



RLS Virtual Office Website Frequently Asked Questions

What is a Virtual Office Website?

A Virtual Office Website, or “VOW,” is a website, or feature within a website, operated by or for a broker or agent (also referred to as a “Participant”), that allows consumers to access non-confidential information in a Listing Service after registering with the website.

With a VOW, a broker or agent is capable of providing real estate brokerage services to consumers with whom they have first established a broker-consumer relationship. The consumer has the opportunity to search listing service content, subject to the VOW operator’s oversight, supervision, and accountability.

What is the difference between a VOW and a traditional broker website?

The differences include the creation of the broker-consumer relationship through the VOW, and that the VOW has a registration requirement. A consumer must register by providing their name, a valid e-mail address, and create a password. In addition, the consumer must agree to the terms of use, and agree that they are entering into a lawful broker-consumer relationship, as defined by New York state law. This generally means that the VOW provides the consumer with the customary broker disclosure forms over the Internet, rather than in-person. Additionally, it also means the VOW is verifying that the consumer will not use the listings information for any commercial purpose, and confirming that the consumer has a bona fide interest in the purchase, sale or lease of real estate being offered through the VOW.

Will the VOW need to execute a separate agreement with REBNY in order to operate?

Yes. In addition to the RLS Universal Co-Brokerage Agreement/Rules and Regulations (the “Co-Brokerage Agreement”), the VOW will have to execute a VOW Agreement with REBNY setting forth the applicable terms and conditions for operating the VOW. A firm will need to sign the VOW Agreement and pay the two hundred and fifty dollar (\$250.00) Compliance and Administration Fee before it can operate a VOW in the RLS.

What is an AVP?

AVP stands for “Affiliated VOW Partner.” An AVP is a vendor, or other service provider, that operates a VOW on behalf of a broker, subject to the broker’s supervision,

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accountability and terms of the VOW Agreement. The AVP will also have to execute an AVP Agreement with REBNY before it can operate a VOW for an RLS firm.

Are agents allowed to have their own VOW separate from their brokers?

That is a decision for each firm to determine, but there is nothing in the REBNY VOW Agreement, which prohibits an agent from operating a VOW. Any VOW site operated by an agent must still be subject to the broker's approval, oversight and accountability. Moreover, the brokerage firm will also have to sign a VOW Agreement. Of course, the agent must abide by the same REBNY rules applicable to VOW brokerage firms and AVPs.

What if a seller does not want their property displayed on the Internet, including VOW sites?

A seller may opt-out of having their property displayed on the VOW site, but that exclusive listing then cannot be displayed over the Internet at all. In other words, if the seller opts out of having their listing shown on VOW sites, it cannot be displayed over the Internet.

The seller who decides to not have their property displayed over the Internet will be required to execute an opt-out form, which the Exclusive Broker must keep and hold available for review, if requested by REBNY. Each RLS technology vendor must also now include a field indicating whether the seller has decided to opt-out of Internet display of their exclusive listing.

The seller may also elect to not have their address disseminated over the Internet. Such exclusive listings may be transmitted over the Internet, and through the RLS.

Can an agent or broker elect to not have an exclusive listing displayed over the Internet?

While an agent or broker may consult with a seller on the decision whether to display an exclusive listing over the Internet, the broker or agent may not make that decision on his or her own. It is the seller's decision.

How can an agent or broker make sure that the VOW is accurately displaying my firm's exclusive listings?

The Principal/Office Manager for a firm can be provided a password from REBNY to access the VOW and to look at how that firm's exclusive listings are displayed on the VOW. The Principal/Office Manager should contact Ossie Shemtov to obtain a password.

What if an agent or broker thinks that a VOW is displaying wrong or false information about their property?

The Principal/Office Manager should contact the VOW operator immediately, with an explanation as to why the information is false or inaccurate. If the information was transmitted correctly over the RLS, the VOW operator has an obligation to immediately correct any false or

inaccurate information. The VOW does not have an obligation to correct information that was transmitted over the RLS inaccurately—that is the Exclusive Broker’s responsibility.

Will the exclusive listings displayed on the VOW site indicate the name of the listing firm?

Yes. Each exclusive listing displayed on the VOW will contain a field that will state the name of the brokerage firm acting as Exclusive Broker for the exclusive listing, in a reasonably prominent location and in a typeface no smaller than the median typeface on the webpage.

Some Important Questions and Answers about VOW Compliance Reviews

What is the purpose of the compliance review?

To ensure that the VOW is in compliance with the RLS Co-Brokerage and VOW Agreements, as well as other applicable laws, rules and regulations.

Why are the compliance reviews necessary?

Since VOWs allow the public not only to view listings, but to print, save, and store listings of all RLS firms, REBNY must ensure that the information of all RLS firms that is available to the public is properly protected on the host website, and that all legal requirements, such as broker disclosures, are met. The VOW is the host of other RLS firms’ listing information—not the owner.

Who will conduct the compliance reviews?

Clareity Consulting. Clareity is a consulting firm that has worked with over 220 MLSs across the country on various matters, including Internet security and VOW compliance reviews.

What is the scope of the compliance reviews?

The compliance reviews will: inspect a VOW’s controls, systems and procedures, including external attempts to penetrate any firewalls used to protect the RLS listings information; view all of the web pages within the VOW for compliance with RLS Rules and Regulations; test the search functionality of the VOW, and other available features and functions on the VOW; and the features relating to the use of password or registration. In addition, some equipment and facilities of the VOW and AVP may be inspected.

How will the compliance reviews be conducted?

Compliance reviews will be conducted by Clareity, with consultation from REBNY, and may be conducted on-site or off-site, if appropriate web access is provided.

When will the compliance reviews be done?

- **In-house VOW**: If a firm develops, maintains and operates its own VOW, then the compliance review will occur before the VOW starts operating through the RLS. Future compliance reviews will be conducted only when a formal complaint is filed with REBNY against the VOW.
- **Customized AVP**: The requirements for firms using an AVP product customized for that firm will be the same as those for an In-house VOW.
- **Non-Customized AVP**: REBNY will waive the initial compliance review for a firm using a non-customized, off-the-shelf AVP product that has already passed a compliance review. Future compliance reviews will be conducted only when a formal complaint is filed with REBNY against the VOW.

The initial compliance review, however, will not be waived for a firm using an AVP's non-customized product that has yet to be reviewed by REBNY.

Who is responsible for payment of the compliance reviews?

REBNY will pay the costs of the compliance reviews, unless a review discloses any deficiency, omission or other non-compliance with the VOW Agreement terms, and then the Participant or AVP, as applicable, will be responsible for the costs of the compliance review. Please refer to Exhibit B of the VOW Agreement for information relating to the costs of a compliance review.

Any deficiencies, omissions, or other non-compliance identified during a compliance review must be cured within thirty (30) days of the review, or the VOW will not be able to operate with RLS listing information, and may face immediate suspension from the RLS. The Participant or AVP may extend the time to cure any deficiencies based on an agreement with REBNY. The cost for any additional work done to inspect the cure of any deficiencies discovered during a compliance review will be charged to the Participant or AVP at \$250/hour.