Rules and Regulations

Commercial Information Exchange (CIE)

Section 1. Subscriber.  Any (i) Realtor® member of the Houston Association of Realtors® (ii) any Realtor member of any other Association of Realtors® or (iii) any principal, partner, corporate officer, or branch office manager acting on behalf of an entity, without further qualification, except as state herein, shall be eligible for access to the CIE upon execution of the Subscription Agreement (“Agreement”) and is bound by these CIE Rules and Regulations (“Rules and Regulations”). However, no individual or firm, regardless of Association of Realtors® membership status, is eligible for CIE access unless they hold a current, valid real estate broker's license and are capable of accepting and offering compensation to and from other Subscribers or to those individuals who are licensed or certified by a state regulatory agency to engage in the appraisal of real property. Licensees affiliated with CIE Subscribers, Users have access to and use of the CIE information by virtue of their affiliation with the CIE Subscriber. Definitions and defined terms in the Agreement shall apply to these Rules and Regulations.

Section 2.  CIE Service Access.  Commercial Gateway, owned and operated by Houston Realtors Information Service, Inc. (“HRIS”), will give an Access Code to each User. Having received an Access Code, the User shall follow these Rules and Regulations. Subscriber and User shall not allow the sharing of Access Codes and unauthorized access to the CIE Service. Each Access Code is personal to the User and such User is obligated to keep the Access Code confidential and may not share the Access Code with any other employees of Subscriber or any third party. Subscriber shall be responsible for any breach of such obligations by any of its Users. Subscriber shall immediately notify CIE if any third party gains or has the potential to gain access to any of Subscriber’s or User’s Access Codes, and shall be fully responsible for any and all activities that occur under any Access Code, whether conducted by a User or a third party.

Section 2.1. CIE Service Updates and Equipment.  From time to time changes, updates or enhancements of the CIE Service may occur, by posting a notice of the change on the Commercial Gateway web site. Subscriber is solely responsible for acquiring and installing all equipment, hardware, software (including web browser software), telecommunications lines, Internet access connections and other items necessary to use the CIE Service.

Section 2.2. Additional Users.  Subscriber may request Users to have access to the CIE Service in addition to the number of Users set forth in this Agreement, on the terms described therein. Upon enabling the additional Users requested by Subscriber, no further documentation will be required between Subscriber and CIE. Commercial Gateway shall automatically incrementally bill Subscriber at the then applicable Subscriber Fee per additional User on the next invoice. It is understood and agreed that the number of Users may be increased during the term of the Agreement, but may not be decreased prior to the end of the then current Term without the prior written consent of CIE. Upon any renewal of the term of this Agreement, with respect to each additional User who was added during the immediately preceding term, Subscriber will continue to be billed by Commercial Gateway for such additional User at the then applicable Subscriber Fee per User.

Section 2.3. Not a MLS.  In view of the fact that a CIE is not a Multiple Listing Service, and no offers of compensation or cooperation can be extended through the CIE, it is not essential that a Subscriber retained by a property owner to market the property have an exclusive right to sell, exclusive agency, or open listing. Other forms of agreement through which the Subscriber agrees to provide certain marketing services may be the basis for authorizing the submission of property information to the CIE. Where the Subscriber is acting on behalf of the seller or lessor, it is essential that there be a written agreement between the Subscriber and the seller or lessor authorizing the Subscriber to submit information on the property to the CIE. Agreeing to be a Subscriber is voluntary and information submitted to the CIE is on a voluntary basis.
Section 3. Content and Proprietary Rights. Subscriber may not submit any image to the CIE if Subscriber has granted exclusive rights to the image to a third party, nor may Subscriber submit any image to the CIE and thereafter grant exclusive rights to the image to a third party. Subscriber may not submit any image obtained from the CIE to a third party if a requirement of submitting the image is the granting of exclusive rights to the image. HRIS may reject or refuse to use, distribute or display any Database Content that it considers to be defective, libelous, inaccurate, incomplete or that violates, misappropriates or infringes any rights of any third party. Neither Subscriber nor any User may submit any property descriptions, photographs, images, financial, transactional, tenant, contact or other information to the CIE unless Subscriber has legal rights to publish, advertise and distribute that information.

Section 3.1. License to HRIS. Subscriber hereby grants to HRIS and a non-exclusive license to develop, use, display, distribute, exploit and sell Derivative Works utilizing Database Content submitted to the CIE by or on behalf of Subscriber and Subscriber’s Users.

If an error in the Database Content or in any information contained in the CIE is caused by HRIS, Subscriber's sole remedy will be the correction of the error after notice to HRIS.

Section 3.2. Authority. HRIS may modify or suspend access to the CIE and the CIE Services (a) as necessary to comply with any law or regulation as reasonably determined by HRIS, (b) to comply with any court order or instruction or (c) if deemed necessary by HRIS in its sole discretion to prevent substantial harm to HRIS or its vendors.

HRIS shall retain all right, title and propriety interest (including without limitation all copyrights, trademarks, patents, and trade secrets) in and to the CIE (other than Subscriber’s submitted Database Content), and CIE Service including the designs, user interfaces, protocols, the “look and feel” of all screens and the organization and presentation of any of its components and Subscriber shall not acquire any proprietary rights thereto. Subscriber acknowledges that the development of the CIE involved the expenditure of substantial time and money. Except as expressly provided herein, HRIS does not grant any rights to Subscriber or any Users under any patents, copyrights, trademarks or trade secret information. Subscriber shall not alter or remove HRIS’s or any vendor’s name, trademarks, copyright notices, disclaimers or other restrictive legends in or on the CIE.

Section 3.3. License to Subscriber. Without limiting any other provision in this Agreement, HRIS grants Subscriber a limited, non-exclusive, non-transferable, non-assignable, revocable license to use the CIE Service (and the Database Content not submitted by Subscriber or Subscriber’s Users) solely for internal use including the provision of services to its clients or marketing its services to prospective clients in accordance with the terms, restrictions and limitations set forth herein.

Section 3.4. Prohibited Use. Subscriber acknowledges that the following are strictly prohibited: (i) the license, grant, transfer, sale, assignment, and distribution of the CIE Service (and the Database Content not submitted by Subscriber or Subscriber’s Users) or otherwise making the CIE Service (and the Database Content not submitted by Subscriber or Subscriber’s Users) available to, or utilizing for, any third party;(ii) redistribution to any third party any Database Content not entered into by Subscriber or Subscriber’s Users; and (iii) developing a competitive product or service or building a product using the same features and functions of the CIE Service or similar ideas, features, functions, or graphics.

Section 4. Content Submission. Submission of any property information to the CIE is voluntary on the part of the Subscriber. Information on property for sale or lease of the following types may be submitted by Subscribers to the CIE:

(a) office
(b) industrial
(c) land
(d) retail
(e) multi-family
(f) special use

While the CIE does not require a Subscriber acting on behalf of a seller or lessor to utilize a particular
listing contract or other form of agreement, the CIE shall require use of a standardized property information forms to submit information on properties for sale or lease to the CIE. The CIE accepts information on properties which are currently listed on an exclusive right to sell or lease basis, exclusive agency basis, or open listing basis as well as other forms of agreement that make it possible for the Subscriber to market the property. Any property information submitted on properties for sale or lease must include the seller's written authorization for the Subscriber to submit information on the property to the CIE.

The CIE will not publish information on properties taken on a net listing basis because such listings are considered unethical and, in most states, illegal.

Section 4.1—Filings Subject to Rules and Regulations of the CIE. Any property information to be filed with the CIE is subject to the Rules and Regulations upon filing.

Section 4.2—Detail of Information Filed with the CIE. Any property information sheet submitted to the CIE should include a description of the type of property and the price, or any pertinent information as determined by the CIE.

Section 4.3—Change of Status. Any change in price or other change in the terms of the information originally filed shall be submitted to the CIE within seventy-two (72) hours (excluding weekends and holidays) by the Subscriber making the original information filing. Notice of a sale or lease shall be reported to the CIE by the Subscriber making the original information filing within seventy-two (72) hours (excluding weekends and holidays) of acceptance of a contract to purchase or lease. The Subscriber making the original filing shall report any cancelled sale or lease to the CIE within seventy-two (72) hours (excluding weekends and holidays) and the property information filing shall be reinstated in the compilation of current information.

Section 4.4—Withdrawal of Filing Prior to Termination. Filings may be withdrawn from the CIE by the filing Subscriber.

Section 4.5—Specification of Price. The Subscriber, acting on behalf of a seller or lessor, shall specify the price at which the property is being marketed unless the property is subject to auction or if the seller or lessor has not established a price.

Section 4.6—Multiple Unit Properties. Any property which is to be sold or leased or which may be marketed separately must be so indicated on the property information sheet. When any part of a filed property has been sold or leased the rules related to notifying the CIE shall be observed.

Section 1.7—Publication of Information. Property information will be published in the CIE compilation for the period specified by the filing Subscriber.

Section 4.8—Filings of Suspended, Expelled, or Resigned Subscribers. When a Subscriber is suspended or its Agreement is terminated, then all property information filings submitted by the Subscriber may be removed from the CIE.

Section 5—Negotiations. The filing of information with the CIE by a Subscriber acting on behalf of a seller or lessor does not, in and of itself, constitute an offer of cooperation. Any Subscriber, or User, wishing to cooperate in the marketing of the property must contact the filing Subscriber to determine the type of cooperation offered, the compensation offered (if any) to Subscribers procuring a purchaser or lessee, and the terms and conditions upon which the property being offered may be shown.

Any Subscriber, or User, attempting to locate a property on behalf of a buyer must contact the Subscriber representing the seller/lessor to determine the terms and conditions of cooperation, the compensation offered (if any), and to arrange showings of prospective properties.

Section 6. Subscriber Fees. Fees will be set by the CIE Advisory Board with approval of the HRIS Board of Directors. Each Subscriber is responsible for assuring that its Users obtain a Password to
access the CIE.

(a) Quarterly Subscriber Fee:

(i) Subscriber – see Subscription Agreement.

(ii) Subscriber-affiliated unlicensed administrative clerical staff and personal assistants – no charge.

(iii) Affiliate Members who do not hold a real estate license and are not licensed or certified appraisers may access the current CIE compilation in a read-only format without the ability to add or edit information - $195 per quarter payable in advance.

Section 7. Enforcement of Rules and Regulations. The following action may be taken by HRIS for noncompliance with the Rules and Regulations: For failure to pay any Subscription Fees or charges within thirty (30) days of the date due, HRIS shall suspend CIE Service until fees or charges are paid in full. If HRIS, in its sole discretion, determines that the subscriber or User is not in compliance with these Rules and Regulations, then HRIS may suspend CIE Service to Subscriber or User, until HRIS, in its sole discretion, determines that Subscriber or User is in compliance, or HRIS may simply terminate the Agreement.

Section 8. Meetings of CIE Advisory Board: The CIE Advisory Board shall meet for the transaction of its business at a time and place to be determined by the CIE Advisory Board or at the call of the Chair. The Chair shall preside at all meetings. In the Chair’s absence, a temporary Chair from the membership of the Advisory Board shall be named by the Chair or, upon his failure to do so, by the Advisory Board.

Section 9. Confidentiality of CIE Service. Database Content or CIE Service, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the Subscriber and User. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual or entity. All information provided by the CIE Service to Subscribers shall be considered confidential and is provided exclusively for the use of Subscriber and its Users and those Subscribers who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such Subscribers.

Section 10. License by HRIS. HRIS shall have the exclusive right to license Database Content and any portions thereof to any entity pursuant to the terms agreed upon by the HRIS Board of Directors.

Section 11. Reproduction. Subscribers and Users shall not reproduce any Database Content or any portion thereof, except in the following circumstances: Subscribers and Users may reproduce from the Database Content, and distribute to prospective sellers, lessors, and purchasers, a reasonable** number of single copies of property information contained in the Database Content.

**It is intended that the Subscriber be permitted to provide buyers or lessees with information relating to properties which the buyer or lessee has an interest in, or in which the Subscriber is seeking to promote interest. The term reasonable, as used herein, should therefore be construed to permit only limited reproduction of property information intended to facilitate the decision-making process in the consideration of a purchase, lease, or exchange. Factors which shall be considered in deciding whether the reproductions are reasonable in number, shall include, but are not limited to, the total number of filings in the compilation; how closely the filings reproduced relate to the purchaser(s) or lessee(s) expressed desires and ability to purchase or lease; whether the reproductions were made on a selective basis; and whether the type of properties are consistent with a normal itinerary of properties which would be shown to the prospective purchaser or lessee.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property information of properties other than that in which a buyer has expressed interest, or in which the
Subscriber or User is seeking to promote interest, or which is necessary to assist a seller or lessor in ascertaining a reasonable market price, does not appear on such reproduction. Nothing contained herein shall be construed to preclude any Subscriber from utilizing, displaying, distributing, or reproducing property information sheets or other compilations of data pertaining exclusively to properties submitted to the CIE by the Subscriber.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current property information, sold information, comparable, or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that HRIS or HRIS owned CIE has deemed to be non-confidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

**Section 12. Limitations on Use of CIE Information.** Use of information from the compilation of current property information, from the statistical report for public mass media advertising by a Subscriber or in other public representations, may not be prohibited.

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the CIE must clearly demonstrate the period of time over which claims are based and must include the following, or substantially similar, notice:

Based on information from the Commercial Gateway CIE for the period (date) through (date).

**Section 13. Changes in Rules and Regulations.** Amendments to Rules and Regulations shall be by a majority vote of the HRIS Board of Directors.