

## **Recommendation 2**

MLS Participants and Subscribers can receive no more than three (3) administrative sanctions in a calendar year before they are required to attend a hearing for their actions and potential violations of MLS rules, except that the MLS may allow more administrative sanctions for violations of listing information provided by Participants and Subscribers before requiring a hearing.

## **Recommendation 3**

That a copy of all administrative sanctions against a subscriber be sent to the subscriber's participant and that the participant be required to attend hearing(s) of a subscriber who has received more than three (3) administrative sanctions within a calendar year.

## **Rationale for Recommendations 2 and 3**

Participants and subscribers must be held accountable to the MLS rules. The changes also emphasize the importance of a Participant's oversight for the actions of their affiliated subscribers.

Any participant or subscriber who loses the ability to receive an administrative sanction must attend a hearing to consider their actions consistent with the procedures in Section 9 of the MLS rules.

Pursuant to Policy Statement 7.9, an MLS participant includes the principal, partner, corporate officer, or branch office manager acting on behalf of a principal.

Pursuant to Section 14, Nature of Discipline, *Code of Ethics and Arbitration Manual*, MLSs may charge an administrative processing fee of up to \$500, in addition to any discipline imposed, used to help cover the costs of holding the hearing.

If these recommendations are approved, then *MLS Handbook*, Policy Statement 7.21 would be amended as follows:

(underlined text identifies additions, strike-through text identifies deletions)

### ***Section 1 Appropriate Procedures for Rules Enforcement (Policy Statement 7.21)***

#### **Administrative Sanctions**

*In any instance where a participant in an association multiple listing service is charged with a violation of the MLS bylaws or rules and regulations of the service, and such charge does not include alleged violations of the Code of Ethics or the Standards of Conduct for MLS participants, or a request for arbitration, ~~it may be administratively considered and determined by the MLS governing committee or MLS board of directors~~ the MLS may impose administrative sanctions. ~~If a violation is determined, the committee or MLS board of directors may direct the imposition of sanction, provided that the~~ Recipients of such an administrative sanction may request a hearing before the professional standards committee of the association.*

*MLS Participants and Subscribers can receive no more than three (3) administrative sanctions in a calendar year before they are required to attend a hearing for their actions and potential violations of MLS rules, except that the MLS may allow more administrative sanctions for violations of listing information provided by Participants and Subscribers before requiring a hearing. The MLS must send a*

copy of all administrative sanctions against a subscriber to the subscriber's participant and the participant is required to attend the hearing of a subscriber who has received more than three (3) administrative sanctions within a calendar year.

#### **Recommendation 4**

That MLSs be required to process a complaint without revealing the complainant's identity and that the MLS Committee, Grievance Committee, MLS staff, or other representative serve as the complainant if the complaint is forwarded to a hearing and the original complainant does not consent to participating in the process or disclosure his or her name.

#### **Rationale for Recommendation 4**

By authorizing anonymous complaints of MLS rules, the enforcement process can eliminate the stigma of bringing questionable actions and business practices of other participants and subscribers to the attention of the MLS. Where a hearing is warranted, a complainant will need to be named and can be fulfilled by representatives of the MLS Committee, Grievance Committee, MLS staff, or others.

If this recommendation is approved, then *MLS Handbook*, Policy Statement 7.21 would be amended as follows:

(underlining text identifies additions)

#### ***Section 1 Appropriate Procedures for Rules Enforcement (Policy Statement 7.21)***

##### **Filing Complaints**

When requested by a complainant, MLSs must provide a process for processing complaints without revealing the complainant's identity. If the complaint is forwarded to hearing, then the MLS Committee, Grievance Committee, MLS staff or other representative must serve as the complainant when the original complainant does not consent to participating in the process or the disclosure of his or her name. ...