



## Code of Ethics of Hungarian Real Estate Association (MAISZ)

### I. Introduction

1. The Code of Ethics (henceforth CE) determines those unified behavioural norms whereby the honor of real estate profession and the even chance in the professional work can be provided and the fair play is available.
2. The Code of Ethics contains the general norms and norms related to the membership and interpersonal behavioural norms.
3. The aim of the CE is to increase the trust in real estate profession with the unbidden following of the rules and to enhance the ethical and lawful behaviour.

### II. The Scope of the Code of Ethics

4. The personal scope of the CE is effective to all members with natural and legal personality, including the member's employees and the collaborators as well. Collaborators: all natural persons or legal entities whose services are used for real estate activity of the member or to perform the obligations regarding the profession.
5. The CE is effective in the area of the Republic of Hungary. In the case of a foreign order it covers the completion of the Hungarian commissions.
6. The MAISZ within the confines of the professional representation of interest will act with the consideration of the CE if observes any behaviours by a non-MAISZ member which conflicts with the competition laws.

### III. Interpretation of the CE

7. Behavioural norms, expectations and prohibitions determined in the CE can be interpreted only regarding the fair and ethical market behaviour and give orientation for the MAISZ members.
8. The expectations determined in the CE do not contain the specification of the entire and itemised ethical attitudes. Nor, the prohibited behaviours detail the all forms of unethical behaviour.

9. The Ethical Committee of MAISZ is entitled to interpret the expectations of the CE for adaptation – with consideration of any laws, foundation documents of the MAISZ or any ethical instructions of other professional organization.

#### **IV. Publicity**

10. The CE is public. The Hungarian Real Estate Association provides the CE with publicity to further its emergence and the general acceptance of its content.

#### **V. The relation of the CE and the rule of law**

11. The MAISZ members are expected to follow and respect the laws, also the ethical behaviour and to observe the norms determined in the CE. The MAISZ Members should act according to the norms of the CE in those issues which are not covered by the laws. It includes the Member's ethical relation of the membership with the particular consideration of the Statutes of the MAISZ, representation of MAISZ in public and in front of the participants of the real estate market and in interpersonal relations.

#### **VI. Range of ethical expectations of the profession**

12. The member should be well informed and familiar with the laws and regulations concerning the business and with the current market conditions.

13. The member cannot deny equal professional service to any person for the reason of race, religion, sex or national origin.

14. The member shall practice his/her profession on the basis of moral principles and keep from the activities which harm his/her or the profession's good reputation or any regulations.

15. The member's performance in the business transactions should not harm the regulations regarding unfair market attitude, restrictions of competition and trade secrets.

16. The member should accept a commission only if he/she has the appropriate qualification or employs a collaborator.

17. The member should undertake only those commissions for which he/she is prepared and the member can and want to perform them.

18. The member cannot undertake any commissions which she/he or his/her employees involved in directly, unless the client is informed about it in advance and the client maintains the commission and it is confirmed in writing.

19. The member should represent the client's interests first of all, but the Member is obliged to proceed in a fair way with all participants of the business which fits to the expected behaviour and should enhance the trust in the real estate profession.

20. The Member practicing real estate broker activity, real estate evaluation, development and maintenance is obliged to perform on a top level according to the laws, specific professional requirements and written and unwritten rules of the profession.

21. The member cannot strive for unfair profit which exceeds the remuneration used in real estate trade significantly if it is not well-founded.

22. The Member should exercise his/her rights and perform his/her obligations in all good faith and with good intentions. The Member should perform the transaction in a mutual agreement with the client or clients.

22. The Member is obliged to handle all information confidentially. The Member is not allowed to obtain trade secrets in an unfair way, to use them, to report them illegally to a third party or to publish them.

23. The member must be ready to supervise his/her standpoint, he/she should avoid disputes and arrange the problems with negotiations and efficacy, agility and fairness should be his/her principals.

24. The Member is responsible for the professional ethics behaviour of himself/herself, behaviour of his/her employee or collaborator according to the CE.

25. The Member is obliged to adopt a business and manpower policy which does not jeopardize the operability of the competitor.

26. The Member must inform the publicity in a correct way regarding that part of the business or the commission which concerns a wider publicity and has a public interest. The same expectations should be followed if the Member informs the publicity on behalf of the MAISZ.

#### **VII. Rules for the adaptation and the procedure**

27. The regulations of this CE must be practiced in all cases if an ethical default against a MAISZ Member is reported to the MAISZ.

28. The method of the procedure is included in the Rules of Procedure (section 35-65)

#### **VIII. Sanctions**

29. If the Ethical Committee finds out any ethical fault in the case of a MAISZ member the warning, reprehension or elimination from the members can be apply.

30. The legally binding decision will be published on the [www.maisz.hu](http://www.maisz.hu) webpage.

31. If the Ethical Committee makes a statement, it will be received only by the person who requested it. The statement does not contain sancitons, its

contain will not be published and legal redress cannot be connected to the statement.

#### **IX. Legal redresses**

32. The MAISZ member can have recourse to the General Assembly of the MAISZ against the decision of the Ethical Committee. The request for legal redress should be addressed to the MAISZ Presidency and submit within 15 days from the receipt of the decision.

33. The possibility of a legal redress will be concluded by the decision of the General Assembly.

#### **X. Legally binding resolution**

34. The resolution becomes legally binding if the legal redress was missed. The MAISZ Presidency informs the applicant about the decision in writing within 30 days. The resolution will be legally binding on receipt of the resolution.

### **Rules of Procedure**

#### **XI. The Ethics Committee**

35. The Ethics Committee (henceforth Committee) is the permanent committee of the MAISZ which operates according to the 22nd section of the Statutes of the MAISZ. It works on the basis of the Statutes, the Code of Ethics, the Rules of Procedure of MAISZ and the Organizational and Operational Regulations of the Committee.

#### **XII. Competency of the Committee**

36. The Committee is competent in conducting an ethical procedure (henceforth: procedure) initiated when a MAISZ Member violates the ethical rules determined in the Code of Ethics.

37. The Committee is not competent to conduct a procedure which is related to the exercise of the rights covered by the laws, so the Committee will not decide in legal issues and assets demand issues. The Committee has no right to oblige anybody to act or not act or to tolerate any behaviours. The Committee is neither competent in those issues in which the competency of any laws or authority or organization is found.

38. The Committee does not start the procedure or ceases it if any judicial or authority procedure are in process regarding the substantive part of the ethical issue.

39. The Committee is obliged to examine its competency in all phases of the procedure. The Committee has the right to proceed only against the MAISZ members.

41. If the Committee ascertains that it has no competency, the Committee will cease the procedure.

### **XIII. Participants of the procedure**

42. Participating parties in the procedure are the complainant and the respondent. Anybody (private person, legal person and organization with no legal personality) has the right to initiate a procedure as an complainant. Respondent can be only a MAISZ member.

### **XIV. Start of the procedure**

43. The Committee begins the procedure on a written request.

44. If the request does not contain the name of the complainant or the person who needs a statement, the President who acts on behalf of the Committee can reconsider the initiation of the procedure or the request will be registered without a substantive investigation.

45. Upon receipt of the request the President clarifies if the Committee is competent in the issue. If there is no competency the procedure cannot be began about which the complainant will be notified with the indication of the reason. To do the arrangements listed in this section has 15 days from the receipt of the request.

46. If the content of the request is not suitable for a procedure, the President requires the complainant for the completion of documents within 15 days. If the deadline is expired without no result and the missing documents are not provided partially or completely the President will cease the procedure and the Committee will be informed about this issue during the next meeting.

47. The deadline starts from beginning of the procedure if the complete request is received by the Committee.

48. The procedure should be finished within 60 days as far as possible.

49. If the unethical behaviour or activity indicated in the request happened more than one year ago, the Committee can ignore the conduction of the procedure.

50. During the procedure if the request is complete, the President will send a short information regarding the procedure and the sanctions adaptable by the Committee within 15 days to the person againsts who there is a complaint. The appendices of the request also will be sent to this person and he/she will be noticed to make a written declaration (answers) within 15 days. The person againsts who there is a complaint is requested to declare regarding the right of the complaint and the circumstances of the issue and to name the evidences of the facts which confirm his/her statements. The person againsts who there is a complaint is also asked to enclose the copy of the documents to which he/she refers as evidences. The President notices the person againsts who there is a complaint that he/she is entitled to request an arbitration. If the he/she fails to

make a substantive declaration the Committee will decide on the basis of the information and data available.

51. The President can cease the procedure if the complainant desists from his/her complaint, if the person who requests a statement withdraws the request or if the parties agreed in this phase of the procedure.

#### **XV. Preparation of the meeting**

52. The President prepares the meeting of the Committee during which he determines the agenda of the meeting. The agenda should contain the approval of the minutes of the previous meeting, the President's report on the issues in which the procedure could not be started or were ceased, and those issues which are prepared for decision. During the preparation of the meeting the President will make all arrangements which can help the discussion and settlement of the ethical issues.

#### **XVI. Conduct of the investigation**

53. If all documents are available which are necessary to conduct the procedure, the President sends the documents to the Committee Members, appoints the date of the meeting and asks the Members' declaration about the incompatibilities, unconcern and impartiality.

54. During the meeting (meetings) the Committee clarifies the statement of facts, interviews the parties and – if necessary – the uninterested and objective witnesses and experts. It initiates an arbitration to make an agreement. It prepares a suggestion for a resolution which contains the result of the procedure and prepares a definite decision proposal.

55. The Committee is quorum if more than 50% of the members are present. The meeting is led by the President or a member appointed by the President. The Committee adjudges in ethical issues with majority during an open vote and makes a resolution or statement as the result of the procedure. The Committee forwards the written resolution or statement to the parties within 15 days as far as possible from the decision.

56. The meeting is public unless any members ask the President to order a conclave.

57. The confidentiality and data management activity of the Committee is determined by the valid laws.

#### **XVII. Resolutions**

58. In the resolution with the justification the Committee

58.1. ascertains that ethical default has not happened,

58.2. ascertains an ethical default and applies the sanction (sanctions) determined by the CE,

58.3. ceases the procedure if the complainant withdraws the request, the parties agreed during the procedure and ceases the procedure if the conduct is impossible, or not necessary from any causes or it has no competency to do so.

58.4. makes a statement on request.

#### **XVIII. Revision of the resolution**

59. The Committee is obliged to begin a new procedure according to the decision (resolution of the MAISZ General Assembly) of the legal redress (appeal) or to adjudicate a new resolution or to revise and modify its decision.

60. If the Committee observes that the resolution interferes with any laws or the CE, it shall repeat the procedure in its own competence to revise the decision.

61. Any parties can ask the Committee in writing within 30 days after receipt the resolution or statement to correct any name or number mistakes, miscalculation or other mistakes. The Committee also has the right to make corrections within this deadline and send the corrected resolution or statement to the parties.

#### **XIX. Other provisions**

62. Any appointed office-holder of MAISZ can participate in the work of the Committee without competency and the same confidentiality obligations apply for this Member as the Members of the Committee.

63. No information can be provided about the ongoing procedures. The resolution and the statement of a completed procedure should be issued on [www.maisz.hu](http://www.maisz.hu) if it is legally binding but without the personal data which should not be published.

64. The person who has personal or substantial interest in the issue cannot participate in the ethical issue as a member of the Committee, authorized MAISZ office-holder or an expert requested by the Committee. Furthermore, cannot proceed if he/she is partial for other reasons or he/she has personal or business relationship with any of the parties participating in the procedure or has contractual legal relations unless the parties are informed about it and they have no exclaim againts his/her personality.

65. The member of the Committee and the requested expert is obliged to inform the President of the Committee if there is an incompatibility concerning the member. The President informs the members of the Committee about a personal incompatibility.

#### **XX. Enforcement**

Resolution No. 4/2009 (III.27) of the MAISZ General Assembly XXVIII.:

The XXVIIIth General Assembly of the MAISZ puts into force the Code of Ethics of MAISZ No. 3/2009/ESZ. and in the same time invalidates the Code of Ethics which were valid from 08 01 2001.

Responsible person: President of MAISZ

Deadline: immediately