

PRACTICE GUIDELINES ON CONDUCT OF ESTATE AGENTS AND REAL ESTATE SALESPERSONS TOWARDS ONE ANOTHER (PGC)

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INTRODUCTION

1. These guidelines set out the standards that are applicable to estate agents (EAs) and real estate salespersons (RESs) in their conduct towards other EAs and RESs. Professional conduct is not only confined to an EA's or RES' relationship with the client, but also extends to interactions with other EAs and RESs in the conduct of estate agency work.
2. The Code of Ethics and Professional Client Care (CEPCC) prescribed by the Council for Estate Agencies (CEA) sets out the minimum standard of conduct required of EAs and RESs in their dealings with their clients, the public and other EAs and RESs while carrying out estate agency work. These guidelines are to be read with the CEPCC. Under paragraph 4(2)(a) of the CEPCC, EAs and RESs must be fully conversant and comply with the Estate Agents Act 2010, its subsidiary legislation, and the policies and practice guidelines of the CEA.
3. These guidelines supersede the former Practice Guidelines on Conduct between Salespersons (PG 02/2014 issued on 10 June 2014), with effect from 24 March 2023. Non-compliance with these guidelines may result in enforcement actions by CEA.

I. GENERAL DUTY TOWARDS OTHER EAs AND RESs

A. Treat one another ethically, honestly, fairly and in a reasonable manner

4. The conduct required of EAs and RESs towards all other persons in the conduct of estate agency work is provided under paragraph 6(3) of the CEPCC, which states:

“In the conduct of estate agency work on behalf of the client, the estate agent or salesperson must act ethically, honestly, fairly and in a reasonable manner towards all other persons.”

5. Paragraph 7(1) of the CEPCC also states:

“Estate agents and salespersons shall not do anything that may bring discredit or disrepute to the estate agency trade or industry.”

6. Accordingly, the EA and RES must always act in accordance with the principles of ethics, honesty, fairness, due care and diligence in their interactions with other EAs and RESs, and they must not engage in any practice which may bring discredit or disrepute to the real estate agency industry.

B. Avoid behaviour which brings discredit or disrepute to real estate agency industry

7. The EA and RES must avoid engaging in any behaviour or actions towards another EA or RES that would bring discredit or disrepute to the real estate agency

industry, such as making disparaging remarks about another EA or RES, or getting into conflicts, quarrels or physical fights with another RES, particularly in public or in the presence of their clients.

C. Avoid making inappropriate statements or remarks about another EA or RES

8. The EA and RES must be sensitive to the diverse, multi-racial and multi-cultural nature of society and must not make statements about another EA or RES that are discriminatory, offensive or stereotyped in nature against any particular race, religion or group in society. This includes not publishing and repeating such statements made by others about another EA or RES in the mass/social media.
9. The EA and RES must not make defamatory statements about another EA or RES. They must not criticise or comment on the professional services, conduct or professional fees of another EA or RES. This includes not publishing and repeating such statements made by others about another EA or RES in the mass/social media.

D. Do not make false or unfounded complaints against another EA or RES

10. The EA and RES must not knowingly or recklessly file false or unfounded complaints against another EA or RES to CEA. They must not instigate or collaborate with other persons to file a complaint which they know to be false or unfounded against another EA or RES.

II. CONDUCT TO BE OBSERVED IN RELATION TO EXCLUSIVE LISTINGS

A. Do not solicit or accept appointment from a prospective client who is an existing party to an ongoing exclusive estate agency agreement

11. Before accepting an appointment to represent a prospective client, the EA or RES must take reasonable steps to find out whether the prospective client is already a party to an ongoing exclusive estate agency agreement.
12. If the prospective client has an ongoing exclusive estate agency agreement, the EA and RES must not solicit or accept an appointment by the prospective client if the EA or RES knows or ought to know that such an exclusive estate agency agreement is still in force. The EA and RES must also not influence the prospective client to terminate any ongoing exclusive estate agency agreement that the prospective client is party to. Such solicitations or communications could be made in person or via mail, telephone calls, text messages, email, or other electronic means.
13. If the prospective client has an ongoing exclusive estate agency agreement and engages another EA, the prospective client may have to:
 - a. pay a commission to the existing EA if the property transaction is closed; or

- b. be liable for damages for breach of contract under the exclusive estate agency agreement with the existing EA.
14. The EA or RES must also explain to the prospective client the nature of any other risks involved, such as any continuing liability to pay commission to the existing EA if the property transaction is closed with a party introduced by the existing EA during the duration of the exclusive estate agency agreement, within 3 calendar months after the expiry of the exclusive estate agency agreement.
15. The EA and RES must not knowingly offer or provide their services to sell or rent the properties of prospective clients whom they know are currently parties to ongoing exclusive estate agency agreements, except with the consent of the existing exclusive EA and RES.
- B. Do not influence clients to terminate exclusive estate agency agreements**
16. Prior to or after the termination of the RES' written associate agreement with his EA, the RES must not influence the EA's clients to cancel any exclusive estate agency agreements between the clients and the EA.
- C. Extend reasonable co-operation to the new EA and RES appointed by a former client**
17. If an exclusive estate agency agreement is terminated or has lapsed and the client subsequently enters into an exclusive estate agency agreement with another EA, the former EA and RES must extend reasonable co-operation to the new EA and RES. This includes, if requested by the client, sharing information or documents (such as loan eligibility documents) that the former EA or RES had collected on the client's behalf, subject to the provisions of the Personal Data Protection Act 2012 and any confidentiality or intellectual property rights undertaking.
- D. Deal with the vendor's EA and RES and not directly with the vendor on matters concerning an exclusively listed property**
18. Where the vendor¹ of a property has engaged an EA and RES on an exclusive basis, other EAs and RESs must carry out any dealings concerning the property with the vendor's EA and RES, and not directly with the vendor.

¹ A "vendor" refers to any person by whom a property is or is to be disposed of, and includes a prospective landlord.

III. CONDUCT TO BE OBSERVED IN RELATION TO CO-BROKING (FOR BOTH EXCLUSIVE AND NON-EXCLUSIVE LISTINGS)

A. Co-broke with other EAs and RESs in a timely and co-operative manner

19. The duty to co-broke refers to the obligation to share information on the listed property, and to make the property available to all co-brokers to conduct viewings for prospective purchasers or tenants.
20. The EA and RES must cooperate and agree to co-broke with all other EAs and RESs, unless the EA and RES have been specifically instructed against it by their client in writing.
21. The EA and RES must respond to all requests for co-broking and work with their co-brokers to facilitate the property transaction in a timely and co-operative manner.

B. Disclose business contact information when seeking information on property from another EA or RES

22. When seeking information from another EA or RES concerning a property, the EA and RES must disclose their business contact information [i.e. full name, CEA registration number or CEA licence number, EA's name (where the person seeking the information is an RES) and contact details] if the EA or RES is enquiring about the property on the client's behalf.

C. Do not mislead, deceive or make any misrepresentations to another EA or RES

23. The EA and RES must not conduct themselves or act in a manner that may mislead or deceive another EA or RES.
24. The EA and RES must not make any misrepresentations to another EA or RES, such as misrepresenting the availability of a property for a viewing. The EA and RES must also not provide access to a property on terms other than those instructed or established by the property owner or landlord.

D. Mutually agree on the terms and conditions of the co-broking arrangement and co-brokerage fee with the co-broke EA and RES prior to closing the property transaction

25. Any agreement on the terms and conditions for co-broking must be confirmed in writing between the listing EA/RES and the co-broking EA/RES prior to closing a property transaction.
26. The sharing of commission or fees for a completed transaction, if any, is strictly an agreement between the EAs and RESs involved. To prevent disputes, the co-brokerage fee between the EAs and RESs involved must be mutually agreed

upfront before the transaction is closed.

E. Work with the listing EA and RES to close the transaction and do not bypass or cut out the listing EA and RES

27. The EA and RES must not request for the contact details of a client of the listing EA and RES, or approach the client of the listing EA and RES to discuss or communicate any matter relating to the potential property transaction, except with the consent of the listing EA and RES.
28. The EA and RES must work with the listing EA and RES to close the transaction and must not approach the landlord or owner to close the transaction without the listing EA and RES, if the EA or RES:
 - a. Came to know of the property's availability for sale or lease through the listing EA or RES; or
 - b. Seeks to co-broke a property transaction with the listing EA and RES.
29. In addition, the EA and RES must not suggest to or work with another EA or RES to approach the landlord or owner directly, as this would also have the effect of bypassing the listing EA and RES, who had introduced the vendor of the property to them.