

Addendum B

INTERNET DATA EXCHANGE 'IDX' POLICY

Effective 1/1/02 ~ Adopted 9/12/00 ~ Amended 10/01/2008

Definitions. 'IDX' is essentially rules and enabling technologies allowing MLS participants to give each other permission to display each other's listings on their web sites; each participant giving this permission also receives reciprocal permission from other participants. Only the listings of participants who have not opted out of IDX can be displayed on other participants' sites. Display is subject to the rules of the MLS.

'Downloading' means electronic transmission of data from MLS servers to Participants' servers on a persistent or transient basis, at the discretion of the MLS excluding the listing or property address, respectively, or any seller who affirmatively directs that the listing or the property address not appear on the Internet or other electronic forms of display or distribution.

MLSs that allow persistent downloading of the MLS database by Participants for display or distribution on the Internet or by other electronic means may require that Participants (1) utilize appropriate security protection, such as firewalls, provided that any security obligations imposed on Participants may not be greater than those employed concurrently by the MLS, and/or (2) maintain an audit trail of consumer activity on the IDX site and make that information available to the MLS if the MLS has reason to believe that a Participant's IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers.

Section 1.

Purpose. Jackson Multiple Listing Service ("JMLS") is adopting this policy to enable MLS Participants to display on Participants' public websites aggregated MLS active listing information subject to the requirements of state law and regulation. To comply with this requirement, JMLS will, if requested by a Participant, promptly provide basic 'downloading' of current listing information. JMLS will also offer alternative display options including framing of Board, MLS, or other publicly accessible sites displaying Participants' listings (with permission of the framed site). This policy does not require JMLS to establish publicly accessible sites displaying Participants' listings.

Section 2.

Participation. Unless state law requires prior written consent from listing brokers, listing brokers' consent for IDX display is presumed unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit display (either on a blanket or on a listing-by-listing basis). If a Participant refuses on a blanket basis to permit IDX display of that Participant's listings, then that Participant may not display the aggregated MLS data of other Participants on an IDX site.

Alternatively, the MLS may require that Participants' consent for display of their listings by other Participants on IDX sites be affirmatively established in writing. Even where Participants have given blanket authority for other Participants to display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller.

DR's will be given a two week deadline to return their annual office participation agreement. If the required annual agreement is not filed by that year's deadline, then the office will have their MLS access turned off until the annual agreement is submitted.

Section 3.

Participants' Internet Web sites may provide other features, information, or services in addition to IDX information (including Virtual Office Website ("VOW") functions) which are not subject to this policy.

Section 4.

Guidelines. The following guidelines are adopted and implemented by the JMLS Board of Directors:

- 4.1 Prohibit display of confidential information fields intended for cooperating brokers rather than consumers.
- 4.2 Require that any listing displayed identify the listing firm.
- 4.3 Require that the identity of listing agents be displayed.
- 4.4 Require that a clearly visible color and typeface be used to display the listing information be used to identify the listing firms and listing agents. When displaying listing content, a participant's or user's IDX site must clearly identify the name of the brokerage firm under which they operate in a clearly visible color and typeface.
- 4.5 Require that information displayed not be modified with the exception of Participant's office listings.
- 4.6 Require that any display of other Participants' listings indicate the source of the information being displayed and require Participants to refresh all downloads and refresh all data at least once every seven (7) days.
- 4.7 Prohibit sharing of the MLS database with any unauthorized third party and may require Participants to indicate on their websites that the information being provided is for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.
- 4.8 A JMLS Participant may only display other JMLS Participants' listings.
- 4.9 Participants must notify the MLS of their intention to establish an IDX site and make their IDX site directly accessible to the MLS for purposes of monitoring/ensuring compliance with applicable rules and policies.
- 4.10 Participants must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent 'scraping' or other unauthorized accessing, reproduction or use of the MLS database.

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- 4.11 Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly-accessible Web sites or VOW's) shall not be accessible via IDX sites. Notwithstanding this prohibition, listing brokers may display on their IDX sites or their other Web site(s) the listing or property address of consenting sellers. If a seller chooses to opt out the listing office must submit a letter signed by the seller.
- 4.12 Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location ("uptown", "downtown", etc.), list price, type of property, (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right to sell or exclusive agency), or independently made by each Participant.
- 4.13 Except as provided elsewhere in this policy or elsewhere in an MLS's rules and regulations, an IDX site or Participant operating an IDX site may not distribute, provide, or make any portion of the MLS database available to any person or entity.

Section 5.

Specific Guidelines: Jackson Multiple Listing Service specifically implements the following guidelines:

- 5.1 The right to display listing information pursuant to IDX is limited to Participants who are REALTORS®.
- 5.2 JMLS limits the right to display listing information pursuant to IDX to MLS Participants, who are licensed as real estate brokers and are actively engaged in real estate brokerage.
- 5.3 Participants are considered actively engaged in real estate brokerage when they maintain an office or internet presence from which they are available to represent real estate sellers or buyers (or both).
- 5.4 JMLS allows non-principal brokers and sales licensees affiliated with JMLS Participants to use information available through IDX to populate their own websites. If non-principal brokers and sales licensees affiliated with JMLS Participants may use IDX information, such use is subject to Participants' consent and control and the requirements of state law and/or regulation.

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- 5.5 JMLS retains the right to limit information, which can be downloaded and/or otherwise displayed under IDX to properties listed on an exclusive right to sell basis. The following data fields are to remain confidential: *list date, expiration date, days on market, compensation fields, original price, seller's and occupant's; names, phone numbers and email addresses, the private remarks, sold information and type of listing agreement, e.g. exclusive right to sell, exclusive agency, etc.* (Amended 04/06)
- 5.6 Participants must consent to display of their listings by other Participants under IDX as a condition of having their listings transmitted to aggregators/publishers of real property ads.
- 5.7 JMLS may, at any time, charge the costs of adding or enhancing their 'downloading' capacity to Participants who will download listing information. Assessment of such costs shall reasonably relate to the actual costs incurred by JMLS.
 - 5.7a A \$25 setup fee and a \$25 non-prorated annual fee is due and payable prior to IDX activation. The annual fee will be billed every March thereafter on the Broker/DR's MLS billing.
- 5.8 Prohibit display of expired, withdrawn, or pending listings.
- 5.9 There is no limit to the number of listings that consumers may retrieve or download in response to an inquiry. (Amended 12/07)
- 5.10 *Disclaimer* – The information being provided is for consumers personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.
- 5.11 Suspension of IDX services will be enforced when an agent/IDX user who has recently transferred offices and does not comply with submitting the proper IDX paperwork to JMLS, identifying the new broker/DR's consent.

Section 6.

Amendments. JMLS shall review and amend or change this policy on an ongoing basis to address unanticipated future issues and implications.

Section 7.

Violations. If an IDX User is found in violation of any of the above policies, first a letter of warning is to be sent to the IDX User and carbon copied to his or her broker allowing them 7 days to fix the issues.

- 7.1 **Consideration of Alleged Violations:** The Board of Directors shall give consideration to all written complaints having to do with violations of the rules and regulations. (Amended 2/98)

- 7.2 **Violations of Rules and Regulations:** If the alleged offense is a violation of the rules and regulations of the Service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the Board of Directors of the Service, and if a violation is determined, the Board of Directors may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the Professional Standards Committee of the Board in accordance with the bylaws and rules and regulations of the Board of REALTORS® within twenty (20) days following receipt of the Directors' decision. (Amended 2/98)
- 7.3 If an IDX violation is not corrected, the IDX User access will be inactivated, fined \$200 and a complaint forwarded to the Grievance Committee.

**Exhibit A
BROKER'S CONSENT FORM**

I, _____, ("Broker"), consent to and authorize Jackson Multiple Listing Service, Inc. ("JMLS"), a subsidiary of Jackson Area Association of Realtors ("JAAR") to release Listing Information as defined in the Vendor License Agreement between JMLS and _____, ("Vendor"), with an Effective Date of _____ to Vendor for the purpose of advertisement and marketing.

Vendor's Contact Information:

Name: _____
Contract Administrator/Primary Contact: _____
Address: _____
Phone: _____

Broker's Contact Information:

Broker's Name: _____
Agency Name: _____
Agency Address: _____
Agency Phone: _____
Broker's License Number: _____

If the Vendor is a Real Estate Sales Agent, please provide the following information:

Agent's Name: _____
Agency Name: _____
Agency Address: _____
Agency Phone: _____
Agent's License Number: _____

The Term of this authorization and consent shall begin on the date below and shall end on _____. I understand that my consent and authorization is required to effectuate the commencement and validity of the Vendor License Agreement between JMLS and Vendor.

Broker's Signature

Date: _____

**VENDOR LICENSE AGREEMENT
BETWEEN
JACKSON MULTIPLE LISTING SERVICE, INC.
AND**

THIS LICENSE AGREEMENT (the "Agreement") is made by and between Jackson Multiple Listing Service, Inc. ("JMLS"), a subsidiary of Jackson Area Association of REALTORS ("JAAR") and _____ of _____ ("Vendor") and shall be effective on _____ (the "Effective Date").

BACKGROUND

JMLS owns the copyrights to and maintains Listing Content for the Greater Jackson area. Real estate agencies use this information in their businesses and desire to contract with third-party Vendors to have the Listing Content placed on websites, printed material, and other media. To protect the confidentiality and to ensure Vendors do not use the Listing Content for abusive, unauthorized purposes, the parties desire to enter into this Agreement to effect the grant of a limited License from JMLS to Vendor for limited use of the Listing Content.

TERMS AND CONDITIONS

1. Definitions and Interpretation

- 1.1 Definitions.** In addition to the definitions provided above, the following words or phrases are included in this Agreement to improve clarity and for purposes of this Agreement will take on the specific meaning provided below:
- (A) **"Broker"** – A licensed real estate broker in good standing with JMLS who has entered into an agreement with the Vendor for advertising, marketing, and/or other uses of Listing Content as permitted by JMLS and the terms and conditions of this Agreement.
 - (B) **"Broker's Consent Form"** – A consent form, a blank copy of which is attached as Exhibit A, that must be completed and signed by the Broker contracting with the Vendor prior to JMLS's release of Listing Content to Vendor.
 - (C) **"Facilities"** – Any and all places of business or other locations where Vendor processes and uses Listing Content.
 - (D) **"License"** – Limited permission granted to Vendor to advertise, market, and/or use Listing Content as permitted by JMLS and the terms and conditions of this Agreement.
 - (E) **"Listing"** – real estate Listing Content owned and maintained by JMLS.
 - (F) **"Medium"** – the website or other medium where Listing Information is advertised, marketed or used as permitted by JMLS and the terms and conditions of this Agreement.
 - (G) **"Prohibited Information List"** – a list provided as Exhibit B that contains categories of information that Vendor is prohibited from disclosing or publishing.
 - (H) **"Vendor"** – any individual and/or corporation who has contracted with Broker or Agent for the purpose of advertising, marketing, or other use of Listing Content that is permitted by JMLS, including but not limited to, a real estate agent who maintains his or her own website or other Medium.
- 1.2 Interpretation.** The captions and numbers preceding the text of this Agreement are provided for organization and are not material to this Agreement or its interpretation. The defined words in this Agreement should be given their specific meanings. Words that are not defined by this Agreement, but have Michigan statutory definitions shall be given their statutory meaning.

2. License

- 2.1 Grant of License.** Subject to the terms and conditions of this Agreement, JMLS hereby grants to Vendor a limited License to advertise, market, and/or use Listing Content as permitted by JMLS.
- 2.2 Limitation on License.** Vendor is strictly prohibited from using the Listing Content for any and all purposes other than those expressly stated in § 2.1 of this Agreement. Vendor's use of the Listing Content for any other purpose shall result in a breach of this Agreement and will allow JMLS to terminate this Agreement immediately without liability.
- 2.3 Ownership/Property Rights.** Vendor acknowledges and agrees that the Listing Content is proprietary, licensed by JMLS, and protected under United States copyright. Vendor further acknowledges and agrees that all rights, title, and interest in the Listing Content shall remain with JMLS. Any alterations and changes to the Listing Content by Vendor shall also become the exclusive property of JMLS and Vendor agrees to provide any and all documents necessary for JMLS to protect its ownership rights in those alterations and changes.
- 2.4 License Fee.** Vendor agrees to pay an annual license fee in the amount of One Hundred Dollars (\$100.00) in consideration of JMLS's grant of permission to advertise, market, and/or use Listing Content as permitted by JMLS and the terms and conditions of this Agreement.

3. Duties of Vendor

- 3.1 Non-Delegation.** The Vendor's Medium shall be under the Vendor's direct control and supervision at all times during the term of this Agreement and Vendor shall not delegate any duties in maintaining and protecting the Listing Content without the express written consent of JMLS.
- 3.2 Nondisclosure/Confidentiality.** Vendor shall not disclose any information included in this Agreement or obtained by Vendor as a party to this Agreement that is not expressly authorized by JMLS. Further Vendor acknowledges the Prohibited Information List, included as Exhibit B and incorporated by reference and agrees not to publish or disclose any information found on the Prohibited Information List. Vendor's failure to comply with this requirement will result in a breach of this Agreement and will allow JMLS to terminate this Agreement immediately without liability.
- 3.3 Protection Mechanisms.** Vendor acknowledges the sensitivity of the Listing Content and agrees to protect the same by the following Protection Mechanisms:
- (A) **Firewall.** If applicable, Vendor agrees to maintain an active firewall to protect the Listing Content posted on its website or other electronic medium from hacking or other abusive intrusion.
 - (B) **Anti-Virus Software.** If applicable, Vendor agrees to purchase at its own expense and maintain an updated Anti-Virus Software to protect the Listing Content from being attacked by viruses.
 - (C) **Password Protection.** If applicable, Vendor agrees to protect all computer terminals and other electronic devices which contain Listing Content by requiring a password be entered prior to accessing the Listing Content.
 - (D) **Secure Facilities.** Vendor agrees to secure the Facilities where Listing Content is stored or processed so that only Vendor and/or its employees have access to the Listing Content.
- 3.4 Compliance With Law.** Vendor agrees to operate its business at all times during the term of this Agreement in full compliance with federal, state, and local law.
- 3.5 Compliance with JMLS Policies.** Vendor agrees to be bound by and comply with all the policies adopted by JMLS, including but not limited to the Internet Data Exchange ("IDX") Policy. Vendor acknowledges review and understanding of the JMLS and acknowledges that such documents are now available for review at:

http://www.jacksonmihomes.com/home/docs/IDX_Policy.pdf.

3.6 Copyright Statement. Vendor agrees to identify any and all Listing Content used in its Medium as copyrighted by JMLS.

4. Disclaimer of Warranties

JMLS makes no warranty concerning Listing Content, express or implied. The Listing Content provided to Vendor is provided "**AS IS.**" Further, JMLS expressly disclaims the implied warranties of merchantability, fitness for a particular purpose, and non-infringement with respect to Listing Content. JMLS shall have no duty to verify the accuracy of the Listing Content and shall not be liable for any inaccuracy provided thereto.

5. Audit

JMLS may at its option perform an audit of the Vendor's Medium, process, or Facilities. JMLS may contract with a third party to perform audits and Vendor agrees to cooperate with JMLS and its third-party contractors in the audit process. The audit may be conducted to determine if the requirements of § 3.3 are satisfied. If the results of the audit show inadequate Protection Mechanisms as determined by JMLS in its sole discretion, JMLS may terminate this Agreement immediately without liability.

6. Mutual Representations

Both parties represent and warrant that this Agreement, when fully executed, will be valid, legally binding, and enforceable. Further, both parties represent and warrant that they have the right, authority, and legal capacity to enter into this Agreement.

7. Broker's Consent

Vendor acknowledges and agrees that this Agreement is conditional on the Broker's consent and authorization to transmit the Listing Content to Vendor. Prior to any Listing Content being transmitted from JMLS to Vendor, a signed Broker's Consent Form as well as a copy of a written agreement between Vendor and Broker for the advertisement of Listing Content which must be JMLS in its sole discretion.

8. Term and Termination

8.1 Term. The term of this Agreement shall commence on the Effective Date and expire on the following November 15th unless otherwise terminated earlier.

8.2 Termination. This Agreement can be terminated with or without cause, but must be terminated in accordance with the requirements listed below. This Agreement will terminate upon the earliest occurrence of one of the following:

- (A) JMLS terminates this Agreement at any time under Article 2, §2.2; Article 3, § 3.2; or Article 5.
- (B) JMLS terminates this Agreement at any time by giving Vendor ten (10) days written notice.
- (C) Vendor terminates this Agreement at any time by giving JMLS thirty (30) days written notice.
- (D) If Vendor is also a licensed real estate agent, this Agreement terminates immediately upon agent's disassociation with the Broker listed on the Broker's Consent Form.

The terminating party shall immediately notify the Broker listed on the Broker's Consent Form of the termination of this Agreement under this section.

8.3 Vendor's Duty Upon Termination. Upon termination of this Agreement, Vendor agrees to immediately remove all Listing Content from its Medium.

8.4 Survival of Vendor's Duties. Vendor's duty to protect and keep confidential the information in this Agreement and in the Listing Content shall survive the termination of this Agreement.

9. Indemnification

Vendor agrees to defend and hold harmless JMLS and/or JAAR from and against any third party claims arising out of or in connection with the Vendors advertng or marketing of the Listing Content or in connection within misuse of the Listing Content by the Vendor or any person who obtains the sensitive

information contained in the Listing Content via the Vendor's Medium. If legal or equitable action is filed and JMLS and/or JAAR is named as a defendant to the suit, Vendor agrees to cover JMLS and JAAR's legal and related costs from the action. JMLS reserves the right to choose its own legal counsel and Vendor agrees to pay the reasonable costs of the same. Payments from Vendor related to a legal or equitable action shall be paid within thirty (30) days of JMLS mailing a statement to Vendor at Vendors address as specified in Article 12.

10. Merger and Integration

The parties acknowledge and agree that this Agreement is complete and fully integrated and therefore all prior and/or simultaneous, oral and/or written negotiations and agreements are merged into and superseded by this Agreement.

11. Choice of Law

This Agreement shall be governed by Michigan law. Vendor acknowledges that by entering into this Agreement and receiving benefits under the same, that it has transacted business in the State of Michigan and therefore voluntarily submits, consents to, and waives any and all defenses to the jurisdiction of the Jackson County, State of Michigan courts, as to all matters relating to and arising out of this Agreement.

12. Limitation on Liability

The parties agree, to the extent enforceable under law, JMLS and JAAR's liability shall be limited in any claim arising out of this Agreement by Vendor and/or any third party to and shall not exceed the amount charged by JMLS as a license fee as set forth in Article 2, § 2.4 of this Agreement. Further, the parties agree that JMLS and/or JAAR shall in no way be liable for any indirect, incidental, consequential, special, or exemplary damages or lost profits.

13. Non-Joint Venture

In no way does this Agreement create a partnership or joint venture relationship between the parties. Further, in no way does this Agreement create an employer/employee relationship between JMLS and/or JAAR and Vendor or Vendor's employees.

14. Notices

All notices required under this Agreement shall be in writing and shall be either personally delivered or sent by registered or certified mail, return receipt requested to the appropriate party at the address for notices provided below:

If to JMLS:

Melissa Tee, Executive Vice President
Jackson Multiple Listing Service, Inc.
505 S. Jackson Street
Jackson, MI 49203

If to Vendor:

15. Arbitration

The parties to this Agreement agree that any legal claim or controversy, excluding suits for specific performance of this Agreement, injunctive relief, and/or any other equitable action, arising out of this Agreement will be settled by arbitration in accordance with the Arbitration Rules of the American Arbitration Association. Further the parties agree that the venue for arbitration shall be Jackson County, Michigan and the judgment can be solely entered into any Jackson County, Michigan court having jurisdiction. This provision is made subject to and incorporates the provisions of Michigan law governing arbitrations, including MCL 600.5001 and MCR 3.602, as neither is amended. The parties agree that this provision of the Agreement shall survive termination of this Agreement.

16. Waiver, Modification, and Illegality

- 16.1 Waiver.** A waiver of any provision of this Agreement will not constitute a waiver of any other provision of this Agreement nor a waiver of this Agreement as a whole. For a waiver to any provision of this Agreement to be valid, it must be in writing and signed by the party making the waiver.