The Code of Ethics: Our Promise of Professionalism

The REALTORS® Code of Ethics
New Member Education Program
Third Cycle

Quiz

1. Only REALTORS® (and, where applicable, REALTOR-ASSOCIATES®) are subject to the Code of Ethics. T F

2. The authority to conduct arbitration is established in Article 17 of the Code of Ethics. T F

3. When the Code of Ethics and state law conflict, law takes precedence. T F

4. The NAR Board of Directors must approve changes to the Code of Ethics; the NAR Delegate Body must approve any changes to the Articles. T F

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." T F

6. The Standards of Practice support, interpret, and amplify their respective Articles. T F

7. First adopted in 1913, the purpose of the Code of Ethics was to establish a professional standard of conduct for real estate practitioners. T F

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. T F

9. Only REALTORS® may file ethics complaints and make requests for arbitration. T F

10. The Code of Ethics always has required that REALTORS® respect other brokers’ exclusive relationships. T F

11. The first Code of Ethics was based on license laws. T F

12. Procuring cause is the determining factor in ethics cases. T F

13. The Preamble to the Code of Ethics, if violated, may be the basis for disciplinary action. T F

14. The Code of Ethics includes 17 Articles that are broad statements of ethical principles. T F

15. Enforcing the Code of Ethics rests with each state’s regulatory body and each local association of REALTORS®. T F

16. Ethics complaints often are based on disputes between REALTORS® of different firms over referral fees. T F

17. The Code requires REALTORS® to present a true picture in all of their representations. T F

18. Article 4 of the Code prohibits exaggeration, misrepresentation, and concealment of pertinent facts about the property or the transaction. T F

19. Disciplinary action in an ethics hearing can include a fine of no more than $1,000. T F

20. The standard of proof in an ethics hearing is a “preponderance of the evidence.” T F

21. The ethics and arbitration enforcement processes include an initial screening by a grievance committee. T F

22. An ombudsman determines entitlement to compensation in an arbitration hearing. T F

23. Mediation is the preferred dispute resolution system of the NATIONAL ASSOCIATION OF REALTORS® T F

24. The “Pathways to Professionalism” document features a list of professional courtesies and etiquette that may be voluntarily followed by REALTORS®. T F

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. T F