

This handout is 2 of 2  
handouts.

Students should  
receive this handout at **end**  
of the class – the instructor will  
hand this out.

(Do not copy this page.)

**"Your Promise of Professionalism"**  
***True or False?***

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|---|---|-----|--|
| T | F | 1.  | First adopted in 1913, the Code of Ethics sets objective standards that all REALTORS® agree to follow in their real estate practice.                         |
| T | F | 2.  | The Code of Ethics is based on the “caveat emptor” concept.  |
| T | F | 3.  | When the Code of Ethics was adopted, there were well-established real estate license laws.   |
| T | F | 4.  | The Code of Ethics is divided into three major sections, "Duties to Clients and Customers," "Duties to the Public," and "Duties to REALTORS®."               |
| T | F | 5.  | Anyone can file an ethics complaint against a REALTOR® if they have reason to believe the REALTOR®'s actions are a violation of the Code of Ethics.          |
| T | F | 6.  | Enforcing the Code of Ethics is primarily the responsibility of the NATIONAL ASSOCIATION OF REALTORS® and State Association of REALTORS®.                    |
| T | F | 7.  | Arbitration hearings are often based on a procuring cause dispute between REALTORS® of associated with different firms.                                      |
| T | F | 8.  | The Code requires that REALTORS® respect the exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with clients. |
| T | F | 9.  | The Code prohibits exaggeration, misrepresentation, and concealment of pertinent facts about the property or the transaction.                                |
| T | F | 10. | The Code of Ethics requires that REALTORS® be competent in the discipline(s) in which the REALTOR® engages.  |
| T | F | 11. | The Code of Ethics requires REALTORS® to cooperate and compensate other brokers.   |
| T | F | 12. | Disciplinary action in an ethics hearing can include a maximum fine of \$500.  |
| T | F | 13. | The standard of proof in an ethics hearing is clear, strong, and convincing.   |
| T | F | 14. | The standard of proof in an arbitration hearing is a “preponderance of the evidence.”  |
| T | F | 15. | The ethics and arbitration enforcement processes include an initial screening by the Grievance Committee.  |
| T | F | 16. | Mediators determine entitlement to compensation.   |
| T | F | 17. | The Code of Ethics is what sets REALTORS® apart from other real estate professionals. It establishes a higher level of performance and professionalism.      |