

RESPONDENT AND ITS SUBSCRIBERS

PARAGRAPH 1. Respondent West Penn, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its office and principal place of business at 8980 Perry Highway, Pittsburgh, Pennsylvania 15237. The subscribers of Respondent are real estate brokers and other real estate professionals doing business in the Pittsburgh, Pennsylvania, metropolitan area and surrounding area, and are commonly referred to as “subscribers” of the Respondent.

PARAGRAPH 2. Respondent is organized for the purpose of serving its subscribers’ interests, including their economic interests, by promoting, fostering, and advancing the real estate brokerage services industry in the Pittsburgh, Pennsylvania, metropolitan area and surrounding area. One of the primary functions of Respondent is the operation of the West Penn Multiple Listing Service (“MLS”). A MLS is a clearinghouse through which subscriber real estate brokerage firms regularly and systematically exchange information on listings of real estate properties and share commissions with subscribers who locate purchasers. M 0 Td11(r)-12(ch)1(“)49(sm0

- (B) Affect the transmission of real estate listing information to public real estate web sites that are intended for a national audience, including Realtor.com.

THE CHALLENGED CONDUCT

PARAGRAPH 7. Respondent has restrained competition in the provision of residential real estate brokerage services by combining or conspiring with its subscribers or others, or by acting as a combination of its subscribers or others, to hinder unreasonably the ability of real estate brokers in the West Penn Service Area to offer residential real estate brokerage services on terms other than those contained in the traditional form of listing agreement known as an Exclusive Right to Sell Listing.

PARAGRAPH 8. An Exclusive Right to Sell Listing is a listing agreement under which the property owner or principal appoints a real estate broker as his or her exclusive agent for a designated period of time, to sell the property on the owner's stated terms, and agrees to pay the broker a commission when the property is sold, whether by the listing broker, the owner or another broker. An Exclusive Right to Sell Listing is the form of listing agreement traditionally used by listing brokers to provide full-service residential real estate brokerage services.

PARAGRAPH 9. An alternative form of listing agreement to an Exclusive Right to Sell Listing is an Exclusive Agency Listing. An Exclusive Agency Listing is a listing agreement under which the listing broker acts as an exclusive agent of the property owner or principal in the sale of a property, but reserves to the property owner or principal a right to sell 30(g5(t to)1eB1)63(as12 (r)18(i

of listings through the West Penn MLS is generally considered by sellers, buyers and their brokers to be the fastest and most effective means of obtaining the broadest market exposure for property in the West Penn Service Area.

PARAGRAPH 22. Participation in West Penn is a service that is necessary for the provision of effective residential real estate brokerage services to sellers and buyers of real property in the West Penn Service Area. Participation significantly increases the opportunities
