

# South Padre Island Board of REALTORS® COMPLIANCE GUIDELINES

## SECTION 1 HOW IT WORKS

### Initiators of Alleged Violations:

Alleged violations of the Rules and Regulations must be made in writing.

### Categories of Alleged Violations:

When a violation of the Rules and Regulations has been discovered, written notice of the alleged violation must be submitted to the South Padre Island Board of REALTORS® office via mail, fax, and email or delivered to South Padre Island Board of REALTORS® staff. South Padre Island Board of REALTORS® staff will investigate the alleged violation. If a violation occurs it will fall into one of the following categories:

- a. Minor Violations;
- b. Failure to Correct a Listing- Minor Violations;
- c. Non-Response or Non- Compliance Fines;
- d. Automatic Violations;
- e. Internet Data Display Violations;
- f. Failure to Correct Internet Data Display Violations;
- g. Lockbox Violations and Fines;
- h. Appeal Request for Automatic Fines and Internet Data Display Fines.

The Participant will be notified of any listing changes or corrections that need to be made in the South Padre Island Board of REALTORS® database.

## MINOR VIOLATIONS

When one of the violations listed below is alleged, the South Padre Island Board of REALTORS® staff will send a Compliance Form by email or fax to the Participant. The Participant must correct the error within two (2) business days. Minor violations include, but are not limited to:

- a. Failure to enter a listing in the correct category as identified in the South Padre Island Board of REALTORS® database.
- b. Failure to report the correct sale price on a closed listing.
- c. Failure to report the correct Selling Office and Selling Agent on a closed listing.
- d. Failure to correctly report all required fields in the South Padre Island Board of REALTORS® database.

- e. Failure to enter into at least one of the Commission fields a specific dollar amount greater than "0", a percentage rate greater than "0", or combination thereof.
- f. Failure to provide the South Padre Island Board of REALTORS® with any documentation requested by the South Padre Island Board of REALTORS® within 2 days of the date of the Compliance Form.
- g. Failure to list properties that are sold or which may be sold separately individually in the listing agreement and in the South Padre Island Board of REALTORS® database.
- h. Failure to properly notify South Padre Island Board of REALTORS® when part of a listed property was sold.
- i. Agent, company or seller contact information included in any field not expressly marked for contact information. This includes, but is not limited to the remarks and directions fields, photos and virtual tours.
- j. Failure to make any required change of a listing within the specified time frame.
- k. Input of mobile or manufactured homes, unless being sold as a part of real property.
- l. Inappropriate input of more than one listing for the same property in an ACTIVE status at any given time unless a listing is marked for SALE and for RENT.
- m. Input of Bonus or Compensation information in any field not expressly designated for such information.
- n. Input of timeshares or fractional ownership properties.
- o. Failure to input listing within two (2) business days of receipt of a valid listing agreement.
- p. Failure to submit, within two (2) business days of request, a copy of the certification which shows the Seller refused to permit the inclusion of the listing in the South Padre Island Board of REALTORS® database.
- q. Failure to amend the status of a listing in the South Padre Island Board of REALTORS® database within two (2) business days of the change of status.
- r. Failure to use the original listing date and price when a property is withdrawn from the South Padre Island Board of REALTORS® database prior to the expiration date and reentered by the same company without the execution of a new signed valid listing agreement.
- s. Failure to submit a valid listing agreement upon request from MLS staff within two (2) days for all new listings, and changed listings entered into the database.
- t. Failure to provide a main picture as well as four (4) additional pictures for each improved property entered into the South Padre Island Board of REALTORS®.

### Failure to Correct a Listing- Minor Violations

If a Compliance Form has been sent to the Participant, the correction must be made within two (2) business days from the date of the notice.

- Minor violations will be fined if they are not corrected within two (2) business days after notification.
- The fines will escalate as described below.
- If a Participant desires to explain any extenuating circumstances for failure to comply, notice must be given to the South Padre Island Board of REALTORS® office within two (2) business days from the date of the initial notification.

### **SECTION 3 NON-COMPLIANCE FINES**

Non-compliance to a South Padre Island Board of REALTORS® Compliance Form by the appropriate deadlines carries escalating fines to the Participant as follows:

1<sup>st</sup> Notice: warning notice, \$0 fine assessed.

2<sup>nd</sup> Notice: \$50.00 fine assessed.

3<sup>rd</sup> Notice: \$250.00 fine assessed, a total of \$300.00 assessed.

After the 3<sup>rd</sup> notice the Participant's MLS rights, privileges, and services will be suspended from the South Padre Island Board of REALTORS® database for not less than thirty (30) days nor more than one (1) year.

On the 5<sup>th</sup> minor violation in the same calendar year, the participant will be fined \$500 and be required to attend mandatory MLS training.

**The fine schedule is per offense and billed to the Office.**

### **SECTION 4 AUTOMATIC VIOLATIONS**

When one of the violations listed below is found, the South Padre Island Board of REALTORS® staff will send a Compliance Form by email or fax to the Participant. The South Padre Island Board of REALTORS® staff will make the correction immediately where applicable and the following fines will immediately be assessed. Violations that are not corrected within two (2) business days after notification and can not be corrected by South Padre Island Board of REALTORS® staff will be charged per the fine listed below, plus \$100.00 per calendar day thereafter until the correction is made up to \$15,000. If a Participant desires to explain any extenuating circumstance for failure to comply, notice must be given to the South Padre Island Board of REALTORS® office within two (2) business days from the date of the initial notification.

- a. Unauthorized dissemination of personal seller information including, but not limited to, alarm codes, “children at home”, “elderly at home”, “gate codes”- \$1,000.00 per listing fine.
- b. Unauthorized use of South Padre Island Board of REALTORS® login information, compilations, listing information or statistical or comparable reports- \$5,000.00 fine per infraction.
- c. Advertising or marketing listings from the South Padre Island Board of REALTORS® without authorization from the listing broker- \$1000.00 per listing per incident fine up to a maximum of \$5,000.00 per infraction.
- d. Lockbox fines, see Section 6.
- e. Failure to obtain Seller’s written consent prior to entering a status change relating to an amendment to the Participant’s listing agreement. \$100 first infraction, 2<sup>nd</sup> infraction \$250 and mandatory MLS training 3<sup>rd</sup> infraction and any thereafter \$1,000
- f. Failure to report a correct listing expiration date. \$100 first infraction, 2<sup>nd</sup> infraction \$250 and mandatory MLS training 3<sup>rd</sup> infraction and any thereafter \$1,000

**SECTION 5  
INTERNET DISPLAY DATA VIOLATIONS AND FINES**

Failure to Correct Internet Data Display Fines

If a South Padre Island Board of REALTORS® Compliance Form has been sent to the Participant, the correction must be made within two (2) business days. Violations that are not corrected within two (2) business days after notification will be charged \$1000.00 plus \$100.00 per calendar day thereafter until the correction is made. If a Participant desires to explain any extenuating circumstances for failure to comply, a letter must be sent to the South Padre Island Board of REALTORS® office within two (2) business days from the date of the initial notification.

**SECTION 6  
LOCKBOX VIOLATIONS AND FINES**

- a. Violations include:
  - Failure to keep the PIN code and keypad for the sole use of the registered keyholder
  - Fraudulent requests for PIN/Shackle codes
  - Unauthorized access to listed property, including, but not limited to, failure to follow showing instructions
- b. Fines are as follows:
  - 1<sup>st</sup> infraction - \$100.00 fine;
  - 2<sup>nd</sup> infraction - \$500.00 fine;

- 3<sup>rd</sup> infraction and any infraction thereafter- \$1,000.00 fine.

## **SECTION 7 FAILURE TO PAY FINES**

In the event the fines, including any late fees, are unpaid, all access to the South Padre Island Board of REALTORS® MLS are subject to suspension until such time as all sums are paid in full. Please refer to section 7 (A) of the MLS Rules for a detailed explanation.

## **SECTION 8 APPEAL FROM AUTOMATIC AND INTERNET DATA DISPLAY FINES**

Any Participant, having reason to believe that a fine imposed on that Participant by the South Padre Island Board of REALTORS® is without merit, may file an appeal with the South Padre Island Board of REALTORS® Board of Directors within seven (7) business days of the notification of fine. The appeal must include:

1. Proof of correction where applicable;
2. Copies of any relevant documents.

The appeal hearing will be scheduled for Participant at the next South Padre Island Board of REALTORS® MLS Committee Meeting.

If in the opinion of the MLS Committee Members, the Participant is unable to show compliance with the South Padre Island Board of REALTORS® Rules and Regulations, the fine must be paid. If, in the opinion of the Committee, the Participant is able to show compliance with the South Padre Island Board of REALTORS® Rules and Regulations the fine will be cancelled.