**The Code of Ethics: Our Promise of Professionalism**

**The REALTORS® Code of Ethics**

**Member Education Program**

**TEST ANSWER KEY**

|  |  |
| --- | --- |
| 1. All REALTORS® are bound by the Code of Ethics. 2. The authority to conduct arbitration is established in Article 17 of the Code of Ethics. 3. When the Code of Ethics and state law conflict, state law takes precedence. 4. Boards and associations have considerable latitude in determining how and when ombudsmen will be utilized. 5. The Code of Ethics is divided into three major sections, titled: "Duties to Clients and Customers," "Duties to the Public," and "Duties to Community." 6. The Standards of Practice support, interpret, and amplify their respective Articles. 7. First adopted in 1913, the purpose of the Code of Ethics was to establish a professional standard of conduct for real estate practitioners. 8. The official “Interpretations of the Code of Ethics” are specific fact situations that explain the Articles and Standards of Practice of the Code of Ethics. 9. Only REALTORS® may file ethics complaints and make requests for arbitration. 10. The Code of Ethics always has required that REALTORS® respect other brokers’ exclusive relationships. 11. The Code of Ethics is continually reviewed and revised. 12. Decisions in arbitration hearings cannot be appealed. 13. The Preamble to the Code of Ethics, if violated, may be the basis for disciplinary action. 14. The Code of Ethics includes 17 Articles that are broad statements of ethical principles. 15. Enforcing the Code of Ethics rests with each state’s regulatory body and each local association of REALTORS®. 16. Ethics complaints only cover disputes between REALTORS® of different firms over referral fees. 17. The Code requires REALTORS® to present a true picture in all of their representations. 18. If parties choose to mediate a dispute, they may not arbitrate.   19. Disciplinary action in an ethics hearing can include a fine of no more than $1,000.  20. The standard of proof in an arbitration hearing is a “preponderance of the evidence.”  21. The ethics and arbitration enforcement processes include an initial screening by a grievance committee.  22. An ombudsman determines entitlement to compensation in an arbitration hearing.  23. Mediation is the preferred dispute resolution system of the NATIONAL ASSOCIATION OF REALTORS®  24. Witnesses at a Professional Standards hearing may be cross-examined.  25. The Code of Ethics is what sets REALTORS® apart from other real estate professionals, because it establishes a higher level of performance and professionalism. | **1. True**  **2. True**  **3. True**  **4. True**  **5. False**  **6. True**  **7. True**  **8. True**  **9. False**  **10. True**  **11. True**  **12. False**  **13. False**  **14. True**  **15. False**  **16. False**  **17. True**  **18. False**  **19. False**  **20. True**  **21. True**  **22. False**  **23. True**  **24. True**  **25. True** |