do not include any activity which requires authorization under the *Real Estate Act*.
- d. A Brokerage Representative may delegate duties but cannot delegate responsibility to an unlicensed employee. Members will be held responsible for any breaches of the Rules, Bylaws, Policies, Guidelines and the REALTOR® Code.

### **2.05 Key Management System (KMS)**

*(Please also refer to Part II Provincial Practice Rules, Section 8 on "Keys and Keybox Systems" for further CREB® Member obligations)*

- a. The Members agree to assume all liability with respect to Key Management System (KMS) use and agree to indemnify CREB® from and against all third party claims,

actions, damages, liability, costs on a solicitor/client basis and awards arising from the activation and/or use of the KMS, including any claim arising from the theft of the KMS products, however caused. The Member's indemnification applies to the use of all approved Keyboxes, regardless of whether the User Agreement contains an indemnification provision.

## **2.06 Membership Access to Information**

All Individual Members in good standing shall have access to the MLS® System.

- a. Individual Associate Members are required to seek information and guidance from their Broker or Manager on areas relating to:
  - i. dealing and trading in real estate;
  - ii. cancellation of a Listing and/or entry of a Listing;
  - iii. employment disputes related to their Employment Contract;
  - iv. advertising and promotional publications which must be approved by the Broker or Manager prior to distribution;
  - v. filing a complaint against another Member of CREB®;
  - vi. payment of remuneration and remuneration disputes with another Brokerage.
- b. After consultation with the Manager or Broker, any further interpretation and counselling on matters relating to the REALTOR® Code, Rules, Policies, Guidelines or Bylaws of CREB® should be secured through administrative staff of CREB®.

## **2.07 Suspension and Expulsion of Members**

- a. Upon notice from the Manager of Finance, CREB® may suspend or expel a Member who has failed to pay any dues or other monies payable to CREB® after seven (7) business days' notice.
- b. After providing the Member the opportunity of a Hearing, the Professional Standards Inquiry/Appeal Committee has the authority to fine, suspend or expel any member who is found in violation of CREB® Bylaws, Rules, Policies, Guidelines or the REALTOR® Code.

## **3. CREB® EDUCATION**

### **3.01 Mandatory Education**

CREB® may mandate that Members successfully complete specific education requirements. If the Member does not comply, they will be in violation of the rule and may be subject to disciplinary action, which may include fines, suspension or expulsion.

## 4. CREB® CONDUCT AND STANDARDS OF BUSINESS PRACTICE

### 4.01 Document Audit

CREB® has the right to request copies of all documents related to any MLS® listing and/or real estate transaction from a member and/or their Brokerage in order to ensure compliance with CREB® Rules and the REALTOR® Code. All documents are to be provided within two (2) business days from when the written request is made.

### 4.02 Reporting of Sales

Straight sales and confirmations shall be reported to CREB® by the Listing Brokerage.

- a. At the time of acceptance all conditional sales must be reported as Pending on the MLS® System with the following exception:
  - i. A Special Clause Sale, which is not subject to Rule 4.02(a).
    - (1) Special Clause Sales can remain in Active status provided that the Seller has provided the Listing Brokerage with written instructions to maintain the listing as Active on the MLS® System. This supersedes CREB® Rule Part III 5(a).
    - (2) Disclosure of the existence of the special clause sale and the seller's notice period must be included in the private remarks on the active MLS® listing within two (2) business days of acceptance of the conditional sale.
- b. The final selling price of all MLS® sales must be reported to CREB® by the Listing Brokerage. If the Listing Brokerage fails to report the final selling price to CREB®, the Buyer's Brokerage Representative must report the final selling price. The Listing Brokerage may then be charged under the CREB® Rules, Part I, 4.02(b) for failing to report the sale information. *(Please also refer to Part III Provincial MLS® Rules, Section 6 on "Reporting of Sales of MLS® Listings" for further CREB® Member obligations)*
  - i. The Member shall ensure that their sales have been accurately reported within two (2) business days.
  - ii. The Listing Brokerage Representative shall receive a true copy of the Purchase Contract from the Buyer's Brokerage Representative immediately after its execution.
  - iii. The above Rules apply to an expired Listing sold under the original Contract under the "hold over" clause as per the written service agreement.

### 4.03 Information Integrity

Members must not submit an MLS® listing which is incomplete, inaccurate or includes false and/or misleading information.

Manipulating and/or removing data, including photographs & comments, from an MLS® listing prior to the sale, expiry or termination is strictly prohibited.



#### 4.04 Communication Between Members

A member shall respond to all forms of communication from other members in a timely, truthful, and lawful manner or advise that their client has instructed them not to provide the information sought. This rule does not waive any obligations around disclosures of material latent defects.

## 5. CREB® COMMUNICATION REQUIREMENTS

### 5.01 E-Mail and iFax Policy

- a. As a Member, you agree to abide by all applicable laws and/or Rules and are solely responsible for all acts or omissions that occur under your electronic identity including the content of your transmission.
- b. By way of example and as a limitation, Members agree:
  - i. Not to send unsolicited messages, chain letters, junk e-mail, spamming (goods and services provided by CREB® are not considered spam) or other duplicative services offered by CREB® (copies of Listings or open house notices are already available through the MLS® System).
  - ii. Not to create a false identity to forge an e-mail address, header or otherwise attempt to mislead others as to the identity of the sender or the origin of the message.
  - iii. Not to transmit unlawful, harassing, libelous, abusive, threatening, harmful, vulgar, obscene or otherwise objectionable material of any nature.

## 6. SANCTIONS FOR NON-COMPLIANCE WITH BOARD PRACTICE RULES

### 6.01 Penalty Summary

- a. The following Board Practice Rules are subject to penalties set out in 6.01(b) and (c):
  - 2.01 – Membership
  - 2.02(b) – Individual Billing and Collection
  - 4.01 – Document Audit
  - 4.02(a)(b((i)) – Reporting of Sales
  - 4.03 – Information Integrity
  - 4.04– Communication Between Members
  - 5.01 – E-Mail and iFax Policy
- b. An Educational Advisory will be issued for the first violation of any rule identified in 6.01(a);
- c. Subsequent violations of rules identified in 6.01(a) shall result in the following penalties:

- ii. \$250.00 fine for the second offence;
  - iii. \$500.00 fine for the third offence; and
  - iv. Fourth and subsequent offences will result in a disciplinary hearing.
- d. Subject to the rule identified in the Penalty Summary section above, CREB® reserves the right to withdraw a listing from the MLS® System for a violation of the above said rules.

## PART II - PROVINCIAL PRACTICE RULES FOR ALBERTA

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*A Collaboration by:*

*Alberta West REALTORS® Association  
Calgary Real Estate Board  
Central Alberta REALTORS® Association  
Fort McMurray REALTORS®  
Grande Prairie & Area Association of REALTORS®  
Lethbridge & District Association of REALTORS®  
Medicine Hat Real Estate Board  
REALTORS® Association of Edmonton  
REALTORS® Association of Lloydminster & District  
REALTORS® Association of South Central Alberta  
Alberta Real Estate Association*

*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 his/her 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 Terms and Definitions

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. “Broker 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 contracted 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 obtain and submit property information for 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 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; 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 his/her 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 his/her

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. (Please also refer to Part I CREB® Rules, Section 2.05 on "Key Management System (KMS)" for further CREB® Member obligations)

- 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**

### **10.01 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.

### **10.02 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.

### **10.03 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.

### **10.04 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.

### **10.05 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 Buyer's 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 Seller'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 is 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.

## 15. SANCTIONS FOR NON-COMPLIANCE WITH PROVINCIAL PRACTICE RULES

### 15.01 Penalty Summary

- a. The following Provincial Practice Rules are subject to penalties set out in 15.01(b) and (c):
  - 3.01 – Solicitation at Events
  - 3.02 – Solicitation using Board Web Resources
  - 3.03 – Sending Recruiting Materials
  - 5.01 – Brokerage Address Maintenance and Changes
  - 5.03 – Communicating with the Board/AREA
  - 5.04 – Transmissions to Other Members
  - 6.02 – Advertising Listings of Other Members
  - 6.03 – Advertising a Sold Listing
  - 6.04 – Advertising Address and Price of Sold Property
  - 7.01 – Buyer Accompaniment at Showings
  - 7.02(a)(b) – Making and Keeping Appointments
  - 8.03 – Use of Board Approved Lockboxes
  - 8.06 – Locating Key Box on Property
  - 8.07 – Removal of Keys and Key Boxes
  - 10.01 – Identification of Signage
  - 10.02 – Signage Removal
  - 10.04 – Time Sensitive References on Signage
  - 10.05 – Placement of Sold Signage
  - 11.02 – Presentation of Offers to Purchase
  - 14.01 – Fee Alteration and Payment Timeframe
- b. An Educational Advisory will be issued for the first violation of any rule identified in 15.01(a);



- c. Subsequent violations of a rule identified in 15.01(a) shall result in the following penalties:
- ii. \$250.00 fine for the second offense;
  - iii. \$500.00 fine for the third offense; and
  - iv. Fourth and subsequent offenses will result in a disciplinary hearing.

## PART III – PROVINCIAL MLS® SYSTEM LISTING RULES FOR ALBERTA

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*A Collaboration by:*

*Alberta west REALTORS® Association*

*CREB®*

*Central Alberta REALTORS® Association*

*REALTORS® Association of Edmonton*

*Fort McMurray REALTORS®*

*Grande Prairie & Area Association of REALTORS®*

*Lethbridge and District Association of REALTORS®*

*REALTORS® Association of Lloydminster and District*

*Medicine Hat Real Estate Board*

*REALTORS® Association of South Central Alberta*

### 1. DEFINITIONS and INTERPRETATIONS

#### 1.01 Terms and Definitions

In these Provincial MLS® System Listing Rules for Alberta REALTORS®, unless the context requires otherwise:

- 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 by the Listing Brokerage.
- 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 agent, 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 contracted 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; 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 marketed 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 and 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 this Board includes an inventory of listings (MLS® System database) of participating REALTORS®, including all text, images and information gathered, compiled, stored or published by the 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 his/her 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 Bylaws, 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 his/her/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 Three 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 himself/herself, 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 Three 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**

- 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 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**

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 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 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

- 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 sale 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 Sale

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 MLS® System.
- b. Members shall comply with, observe, and be bound by all rules, restrictions, copyright notices or other limitations of access to the 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;
- 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 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 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 Boards’ 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 Boards’ 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 MLS® 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 Boards' MLS® System functionality does not allow unique login credentials, then a Member may disclose his/her Access Codes and/or Access Items to his/her 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 his/her 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 his/her 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 Boards' 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

### 9.01 Penalty Summary

- a. The below MLS® System Listing Rules are subject to penalties outlined in 9.01(b) and (c):
  - 2.02 (b)(d) – Three Pillars of the MLS® System
  - 2.03 – Additional Requirements
  - 2.04 (a)(b)(d)(e)(f)(g)(h)(i) – Photographs/Images
  - 2.06 – Modifications or Unusual Conditions
  - 3.01 – Submitting MLS® Listings to the Board
  - 3.02 – Individual Listings
  - 3.03 (b) – Amending Listings
  - 3.04 (b) – Extending Listing
  - 3.05 – Temporary Withdrawals/Suspensions
  - 3.06 (a) – Terminations of Listings
  - 3.07 (b) – Audits of Listings
  - 4(a)(b) – Reporting on MLS® Listing System Statuses
  - 5(a) – Reporting of Pending Sales on the MLS® System
  - 6.01(a)(b) – Reporting Unconditional Sales
  - 6.02 – Reporting Collapsed Sales
  - 8.06 (e) – MLS® System Access Security
- b. An Educational Advisory will be issued for the first violation of any rule identified in 9.01(a);
- c. Subsequent violations of a rule identified in 9.01(a) shall result in the following penalties:
  - ii. \$250.00 fine for the second offense;
  - iii. \$500.00 fine for the third offense; and
  - iv. Fourth and subsequent offenses will result in a disciplinary hearing.
- d. Subject to the rules identified in the Penalty Summary section above, CREB® reserves the right to withdraw a listing from the MLS® System for a violation of the above said rules.



## PART IV – INTERNET RULES

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### 1. DEFINITIONS AND INTERPRETATIONS

#### 1.01 Definitions and Interpretations

In these Internet Rules, unless the context requires otherwise:

- a. “Agency” means that relationship between principal and Associate wherein the Associate is considered in law to represent the principal.
- b. “Associate” means 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.
- c. “Associate Broker” means 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 trade in real estate on behalf of that brokerage.
- d. “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.
- e. “Brokerage” means a real estate brokerage that is licensed under the *Real Estate Act*.
- f. “Brokerage Member” is a brokerage that is a Member of the Board and employs a licensed and registered broker.
- g. “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.
- h. “Consumer” means a buyer or seller of real estate who may or may not be engaged in an agency relationship.
- i. “Customer” means a person who has contracted but not engaged or employed an industry member to provide services.
- j. “Director” means any person appointed to the Board’s Board of Directors.

- k. “Fiduciary” means a person who is entrusted to represent another person and has the legal obligation to act for the benefit of, and solely in the best interests of that person being represented.
- l. “Internet Data Exchange (IDX)” IDX is an MLS® data sharing solution that allows Participating Brokers to display each other’s active MLS® Listing information on their website(s), provided that the data display conforms to the Policies, Bylaws, Rules, Guidelines, and specifications of the Board. IDX data means data that is made available from the Board to IDX Participating Brokers from time to time for display on IDX websites.
- m. “Listing” means a record of a property for lease or sale by a Brokerage Member.
- n. “MLS® System” of the Board means the co-operative selling system operated and promoted by a Board in association with the MLS® Marks. The MLS® System of a Board ensures a certain level of accuracy of information, professionalism and co-operation amongst REALTORS®.
- o. “MLS® System Data” of the 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.
- p. MLS® System Status Definitions:
  - i. Active – An MLS® Listing Contract is in effect and the listing is being marketed through the Board’s MLS® System.
  - ii. Expired – An MLS® Listing where the term of the Listing Contract has ended.
  - iii. Pending – The MLS® Listing is subject to a conditional offer and continues to be marketed through the Board’s MLS® System to external websites like REALTOR.ca.
  - iv. Sold – The MLS® Listing is reported Sold when subject to an offer with no conditions remaining other than closing.
  - v. Terminated – The MLS® Listing Contract has been terminated by the Seller and the brokerage.
  - vi. Withdrawn – An MLS® Listing Contract is in effect but the listing has been temporarily removed from being visible on the Board’s MLS® System.

- q. “Participating Broker” is a broker that has opted their brokerage into receiving data under the Internet Data Exchange (IDX) or Virtual Office Website (VOW) options, and they have agreed to abide by the rules governing the use of these data feeds.
- r. “Property”, with respect to an MLS® System listing means real estate as defined in the *Real Estate Act*, Section 1(u).
- s. “Trade” includes any of the following:
  - i. A disposition or acquisition of, or transaction in real estate by purchase or sale;
  - ii. An offer to purchase or sell real estate;
  - iii. An offering, advertisement, listing, or showing of real estate for purchase or sale;
  - iv. Property management;
  - v. Holding oneself out as trading in real estate;
  - vi. The solicitation, negotiation, or obtaining of a contract, agreement, or any arrangement for an activity referred to in subclauses (i) or (v);
  - vii. Collecting, or offering, or attempting to collect, on behalf of the owner or other person in charge of real estate, money payable as:
    - (1) Rent for the use of the real estate; or
    - (2) Contributions for the control, management, or administration of the real estate;
  - viii. Any conduct or act in furtherance, or attempted furtherance of an activity referred to in subclauses (i) to (vii);
- t. “Registrant” is any consumer who has entered into an agreement with an Associate, Associate Broker, or Broker in order to access and receive data on a REALTOR® website from Virtual Office Website (VOW) data feeds.
- u. “Virtual Office Website (VOW)” means a Participating Broker’s Internet website (and where authorized, websites of Associate Brokers and Associates affiliated with the Participating Broker) through which consumers receive real estate Brokerage services, including the opportunity to search for MLS® data subject to the Participating Broker’s overview, and supervision.
- v. “Written 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.

## 2. OWNERSHIP AND COPYRIGHT

- a. The Board is the owner of the copyright in its MLS® System. The MLS® System is a licensed product for the exclusive use of Members and other authorized users, and any use of this data for any unauthorized purpose is prohibited. The right to use, reproduce, or download the data is subject to the authority of the Board and is limited to the specific uses permitted by the Board.
- b. Members shall comply with, observe, and be bound by all restrictions, copyright notices, or other limitations of access to the MLS® System, and use thereof as may be adopted by the Directors from time to time.
- c. A member, in submitting Listing information to the Board, consents to such use of that information as the Board determines is appropriate.
- d. The Member shall advise and obtain the Client/Customer consent that they and the Board may:
  - i. Disclose the listing, sales and price information to others authorized to use the listing service, like other brokers, appraisers, government departments, municipal organizations, and others;
  - ii. Use historical listing service data to gather, keep, and publish statistics which can be used to conduct comparative market analyses;
  - iii. Use the listing, sales and price information as we and the listing service consider appropriate for listing, marketing, and selling real estate.
- e. 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 MLS® System including, but not limited to, computer failure or interruption, or negligence.
- f. The Directors may from time to time establish fees for use of the MLS® information.

## 3. AUTHORIZED USE

The information contained on the MLS® System is confidential and shall not be distributed to unauthorized persons or used in any unauthorized manner.

- a. “Authorized Use “of the MLS® System means:
  - i. The extraction of data from the MLS® System by licensed members of the Board in good standing necessary to assist them in representing their Client/Customers or specific identified customers in the trade of real property;
  - ii. The ability of members of the Board in good standing to remove reference to the Listing Brokerage and Listing Associate when representing specific clients, or specific identified customers in the trade of real estate;

- iii. Any specific use authorized in writing by the Board.
- b. “Unauthorized Use” of the MLS® System is any use not set out in Section 3(a) and includes, but is not limited to:
  - i. The sale or distribution of any portion of the MLS® System to any third parties;
  - ii. No Member shall use the MLS® System for direct or personal contact or communication with another Member’s Client/Customer when the status of a listing on the Board’s MLS® System is marked as either Expired (X) or Terminated (T) and the Member knows or ought to know that a written service agreement has been or is in place.
  - iii. Any general or institutional advertising of a Member’s services through radio, television, open houses, or other means of reaching a large group of the public not directed specifically to persons having had a written service agreement that is now either Expired (X) or Terminated (T) or any contact or communication that was specifically requested or initiated by the Client/Customer, is not deemed to be an unauthorized use of the MLS® System.
  - iv. No use is unauthorized if consented to in writing by the Board. Anyone requesting such consent is required to meet all eligibility requirements as set out in the following guideline, and agree to such undertakings, terms and conditions as established by the Board, and to execute any agreements in the form provided by the Board.
- c. All websites must clearly display a Licensed Brokerage Disclosure and Licensee Disclosure in accordance with the REALTOR® Code.
- d. It is the responsibility of any Member advertising as a banner advertisement, or any other Internet format (where their Brokerage and/or Associate name appears with other Members’ listing information), to require the ‘host’ of that information to comply with all aspects of the guidelines for websites as set out in these Rules.

## 4. MLS® SYSTEM DATA ACCESS

### 4.01 Internet Data Exchange (IDX)

#### Data Level One – No Authentication Required (not password protected)

- a. Participating Brokers who have opted into the IDX must adhere to the following Rules and all other Board Rules, Bylaws, Guidelines, and Policies that may be adopted by the Board or CREA.
  - i. IDX Participating Brokers must not alter, modify, manipulate, scrape, archive old listings or obscure the IDX Data (or any disclaimers or notices therein) in any way.

- ii. The IDX Data or any portion thereof may not be displayed on any Internet website except an IDX Internet website.
  - iii. IDX Participants must not permit any portions of the IDX Data to be used, or provided to any person, or corporation for any purpose other than those expressly provided for in the MLS® Rules, Bylaws, Guidelines, and Policies of the Board or CREA.
- b. Visitors may view, retrieve, or download not more than 500 current active listings, display 50 listings per page, in response to any search query.
  - c. Participating Brokers' Terms of Use shall not impose a financial obligation on a Registrant. Financial obligations, if any, must be established separately from the Participating Brokers' Terms of Use, must be prominently labeled, and may not be accepted solely by a "mouse click".
  - d. Participating Brokers' Terms of Use shall not create any representation agreement between a Registrant and the Participating Broker. Representation agreements, if any, must be established separately from the Participating Brokers' Terms of Use, must be prominently labeled, and, may not be accepted solely by a "mouse click".
  - e. Participating Brokers' IDX sites must protect MLS® System data from misappropriation by employing reasonable efforts to monitor and prevent "scraping" and other unauthorized accessing, reproduction or use of the MLS® System.
  - f. IDX sites must display the Participating Broker privacy policy informing Registrants how information they provide may be used, in accordance with the applicable privacy legislation.
  - g. Participating Brokers, Associate Brokers and Associates affiliated with that Participating Broker must not alter, modify, manipulate, scrape, store, or obscure the IDX data (or any disclaimers or notices therein) in any way.
  - h. No portion of the MLS® System data shall be distributed, provided to, or made accessible to any person for the purpose of operating an IDX site except as provided in these rules.
  - i. IDX sites must display the IDX Participant's privacy policy informing Registrants how information they provide may be collected, used, and disclosed, in accordance with applicable privacy legislation.
  - j. Brokerage Display - The Listing Brokerage must be clearly displayed for all listings including thumbnail views. The Listing Brokerage must be in the same font and size as the other listing details and not visually separated from the Listing Details.
  - k. It is unacceptable to display data which is more than 24 hours out of date.

- I. Misuse or misrepresentation of the MLS® System Data provided through an IDX or VOW will be sanctioned under Internet Rule 5(c) which states:

*Upon receiving a Complaint of non-compliance of a public site displaying MLS® System internet data, the Board will send written notice to the Member and/or their Broker that the site must be brought into compliance with these Rules within seven (7) business days. Failure to do so will result in the termination of MLS® services to that Member until they can demonstrate that the site is in compliance.*

#### **4.02 Virtual Office Website (VOW)**

##### **Data Level Two – Authentication Required (password protected)**

Participating Brokers operating Virtual Office Websites (VOW) shall comply with the following Rules:

- a. Participating Brokers must obtain the name and valid E-Mail address of each Registrant.
- b. Participating Brokers must send an E-Mail to any Registrant confirming that the Registrant has agreed to the VOW's Terms of Use.
- c. Participating Brokers can provide access to their VOW only after a Registrant's E-Mail address is verified as valid, and the Registrant's agreement to the VOW's Terms of Use is confirmed.
- d. Participating Brokers' Terms of Use shall include the following terms:
  - i. The Registrant acknowledges that these Terms of Use do not create a fiduciary obligation with the Participating Broker;
  - ii. That all data obtained from the VOW is 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 of property being displayed through the VOW;
  - iv. That the Registrant will not copy, redistribute, or retransmit any of the data or information provided; and
  - v. That the Registrant acknowledges Board ownership of and the validity of the copyright in the MLS® System.
- e. The Participating Brokers' Terms of Use may also include other provisions determined by the Participating Broker.

- f. Participating Brokers' Terms of Use shall not impose a financial obligation on a Registrant. Financial obligations, if any, must be established separately from the Participating Brokers' Terms of Use, must be prominently labeled, and may not be accepted solely by a "mouse click".
- g. Participating Brokers' Terms of Use shall not create any representation agreement between a Registrant and the Participating Broker. Representation agreements, if any, must be established separately from the Participating Brokers' Terms of Use, must be prominently labeled, and, may not be accepted solely by a "mouse click".
- h. Participating Brokers' may provide Brokerage services via VOWs that include making active MLS® Listing data available, but only to Registrants with whom the Participating Brokers have first established relationships, including completion of all actions and/or forms respecting fiduciary obligation disclosure and choice required by provincial law or regulation in connection with providing real estate Brokerage services to clients and customers.
- i. The Registrant must supply a user name and a password, the combination of which must be different from those of all other Registrants of the VOW, before being permitted to search and view information from the MLS® System via the VOW. The user name and password may be established by the Registrant or may be supplied by the Participating Broker, at the option of the Participating Broker.
- j. Participating Brokers' VOW must protect MLS® System data from misappropriation by employing reasonable efforts to monitor and prevent "scraping" and other unauthorized accessing, reproduction or use of the MLS® System.
- k. VOWs must display the Participating Broker privacy policy informing Registrants how information they provide may be used, in accordance with the applicable privacy legislation.
- l. Participating Brokers may not provide the identity of Registrants to any other entity for compensation except where consent has been granted by the Registrant to the Participating Brokerage.
- m. Participating Brokers, Associate Brokers and Associates affiliated with that Participating Broker must notify the Board of their current VOW or their intention to establish a VOW. Participating Brokers, Associate Brokers and Associates affiliated with that Participating Broker must make their VOW directly accessible to the Board and the VOWs of the Associate Brokers and Associates affiliated with that Participating Broker for purposes of monitoring/ensuring compliance with the applicable Rules and policies.



- n. A Participating Broker's VOW shall not make available for search by or display to Registrants the following data intended exclusively for other Participating Brokers, the Associate Brokers, and Associates affiliated with that Participating Broker:
  - i. The Seller(s) and occupant(s) name(s), phone number(s), and E-Mail address(s), where available. Instructions or remarks intended for cooperating Brokers only, such as those regarding showing or security of the listed property.
- o. Registrants shall not view, retrieve, or download more than 500 current active listings, displaying 50 per page, in response to any search query.
- p. Participating Brokers, Associate Brokers and Associates affiliated with that Participating Broker must not alter, modify, manipulate, scrape, store, or obscure the VOW data (or any disclaimers or notices therein) in any way.
- q. No portion of the MLS® System data shall be distributed, provided to, or made accessible to any person for the purpose of operating a VOW except as provided in these rules.
- r. VOWs must display the VOW Participant's privacy policy informing Registrants how information they provide may be collected, used, and disclosed, in accordance with applicable privacy legislation.
- s. Brokerage Display - The Listing Brokerage must be clearly displayed for all listings including thumbnail views. The Listing Brokerage must be in the same font and size as the other listing details and not visually separated from the Listing Details.
- t. It is unacceptable to display data which is more than 24 hours out of date.
- u. Misuse or misrepresentation of the MLS® System Data provided through an IDX or VOW will be sanctioned under CREB® Rule Part IV 5(c) which states:

*Upon receiving a Complaint of non-compliance of a public site displaying MLS® System internet data, CREB® will send written notice to the Member and/or their Broker that the site must be brought into compliance with these Rules within seven (7) business days. Failure to do so will result in the termination of MLS® services to that Member until they can demonstrate that the site is in compliance.*

#### **4.03 Complying with Third Party Access Requirements**

- a. Property addresses of Sellers who have directed their Listing Brokerages to withhold their property address from display on the Internet (including, but not limited to, publicly-accessible websites or VOWs) shall not be accessible to Registrants.

- b. If Associate Brokers and Associates affiliated with the Participating Brokers of the Board are authorized by the Board to operate VOWs with their Participating Broker's consent, such VOWs remain subject to the Participating Broker's control, and the Participating Broker, the Associate Brokers, and Associates affiliated with the Participating Broker shall be accountable under these Rules.
- c. No portion of the MLS® System shall be distributed, provided to, or made accessible to any person for the purpose of operating a VOW except as provided for in these Rules.
- d. Listings from the Board may only be excluded from the display on Participating Broker's VOWs based on objective criteria, e.g. type of property, listed price, and geographical location.
- e. MLS® System fields authorized for display may not be changed. The MLS® System may be augmented with additional data not otherwise prohibited from display provided the source of any additional data is clearly identified. This Rule does not restrict the format of MLS® System data display or display of fewer than all of the listings, or fewer authorized data fields.
- f. Display of MLS® System must include a notice indicating that the data is deemed reliable but is not guaranteed accurate by CREB®.
- g. Participating Brokers' VOWs may include other appropriate disclaimers necessary to protect the Participating Broker and/or CREB® from liability.
- h. MLS® System information available on any VOW must be refreshed at least once every twenty-four (24) hours and must indicate the date of the last update.
- i. All listings displayed on VOWs shall identify the name of the Listing Brokerage in typeface not smaller than the median size used in the display of listing data.
- j. The objectives of this policy are to help ensure that Trademark legislation and other Rules relating to MLS® information are respected.

#### **4.04 Access**

- a. Personal computer access codes and passwords are for the Member's sole and exclusive use and disclosure to anyone is prohibited.
- b. Computer programs provided by the Board to access the MLS® System information are for the Member's sole and exclusive use and selling or distributing these programs to any unauthorized person is prohibited.

## 5. PENALTIES

- a. The unauthorized use of MLS® System data by any Member, may result in an immediate investigation which may lead to a disciplinary hearing if charges are laid.
- b. A reward of up to \$2,000.00 may be paid for any information leading to conclusive evidence that MLS® System information or data has been distributed to anyone other than a client directly involved in the trade or potential trade in real estate.
- c. Upon receiving a Complaint of non-compliance of a public site displaying MLS® System internet data, the Board will send written notice to the Member and/or their Broker that the site must be brought into compliance with these Rules within seven (7) business days. Failure to do so will result in the termination of MLS® System services to that Member until they can demonstrate that the site is in compliance.
- d. Participating Brokers, Associate Brokers and Associates affiliated with the Participating Brokers acknowledge that failure to comply with the governing use of VOWs will result in the Board sending written notice to the Member and/or their Broker that the site must be brought into compliance with these Rules within seven (7) business days. Failure to do so will result in the termination of MLS® System services to the Member until they can demonstrate that the site is in compliance.

## PART V – ADMINISTRATIVE JUSTICE

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### 1. DEFINITIONS

#### 1.01 Definitions and Interpretations

In these CREB® Rules, unless the context requires otherwise:

- a. “Adjourn” means to temporarily, at the discretion of the hearing Chairperson, halt Hearing proceedings.
- b. “Alternate Chairperson” means the Inquiry Committee Member appointed to fulfil the Chairperson, or any other Hearing Panel Member’s, duties due to absence from a Hearing for any reason.
- c. “Appellant” means the party who files an Appeal.
- d. “Applicant” means the party who files a Complaint.
- e. “Arbitration Act” means the Arbitration Act of Alberta.
- f. “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.
- g. “Associate Broker” is an individual who holds the qualifications of a real estate broker; is licensed as an Associate 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 trade in real estate on behalf of that brokerage.
- h. “Board Services” means services provided by the Board which may include but are not limited to: MLS® System access including any associated assistants, showing management system access, key management system access, billing services, course registration and Media Services products.
- i. “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.
- j. “Brokerage” is a real estate brokerage that is licensed under the Real Estate Act.
- k. “Brokerage Member” is a Brokerage that is Member of AREA and employs a licensed and registered Broker.
- l. “Business Day” means every day precluding Saturday, Sunday and statutory holidays.

- m. “Chairperson” means the Inquiry Committee Member of an Investigating Team or Hearing Panel who is responsible for the conduct of the proceedings.
- n. “Complaint” means a written statement as prescribed in these rules.
- o. “Hearing” means:
  - i. “Appeal Hearing” means a Hearing held when a Respondent has filed a Notice of Appeal in accordance with CREB® Rules and a Hearing Panel will make a determination pursuant to CREB® Rules Part V section 7.
  - ii. “Arbitration Hearing” means a Hearing held when an Arbitration Submission is received in accordance with CREB® Rules and a Hearing Panel will determine commission entitlement in accordance with CREB® Rules.
  - iii. “Consolidated Hearing” means a Hearing held when both an Arbitration Submission is received in accordance with CREB® Rules and charges have been laid as the result of an Investigation pertaining to the same matter. A Hearing Panel will determine commission entitlement in accordance with CREB® Rules as well as either:
    - (1) Determine guilt and any appropriate penalty, if any, based on the written evidence, the oral Hearing presentation(s) and the Respondent’s history of infractions when the Respondent does not admit guilt to the facts of a Complaint and the charges laid as the result of an Investigation; or
    - (2) Determine the appropriate penalty based on the written evidence, the oral Hearing presentation(s) and the Respondent’s history of infractions when the Respondent admits guilt to the facts of the Complaint and the charges laid as the result of an Investigation.
  - iv. “Inquiry Hearing” means a Hearing held when a Respondent does not admit guilt to the facts of a Complaint and the charges laid as the result of an Investigation and a Hearing Panel will determine guilt and any appropriate penalty, if any, based on the written evidence, the oral Hearing presentation(s) and the Respondent’s history of infractions.
  - v. “Penalty Hearing” means a Hearing held when a Respondent admits guilt to the facts of the Complaint and all charges laid as the result of an Investigation and a Hearing Panel will determine the appropriate penalty based on the written evidence, the oral Hearing presentation(s) and the Respondent’s history of infractions.
  - vi. “Show Cause Hearing” means a Hearing held when a Respondent has received four (4) or more Summary Offence violations of a CREB® Rule and a Hearing Panel will determine the appropriate penalty based on the written evidence, the oral Hearing presentation(s) and the Respondent’s history of infractions.

- p. “Hearing Panel” means the panel of Inquiry Committee Members appointed to conduct a Hearing who are trained in the CREB® dispute process.
- q. “Inquiry Committee” means the committee with the authority under the CREB® Rules to hear financial, ethical and other matters in the course of a Complaint, Investigation or Hearing who are trained in the CREB® dispute process.
- r. “Investigating Team” means the panel of Inquiry Committee Members appointed to conduct an Investigation who are trained in the CREB® dispute process.
- s. “Investigation” means the convening of an Investigating Team to determine whether or not charges should be laid against any Applicant or Respondent to a Complaint.
- t. “Member” means any Member of CREB® as defined in the CREB® Bylaws.
- u. “Real Estate Act” means the Alberta Real Estate Act and any successor legislation.
- v. “Recording Secretary” means the CREB® staff attending any Hearing in assistance to the Hearing Panel.
- w. “Respondent” means the party who is in response to or in opposition to a Complaint made by an Applicant, or charges laid by an Investigating Team or as the result of a Summary Offence. An Applicant can also become a Respondent if charges are filed following an Investigation of a Complaint.
- x. “Submission” means documents, undertakings and deposits required in the course of an Arbitration Hearing.
- y. “Summary Offence” means offences within these rules which are sanctioned as follows: ®.
  - i. Educational Advisory for the first violation
  - ii. \$250.00 fine for the second offense
  - iii. \$500.00 fine for the third offense
  - iv. Fourth and subsequent offenses will result in a disciplinary hearing.

## 2. INQUIRY COMMITTEE

### 2.01 Authority of the Inquiry Committee

The Inquiry Committee have powers as follows:

- a. Forward to any governing, regulatory and policing bodies;
- b. Advisory letter;
- c. Letter of reprimand;
- d. Order to attend any educational course;

- e. Assess costs;
- f. Fine to a maximum of \$30,000.00;
- g. Suspend ;
- h. Expel.

## **2.02 Payment to Inquiry Committee Members**

The fee for an Inquiry Committee Member sitting on an Investigation is \$250.00 per file while the Chairperson of the Investigation is paid \$350.00 per file. The fee for an Inquiry Committee Member sitting on a Hearing Panel is \$50.00 per hour. The Alternate Chairperson designated for a Hearing Panel will be paid \$50.00 if not called to sit on the Hearing Panel.

## **2.03 Publication of Member Names**

The Inquiry Committee may, at their discretion, publish in CREB® Talk the name, offences and penalties of any Member who:

- a. Have second and subsequent ethical offences within five (5) years;
- b. Is suspended or terminated due to sanctions imposed as the result of a Hearing; or
- c. Has been sanctioned as the result of a Show Cause Hearing.

**2.04 Record of Decisions**The proceedings of each hearing will be retained by CREB® for two (2) years and the summaries, including details of the dispute and decision of the Hearing Panel, will be available at reasonable times to all Members of the Inquiry Committee.

# **3. COMPLAINTS**

## **3.01 Complaint Submission**

All Complaints, excluding those violations of the CREB® Rules which are covered by Summary Offences, must be in writing and include the Applicant's name, brokerage, a detailed account of what has transpired in chronological order, along with all supporting documentation, and include, in the case of member to member complaints, a letter from the Applicant's Broker supporting the complaint. Complaints must be filed within one (1) year from the date of occurrence or, within one (1) year of when a reasonable person knew or ought to have known when the facts were discoverable.

## **3.02 Communication of Complaint to Respondent**

The Complaint will be sent in its entirety to the Respondent who is required to provide, within seven (7) business days of receipt, a written response called a "Reply", to all of the allegations contained in the Complaint including a detailed chronological account along with all supporting documentation. The response will be sent to the Applicant in its entirety.

## **3.03 Notification to Proceed to an Investigation**

The Applicant, upon review of the Respondent's Reply to the Complaint, will provide written instructions as to whether the Complaint has been satisfied by the Reply or whether the matter should proceed to an Investigation.

### **3.04 CREB® Initiated Complaints**

CREB® may proceed on its own Complaint. CREB® will prepare the Complaint and designate a Member Compliance Officer who will act as the Applicant.

## **4. INVESTIGATIONS**

### **4.01 Member Cooperation**

All Members will cooperate fully with a Member of an Investigating Team conducting an Investigation. Any Member who threatens any Member acting within the authority of an Investigating Team may be subject to an Investigation that could result in disciplinary action.

### **4.02 Former Members**

A Member who resigns from or terminates CREB® membership prior to an investigation, or prior to the final determination of such investigation, is subject to the provisions of Bylaws, the REALTOR® Code and CREB® Rules and must resume the process upon renewal of CREB® membership.

### **4.03 Documents**

Upon notice, a Member will produce to the Investigating Team all books, deeds, papers, accounts, writings, documents, including digital and electronic versions, and things within such Member's possession or power which may be relevant or required at any time. A Member who fails to produce any item required pursuant to this section may have his/her Membership suspended or terminated by the Inquiry Committee.

### **4.04 Withdrawn Complaint**

In the event the Applicant withdraws the Complaint after a decision has been rendered, the Investigating Team will determine if the evidence warrants that a Hearing be held or no further action taken. Should the Complaint proceed without the presence of the Applicant, CREB® will designate a Inquiry Committee Member to act as the Applicant.

### **4.05 Dismissal of Complaint**

The Inquiry Committee will determine in its sole discretion that no further action be taken with respect to a Complaint and the decision will be in writing and will be sent to both Applicant and Respondent.

### **4.06 Charges**

- a. Complaints that result in charges being laid against a Member by the Investigating Team may proceed to a Hearing.
- b. When charges are laid as the result of an Investigation the charged party/parties will be notified in writing and must, within the provided timeframe, agree in writing to:
  - i. Not admit guilt to the charges and/or the facts of the Complaint and proceed to an Inquiry Hearing where a Hearing Panel will determine guilt in the matter; or
  - ii. Admit guilt to the charges and the facts of the Complaint and proceed to a Penalty Hearing where a Hearing Panel will determine the appropriate



penalty based on the written evidence, including a copy of the original letter of Complaint, and the Member's history of infractions.

#### **4.07 Confidentiality**

All decisions are strictly confidential to the parties of the Investigation and Inquiry Committee Members and will not be revealed to any other party with the exception of CREB® Rule Part V 2.03(a) (b) (c) and any governing, regulatory and/or policing bodies.

#### **4.08 Covenant**

No member of CREB® may initiate or lay charges or commence legal proceedings for damages or other relief against any member of employee of CREB® or any member of the Inquiry Committee or any other member for what they did or failed to do in the administration of the provisions of the investigation process and/ or CREB® Rules, Bylaws or the REALTOR® Code. This rule is hereby confirmed as an absolute defence against such charges or proceedings and each member hereby waives his/her right to file such charges

### **5. HEARINGS – GENERAL**

The following applies to all Hearing Types.

#### **5.01 Member Cooperation**

- a. Any Member who threatens any Member acting within the authority of a Hearing Panel may be subject to an Investigation that could result in disciplinary action.
- b. All Members will cooperate fully with an Inquiry Committee member sitting on a Hearing Panel.
- c. Admission of guilt from a Member does not preclude that Member from being subpoenaed to give evidence at a Hearing of another Member.

#### **5.02 Former Member**

A Member who resigns from or terminates CREB® membership prior to a hearing, or prior to the final determination of such hearing, is subject to the provisions of Bylaws, the REALTOR® Code and CREB® Rules and must resume the process upon renewal of CREB® membership.

#### **5.03 Multiple Parties Charged**

When charges are laid against more than one party to a Complaint and one of the parties pleads guilty while the other pleads not guilty, the Penalty Hearing will be held after the Inquiry Hearing or Consolidated Hearing.

#### **5.04 Notice**

- a. CREB® will set a time and a place for the Hearing and will give all necessary parties written notice, of the Hearing at least fourteen (14) business days prior to the date set for the Hearing.
- b. The Broker or Broker Designate of any Applicant, Respondent or Appellant must be in attendance at all Hearings and must provide all appropriate documentation.

### **5.05 Failure of Respondent**

Notwithstanding the failure of the Respondent to deliver a Reply or to appear at the Hearing, the Hearing Panel will proceed with the Hearing on the date set for the Hearing.

### **5.06 Representation**

Any party to a Hearing may be represented by legal counsel and must provide CREB® with written notification of legal representation fourteen (14) business days prior to a Hearing date being set. The Hearing Panel may also have legal counsel present at the Hearing for advisory purposes. Legal counsel present at any Hearing may not take an active role in the conduct of the Hearing.

### **5.07 Hearing Panel Composition**

- a. When charges are laid as the result of an Investigation or fourth or greater Summary Offence a Hearing Panel of 3-5 Inquiry Committee Members, including a designated Chairperson, will be established and an Alternate Hearing Chairperson designated.
- b. A Hearing Panel will not continue with a Hearing if the Hearing Panel is reduced to less than three (3) members. The subject Hearing will terminate and CREB® will give all necessary parties notice of a new Hearing at least fourteen (14) business days prior to the date set for the new Hearing.
- c. A member of the Inquiry Committee will not participate in a Hearing Panel if the member:
  - i. Was on an Investigating Team or Hearing Panel which heard the matter which is the subject of the Hearing; or
  - ii. Is in the same brokerage as the Applicant, Respondent or Appellant; or
  - iii. Is related through blood or marriage to the Applicant, Respondent or Appellant or an officer, director, shareholder, partner, employee or any party to the Hearing or on any other reasonable grounds.

### **5.08 Objection to Appointment of Hearing Panel**

Any party to the Hearing will have the right to object to the appointment of any member of a Hearing Panel at the time of the Hearing except in the case of an Appellant in the course of an Appeal who may object to the appointment of any member of a Hearing Panel within seven (7) business days of receive of notification of such appointment. The Hearing Panel will have the right to:

- a. Accept the objection;
- b. Reject the objection;
- c. Request reasons for the objection; or
- d. Appoint another member to the Hearing Panel.

If no objection to the appointment of any member of a Hearing Panel is received within the stipulated time the Inquiry Committee Members so appointed will be deemed to be acceptable to all parties.

### **5.09 Hearing Procedures**

In a Hearing, the Hearing Panel may proceed in such manner as in its discretion deems advisable and may:

- a. Adjourn the Hearing from time to time;
- b. Proceed in such a manner as it considers proper without being bound by the rules of evidence or other legal rules, provided it will consider the best evidence available; and
- c. Request any party to deliver a written argument to the Hearing Panel.

### **5.10 Hearing Recordings**

Hearings will be recorded either by audio tape or the Recording Secretary and will be retained until the decision of the Hearing Panel has been made and any penalty imposed has been completed for a minimum period of six (6) months.

### **5.11 Documents**

Upon notice, a Member will produce to the Hearing Panel all books, deeds, papers, accounts, writings documents, including digital and electronic versions, and things within such Member's possession or power which may be relevant or required at any Hearing. A Member who fails to produce any item required pursuant to this section may have his/her Membership suspended or terminated by the Inquiry Committee.

### **5.12 Evidence Produced at Hearings**

The Chairperson will deliver all documents produced in evidence at a Hearing to CREB®. The documents will be marked as exhibits and CREB® will retain custody of such documents until any Appeal from the Hearing is held or the Appeal period has expired.

### **5.13 Hearing Panel Decision**

- a. The decision of the majority of the Hearing Panel will constitute the decision and will:
  - i. Be in writing;
  - ii. Include the reasons for the decision;
  - iii. Be signed by the Hearing Panel Chairperson;
  - iv. Determine whether or not a Respondent violated a Bylaw, the REALTOR® Code and/or CREB® Rules;
  - v. Specify the penalty imposed, if any, and
  - vi. Be delivered to the parties within twenty (20) days after the conclusion of the Hearing.

- b. The results of the decision will be stayed until either the Appeal period has expired or, if any Appeal is commenced, until such time as the Appeal is determined.
- c. The decision of the Hearing Panel is considered final and binding and must be communicated to the Real Estate Council of Alberta by the Respondent or Appellant.
- d. The Hearing Panel will endeavour to resolve the dispute with fairness, justice and equity according to the established standards of practice and ethics in the real estate business however the decision of the Hearing Panel will not be challenged for failure to conform to judicial formalities and strict rules of law.

#### **5.14 Covenant**

No member of CREB® may initiate or lay charges or commence legal proceedings for damages or other relief against any member or employee of CREB® or any member of the Inquiry Committee or any other member for what they did or failed to do in the administration of the provisions of the hearing process and/ or CREB® Rules, Bylaws or the REALTOR® Code. This rule is hereby confirmed as an absolute defence against such charges or proceedings and each member hereby waives his/ her right to file such charges or proceedings.

## **6. HEARING TYPES**

### **6.01 Inquiry Hearing**

- a. The Hearing Panel will be composed of a Chairperson and a maximum of four (4) Members of the Inquiry Committee.
- b. In the conduct of an Inquiry Hearing, the Hearing Panel will:
  - i. Receive evidence under oath or affirmation;
  - ii. Allow parties to call as witnesses any person who has knowledge of the facts touching the matters in question; and
  - iii. Allow cross examination of any witness.
- c. The Hearing proceedings include the following:
  - i. The Secretary will take the oaths or affirmations of those participating in the Hearing. Any witnesses will be sworn in when they are to appear to give testimony.
  - ii. The Applicant will present his/her case, including documents and witnesses, if any. All evidence must be introduced during the presentation and will not be allowed to be introduced during the summary. The Respondent may then ask questions followed by questions from the Hearing Panel.
  - iii. The Respondent will present his/her case, including documents and witnesses, if any. All evidence must be introduced during the presentation and will not be allowed to be introduced during the summary. The Applicant may then ask questions followed by questions from the Hearing Panel.

- iv. The Applicant will be allowed to make a final summary statement.
  - v. The Respondent will be allowed to make a final summary statement.
- d. The decision of the Hearing Panel can be Appealed per CREB® Rules Part V (7).

### **6.02 Penalty Hearing**

- a. The Hearing Panel will be composed of a Chairperson and two (2) Members of the Inquiry Committee.
- b. In the conduct of a Penalty Hearing, the Hearing Panel will:
  - i. Receive evidence under oath or affirmation;
  - ii. Allow parties to call as witnesses any person who has knowledge of the facts touching the matters in question; and
  - iii. Allow cross examination of any witness.
- c. The Hearing proceedings include the following:
  - i. The Secretary will take the oaths or affirmations of those participating in the Hearing. Any witnesses will be sworn in when they are to appear to give testimony.
  - ii. The Respondent will present his/her case, including documents and witnesses, if any including stating what he/she believes to be a suitable penalty for the infraction.
  - iii. The Hearing Panel may then ask questions.
  - iv. The Respondent will be allowed to make a final summary statement.
- d. The decision of the Hearing Panel can be Appealed per CREB® Rule Part V (7).

### **6.03 Show Cause Hearing**

- a. The Hearing Panel will be composed of a Chairperson and two (2) Members of the Inquiry Committee.
- b. In the conduct of a Show Cause Hearing, the Hearing Panel will:
  - i. Receive evidence under oath or affirmation;
  - ii. Allow parties to call as witnesses any person who has knowledge of the facts touching the matters in question; and
  - iii. Allow cross examination of any witness.
- c. The Hearing proceedings include the following:

- i. The Secretary will take the oaths or affirmations of those participating in the Hearing. Any witnesses will be sworn in when they are to appear to give testimony.
  - ii. The Respondent will present his/her case, including documents and witnesses, if any.
  - iii. The Hearing Panel may then ask questions.
  - iv. The Respondent will be allowed to make a final summary statement.
- d. The decision of the Hearing Panel can be Appealed per CREB® Rule Part V (7).

#### **6.04 Arbitration Hearing**

- a. The provisions of the Arbitration Act will apply to each Arbitration Hearing pursuant to the CREB® Rules, CREB® Bylaws and the REALTOR® Code, but if the provisions of the Arbitration Act are inconsistent with the express provisions of the CREB® Rules, CREB® Bylaws and the REALTOR® Code, the CREB® Rules, CREB® Bylaws and the REALTOR® Code will prevail.
- b. Each member agrees that if any financial dispute between members is unable to be resolved by the members involved, it will be determined by Arbitration Hearing pursuant to the provisions of the Arbitration Act and the provisions of the CREB® Rules, CREB® Bylaws and the REALTOR® Code. The Hearing Panel decision will be conclusive and binding on each Applicant and Respondent and the persons claiming under them except in the following situation:
  - i. Should an Individual Member make a claim against their present or previous Brokerage Member, such Arbitration will only take place with the consent of both members.
    - (1) If all parties in a current or past employee/employer relationship consent to an Arbitration, all issues brought forward will be arbitrated by the Inquiry Committee and the award will be conclusive and binding upon the parties; or
    - (2) In the case of disputes between parties in a current or past employee/employer relationship who do not consent to the Arbitration, the parties will automatically have the right to pursue any alternative remedy.
- c. A member must file a Submission no later than one (1) year from the date upon which the cause of the claim arose.
- d. CREB® may extend any time period specified in these Rules on any Arbitration.
- e. A Submission for Arbitration will contain:
  - i. A Deposit in the amount of \$500.00 in the form of a cheque payable to CREB®;

- ii. A concise written statement of the facts regarding the dispute;
  - iii. The name(s) of each member who is a Respondent in the Submission;
  - iv. The nature and amount of the Submission; and
  - v. An undertaking by the Applicant that he/she will abide by the Decision.
- f. CREB® will deliver a copy of the Submission to each Respondent within seven (7) business days of receipt.
- g. Within seven (7) business days after service of the Submission to each Respondent, each Respondent will deliver to CREB® his/her Submission which will contain:
- i. A Deposit in the amount of \$500.00 in the form of a cheque payable to CREB®
  - ii. A concise written statement of the facts regarding the dispute;
  - iii. An undertaking by the Respondent that he/ she will abide by the Decision.
- h. A Submission by the Applicant and each Submission by the Respondent will be deemed to be the Submissions in the case. If there is no Submission by the Respondent, a Submission by the Applicant itself will be deemed to be the Submission.
- i. If a Respondent fails to deliver a Submission within the time limit, fails to appear or refuses to appear at an Arbitration Hearing, the Hearing Panel will proceed to hear and determine the Submission based on the evidence produced by the Applicant.
- j. Disputed monies held by parties to an Arbitration Hearing will be held in trust by the parties and dispersed according to the Decision of the Hearing Panel.
- k. The Hearing Panel will be composed of a Chairperson and two (2) or (4) Members of the Inquiry Committee.
- l. All of the provisions in the CREB® Rules, CREB® Bylaws and the REALTOR® Code will apply to the Arbitration Hearing Panel except the Panel cannot impose penalties for contravention of the CREB® Rules, CREB® Bylaws or the REALTOR® Code nor determine whether a CREB® Rule, CREB® Bylaw or the REALTOR® Code has been contravened.
- m. If an Applicant or a Respondent was a Member when the initiating Submission was first delivered to CREB® and such Applicant or Respondent is not now a Member, the Hearing Panel will proceed to hear and determine the claim.
- n. In the conduct of the Arbitration Hearing, the Hearing Panel will:
- i. Receive evidence under oath or affirmation;

- ii. Allow parties to call as witnesses any person who has knowledge of the facts touching the matters in question; and
  - iii. Allow cross examination of any witness.
- o. The Hearing proceedings include the following:
- i. The Secretary will take the oaths or affirmations of those participating in the Hearing. Any witnesses will be sworn in when they are to appear to give testimony.
  - ii. The Applicant will present his/her case, including documents and witnesses, if any. All evidence must be introduced during the presentation and will not be allowed to be introduced during the summary. The Respondent may then ask questions followed by questions from the Hearing Panel.
  - iii. The Respondent will present his/her case, including documents and witnesses, if any. All evidence must be introduced during the presentation and will not be allowed to be introduced during the summary. The Applicant may then ask questions followed by questions from the Hearing Panel.
  - iv. The Applicant will be allowed to make a final summary statement.
  - v. The Respondent will be allowed to make a final summary statement.
- p. The Hearing Panel decision will be in writing, contain reasons for the decision and will determine the costs, if any, to be awarded to any party, or CREB®, including the disposition of the Deposit.
- q. A decision of an Arbitration Hearing cannot be appealed.

#### **6.05 Consolidated Hearing**

- a. All claims and disciplinary matters relating to the same subject matter be it financial, ethical and/or other matters will be consolidated at one Consolidated Hearing.
- b. The Hearing Panel will be composed of a Chairperson and a maximum of four (4) Members of the Inquiry Committee.
- c. In the conduct of an Arbitration Hearing, the Hearing Panel will:
  - i. Receive evidence under oath or affirmation;
  - ii. Allow parties to call as witnesses any person who has knowledge of the facts touching the matters in question; and
  - iii. Allow cross examination of any witness.
- d. The Hearing proceedings include the following:



- i. The Secretary will take the oaths or affirmations of those participating in the Hearing. Any witnesses will be sworn in when they are to appear to give testimony.
  - ii. The Applicant will present his/her case, including documents and witnesses, if any. The Respondent may then ask questions followed by questions from the Hearing Panel.
  - iii. The Respondent will present his/her case, including documents and witnesses, if any. The Applicant may then ask questions followed by questions from the Hearing Panel.
  - iv. The Applicant will be allowed to make a final summary statement.
  - v. The Respondent will be allowed to make a final summary statement.
- e. The Hearing Panel will determine the commission entitlement and consider all charges laid based on the facts of the case and in accordance with CREB® Rules.
  - f. The Hearing Panel decision will be in writing, contain reasons for the decision and will determine the costs, if any, to be awarded to any party, or CREB®, including the disposition of the Deposit.
  - g. The Arbitration portion of the Decision pertaining to the commission entitlement cannot be appealed however penalties levied for any ethical breach(s) can be appealed per CREB® Rule Part V (7).

## 7. APPEALS

### 7.01 Appeals - General

- a. The only person who may appeal a decision of the Hearing Panel is the Respondent who was subject to the Hearing. Neither the person who the Complaint or CREB® has a right of appeal from a decision of a Hearing Panel.
- b. In the event that a Hearing involved more than one Respondent, each Respondent has a separate right of appeal.

### 7.02 Appeal Filing

- a. To appeal a decision of a Hearing Panel, a Respondent (now referred to as the Appellant) will deliver in writing the following to CREB® within twenty (20) days after CREB® delivers the original Hearing decision:
  - i. A written Notice of Appeal, including the reasons and grounds of Appeal;
  - ii. A \$500.00 filing fee in the form of a cheque payable to CREB®; and
  - iii. Notice stating whether or not the Appellant wishes legal counsel to represent him/her on the Appeal.

- b. In the event of default of any of these requirements, the Notice of Appeal will not be valid.

### **7.03 Grounds of Appeal**

The Appellant can only appeal the Hearing Panel's decision on one or more of the following grounds:

- a. The Inquiry Committee misapplied or misinterpreted CREB® Rules or the REALTOR® Code; or
- b. There was a procedural deficiency or lack of procedural due process in the initial Hearing; or
- c. The penalty imposed was inappropriate.

### **7.04 Composition of Appeal Panel**

- a. The Hearing Panel will be composed of a Chairperson and two (2) Members of the Inquiry Committee.

### **7.05 Right of Withdrawal of an Appeal**

At any time prior to the Appeal Hearing being formally called to order, the Appellant may withdraw his/her Notice of Appeal by delivering written notice to CREB® and the following will immediately occur:

- a. The Hearing Panel will not hear the Appeal;
- b. The initial decision of the original Hearing Panel is the final decision; and
- c. If the withdrawal notice is received by CREB® less than five (5) business days prior to the scheduled Hearing, CREB® has the right to assess costs against the Appellant. CREB® can apply the filing fee towards an award of costs.

### **7.06 Evidence**

An Appeal Hearing is not a re-hearing. The parties will not be allowed to introduce any new evidence at the Appeal Hearing. The Appeal is to be decided solely on the evidence and the materials contained in the record of the Hearing as outlined in 7.07.

### **7.07 Record of Hearing**

The Record of the initial Hearing will be provided to the Appellant and Hearing Panel a minimum of fourteen (14) days prior to the Hearing and includes the following:

- a. The written Charge;
- b. The written Reply, if any;
- c. All notices sent to the parties by CREB® and/or the Hearing Panel;
- d. Any transcript or other summary of the evidence of the Hearing, including any tape recordings of the proceeding, if requested by the Appellant;

- e. All Exhibits entered into evidence at the Hearing; and
- f. The decision of the initial Hearing Panel including any reasons for the decision.

### **7.08 Failure to Appear**

Where the Appellant fails to appear at the Hearing without sufficient cause in the opinion of the Hearing Panel, the Appeal should be dismissed. The decision of the initial Hearing Panel will be the final decision.

### **7.09 Conduct of the Appeal Hearing**

In the conduct of an Appeal Hearing, the Hearing Panel will:

- a. Receive evidence under oath or affirmation; and
- b. Not permit witnesses, examination or cross-examination procedures; and
- c. Not permit new evidence to be introduced.

### **7.10 Hearing Proceedings**

The Hearing proceedings include the following:

- a. The Secretary will take the oaths or affirmations of those participating in the Hearing.
- b. The Chairperson will state for the record what the Hearing is about, including the Appellant's grounds for appeal, as set out in the Notice of Appeal;
- c. The Appellant will present his/her case based solely on his/her grounds for Appeal, without introducing any new evidence and has the onus of establishing that his/her Appeal should be allowed;
- d. The Hearing Panel is entitled to ask questions of the Appellant; and
- e. The Appellant will be allowed to make a summary statement.

### **7.11 Disposition of Appeal**

The Hearing Panel makes its decision, including the disposition of the Filing Fee, based on the materials contained in the Record of Hearing and having regard to the Appellant's submission.

The Hearing Panel can make the following decisions:

- a. Dismiss the Appeal;
- b. Amend the decision of the initial Hearing panel;
- c. Remit the matter back to the Inquiry Committee for a new Hearing in whole or in part and, at their discretion, by a differently constituted Hearing Panel; and
- d. Impose any of the penalties that the Inquiry Committee has the authority to order, as specified in CREB® Rules, CREB® Bylaws and the REALTOR® Code. The Hearing Panel

has the right to alter the amount or extent of any penalty ordered by the initial Hearing panel.

### **7.12 Continuance of Hearing**

The Hearing Panel which begins to sit a Hearing will continue to hear the Hearing and render a decision notwithstanding that during the timeframe the term of office on the Inquiry Committee for one or more members of the Hearing Panel has ended

## **8. MEMBER COMPLIANCE WITH SANCTIONS**

### **8.01 Failure to Comply**

If a Member fails:

- a. To comply with an Arbitration Hearing decision;
- b. Pay any fine or cost ordered by a Hearing Panel decision;
- c. Pay any outstanding account owing to CREB®:
  - i. Including any monetary judgement awarded by an Alberta Court against the Member;
  - ii. Including an award for legal costs awarded by an Alberta Court against the Member;
  - iii. Take any courses as required by the decision of the Hearing Panel; and/or
  - iv. Comply with other such disciplinary action as required by the decision of the Hearing panel

CREB® may suspend that Member.

### **8.02 Court Awards to CREB®**

Any monetary award provided to CREB® by the courts will be added to the Member account.

### **8.03 Publication of Member Names**

Members are advised that those Individual and Brokerage members that have had services discontinued pursuant to 8.01 above may have their name published in CREB®Talk.

## PART VI – PILLAR 9™ MLS® SYSTEM LISTING RULES (FOR PILLAR 9™ BOARDS)

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### 1. THE FOLLOWING RULES APPLY TO MEMBERS USING THE PILLAR 9™ MLS® SYSTEM

#### 1.01 RMS Diagrams

- a. An RMS Diagram is required as part of each MLS® Listing.

### 2. SANCTIONS FOR NON-COMPLIANCE WITH PILLAR 9™ MLS® SYSTEM LISTING RULES

#### 2.01 Penalty Summary

- a. The following Pillar 9™ MLS® System Listing Rules are subject to penalties set out in 2.01(b) and (c):
  - 1.01 – RMS Diagrams
- b. An Educational Advisory will be issued for the first violation of any rule identified in 2.01(a);
- c. Subsequent violations of a rule identified in 2.01(a) shall result in the following penalties;
  - ii. \$250.00 fine for the second offence;
  - iii. \$500.00 fine for the third offence;
  - iv. Fourth and subsequent offences will result in a disciplinary hearing.
- d. Subject to the rule identified in the Penalty Summary section above, CREB® reserves the right to withdraw a listing from the MLS® System for a violation of the above said rules.