



CODE OF ETHICS OF THE INDONESIAN REAL ESTATE BROKERS ASSOCIATION AND RULES OF PROFESSIONAL CONDUCT

PREAMBLE

In the Unitary State of the Republic of Indonesia, where the people's way of life, including the economy, is entering the modern and digital age, and some parts are still agrarian, land scarcity in urban areas is a hallmark of the modern era. Therefore, land as a gift from God Almighty is a very important main function for the Indonesian people in achieving a just and prosperous society.

In line with this thought, the CODE OF ETHICS OF THE INDONESIAN REAL ESTATE BROKER ASSOCIATION and RULES OF PROFESSIONAL CONDUCT (referred to as "AREBI Code of Ethics") are established to enhance the dedication of its members to the Homeland, Society, and Environment, in harmony with the State Foundation of the Republic of Indonesia, based on Pancasila and applicable laws and regulations, and prioritizing honesty, expertise, and noble character in conducting their profession as property brokers.

CHAPTER I GENERAL PROVISIONS

Article 1 Definitions

- 1) Definition of Code of Ethics and Rules of Conduct:
 - a) The word Ethics, according to Greek language, comes from the word "ethikos" which means arising from habit which studies values or qualities that become standards and moral judgments. Ethics also means the study of morality or the value of moral actions. The term Ethics is used to indicate a system or code that is adhered to.
 - b) Ethics is a norm or rule used as a standard of behaviour for members of the Property Broker profession in their relationship with clients, fellow AREBI members, and the general public based on norms or moral values.
 - c) The Code of Ethics is a written norm, value, and professional rule that firmly states what is right and good, and what is not right and not good for professionals.
 - d) Kaidah means the formulation of principles that become definite laws or rules. Tatalaku = customs that are considered as ways of behaving which are accepted as governing rules. Rules of Professional Conduct are regulations on how to behave in conducting the profession.

- 2) AREBI
 - a) AREBI is an official association abbreviated from the word Indonesia Real Estate Broker Association which is also known in English as the Indonesia Real Estate Broker Association.
 - b) AREBI is an association of companies, both business entities and legal entities, based on the similarity of business, activities, and profession in the field of property transaction brokerage services, independent and professional, in the form of a unity with a national scope.
- 3) The word property comes from the English word 'property' which means land and or building as well as other facilities and infrastructure which are an integral part of the land and or building.
- 4) Property Transactions Brokerage Company abbreviated as 'P4' is a member of AREBI whether a business entity or a legal entity, established and domiciled in the jurisdiction of the Unitary State of the Republic of Indonesia, conducting business activities of buying and selling brokerage, leasing brokerage, research and study, marketing, consulting and dissemination of information related to property based on the instruction of the Service User regulated in a written agreement, and should have a business license in accordance with government regulations.
- 5) Service Users or Assignors, whether individuals or business entities, also called "clients," are those who utilise the services of the Property Transaction Brokerage Company (P4) in the form of sale and purchase services, property leasing services, research and study services, marketing services, and/or consulting and information dissemination services.
- 6) Property Broker is a person who is part of a Property Transaction Brokerage Company Office (P4) that has become a member of AREBI, and works as a professional property transaction broker on behalf of the P4 Office based on an agreement to market properties without transferring the rights to the physical goods and/or services owned/controlled by the appointing P4 Office.
 - a) Listing Property Broker is a Property Broker trusted by the listing client as the property owner to market their property either for sale or for rent.
 - b) Selling Property Broker is a Property Broker who has access to selling clients or prospective buyers/tenants.
- 7) Head of the P4 Office is the person who has the competence to manage, organise, and train Property Brokers who are part of a Property Broker office.
- 8) Listing Agreement is Marketing Service Agreement signed by the Property Broker and or the Head of the P4 office with the property owner who intends to market the property for sale or lease, categorised as follows:
 - a) Exclusive listing agreement is listing agreement held solely by a P4 Office for a certain period.
 - b) Open listing agreement is listing agreement that can be handled by several P4 Offices for a certain period.
- 9) Property Transaction Brokerage Expert is Property Broker who has competence in the field of property transaction brokerage proven by a Property Transaction Brokerage Competency Certificate.

- 10) Property Transaction Brokerage Competency Certificate is a document as written proof of recognition of the certification results for the classification and qualification of Experts issued by the Indonesian Property Broker Certification Institute (LSP BPI).
- 11) Business License Number (NIB) issued by BKPM (Investment Coordinating Board) with KBLI 68200, it is a licence to conducting property transaction brokerage activities.
- 12) Commission/Service Fee is a reward given to the P4 Office by the Client for marketing services and or property search services performed by the P4 Office.
- 13) Co-Broking is a collaboration between 2 (two) Property Brokers/P4 Offices in conducting the function of property transaction brokerage, where each party agrees to share their respective obligations and rights.
- 14) The Code of Ethics Council is an AREBI institution/council at the central level.
- 15) The Ethics Committee is formed by the Central Executive Board or Regional Executive Board of AREBI, functioning to examine, assess, and provide recommendations to the Central/Regional Executive Board on complaints of violations of the AREBI Code of Ethics.

CHAPTER II

BASIC PROVISIONS OF THE AREBI CODE OF ETHICS

Article 2

Upholding the Profession & Code of Ethics

By upholding the profession of property brokers and respecting the AREBI Code of Ethics as a dynamic foundation for serving fellow human beings, each member of the Indonesian Real Estate Broker Association ("AREBI") must act and behave as follows:

- 1) Uphold the honour, dignity, and good name of the property broker profession in working relationships with clients, fellow AREBI members, other property brokers, and the public.
- 2) Act honestly, impartially, and with full dedication in serving clients and the public.
- 3) Exchange knowledge in their field of expertise fairly with fellow AREBI members, property brokers, and other professional groups, enhancing public understanding of the property broker profession to better appreciate the work of property broker.
- 4) Respect the principle of providing fair and adequate service fee for property brokers.
- 5) Appreciate and respect the professional reputation of fellow AREBI members, other property brokers, and any work agreements related to their profession.
- 6) Obtain assignments based on professional standards without advertising, offering commissions, or using undue influence.
- 7) Collaborate as property brokers only with fellow AREBI members or other experts with high integrity.

- 8) Participate in the development and dissemination of knowledge about property brokers as broadly as possible by cooperating with the government, organizations, legal entities, and other professional group.

CHAPTER III

PROFESSIONAL RULES OF CONDUCT

Article 3

Professional Behaviour of AREBI Members

- 1) Essentially, AREBI members who practice the profession of property broker services/Property Transaction Brokerage will be responsible to society, the Nation, and the State of the Republic of Indonesia, and ultimately to God Almighty.
- 2) The property broker profession practiced by AREBI members is a profession based on public trust.
- 3) To ensure that this noble task can be conducted as best as possible, a set of professional conduct guidelines/Professional Ruled of Conduct has been formulated as an implementation guide of the AREBI CODE OF ETHICS.

Article 4

Work Provisions Between Clients and P4 Offices

- 1) Working Relationships
 - a) AREBI members should act honestly, with integrity and with full dedication in serving their clients and the public according to their expertise.
 - b) AREBI members in conducting their expertise should obtain written permission from the client as the rightful owner of the property being marketed.
 - c) AREBI members should always ensure complete data related to the ownership of the property being marketed from the client.
 - d) AREBI will provide input to the client of the possible consequences if, before or during the assignment, they become aware of a conflict of interest between the client and the interests of security, law, and applicable regulations.
 - e) If during the assignment, an AREBI member realizes that the work is outside their field of expertise or experience, they should immediately inform the client.
 - f) AREBI members should act objectively and impartially, both directly and indirectly, in conducting their expertise for the client.
 - g) AREBI members should not accept an assignment that contains conflict of interest, and if during the assignment a situation arises where the AREBI member experiences a conflict with the client's interests, the member should immediately inform the client and provide adequate suggestions. The member should not participate in or take part in any decision that contains such conflict of interest. If the conflict of interest cannot be avoided, the member should resign.
 - h) AREBI members are obliged to maintain the confidentiality of information as requested by the client, in property transaction brokerage activities as long as it does not conflict with the law.

- 2) Service Fees

- a) AREBI members should charge service fees not lower than the scale of fees set by the government from time to time or as agreed by AREBI.
- b) AREBI members are not allowed to take service fees from the difference in property sales value, except with prior approval from the client.
- c) AREBI members should not receive service fees, either in money or other forms, from more than one party for the services provided in the same assignment, unless the matter is fully explained to and approved by all interested parties.

3) Promotion

- a) AREBI members should obtain approval from the client in terms of promotion in any media.
- b) AREBI members may only promote properties based on factual information.
- c) AREBI members in promoting their expertise services should be in an honourable and professional manner.

Article 5

Work Provisions Between P4 Offices

1) Work Relationships

- a) Uphold the honour, dignity, honesty, expertise, and good name of fellow AREBI members in work relationships that do not conflict with applicable laws and regulations.
- b) Fellow AREBI members should always strive to complement and remind each other in maintaining professional ethical behaviour.
- c) Fellow AREBI members are not allowed to take a broker property listing agreement that is being handled by another AREBI member who has been appointed for an assignment, where the appointment of the assignment is single appointment or exclusive.
- d) Fellow AREBI members are prohibited from actively influencing clients to cancel a single/ exclusive listing agreements, causing the listing agreement to become open.
- e) Fellow AREBI members are allowed to accept exclusive listing agreements after ensuring the previous exclusive listing agreement has expired reasonably in accordance with the law.
- f) Fellow AREBI members are prohibited from actively or intentionally influencing clients who have agreed to a transaction, resulting in the cancellation of the transaction by the client.
- g) AREBI members are prohibited from falsifying or providing misleading descriptions regarding their qualifications as a P4 office or property broker.
- h) Fellow AREBI members are prohibited from criticizing each other in a way that undermines their work, whether to clients or in public forums.
- i) Fellow AREBI members in terms of property marketing cooperation or co-broking should agree and pay attention to the following matters:
 - (1) Written agreement (co-broking form);
 - (2) Each party should perform their respective functions, duties, and responsibilities;
 - (3) Clear division of service fees, preferably discussed in advance;
 - (4) Clarification of the cooperation period from the beginning
- j) Fellow AREBI members are prohibited from intentionally contacting or making new listing agreements with clients whose information was obtained during property marketing cooperation or co-broking with another P4 office.
- k) AREBI members are prohibited from cooperating with individuals or legal entities whose membership in AREBI has been terminated due to violations of the AREBI Code of Ethics

2) Service Fees

- a) AREBI members are prohibited from engaging in unethical practices by offering material incentives in any form to sellers or buyers to facilitate or obtain or generate transactions.
- b) AREBI members are prohibited from undermining each other in setting service fees to influence clients to obtain listing agreements or generate transactions.

3) Promotion

- a) AREBI members are prohibited from removing, losing, damaging or covering promotional material belonging to another P4 office without confirmation or permission from that office, despite the Client's approval.
- b) AREBI members are prohibited from placing promotional materials if the property has not been listed.
- c) AREBI members are prohibited from taking advertisement photos of listings belonging to another P4 office without the permission of the concerned party.

4) Recruitment

- a) AREBI members are prohibited from recruiting by promoting in social media community groups that include P4 offices or property brokers who are still affiliated with other P4 offices.
- b) AREBI members are prohibited from employing property brokers who are still active in other P4 offices.

Article 6

Work Provisions Between P4 Offices and Property Brokers

1) Work Relationship

- a) P4 offices and property brokers are obliged to maintain a good reputation in the property brokerage industry, especially towards clients, to establish mutually beneficial relationships.
- b) P4 offices should provide guidance related to expertise and proficiency in professional ethics as stated in the AREBI Code of Ethics to property brokers.
- c) P4 offices and property brokers should not be members of associations, organizations, or groups with activities similar to AREBI.
- d) Property brokers affiliated with P4 offices are not allowed to engage in agreements that are detrimental to fellow property brokerage industry players.
- e) Property brokers should avoid any practices that could discredit or undermine the property brokerage industry.
- f) Property brokers are not allowed to engage in any form of transactions and or co-broking without the knowledge of their respective P4 offices.
- g) Property brokers are not allowed to be dual brokers in different P4 offices.

Chapter IV

Implementation of the AREBI Code of Ethics

Article 7

Implementation of the AREBI Code of Ethics

- 1) Every AREBI member is obliged to comply with and implement the AREBI Code of Ethics.

- 2) Every board member, Central Executive Board, Regional Executive Board, and Branch Executive Board should abide and comply with the AREBI Code of Ethics.
- 3) Supervision of the implementation of the AREBI Code of Ethics is conducted directly by the Central Executive Board and the local Regional Executive Board.

Chapter V

Resolution of AREBI Code of Ethics Violations

Article 8

Resolution of Violations

- 1) The Central Executive Board has the authority to examine, adjudicate, and decide on cases of AREBI Code of Ethics violations committed by AREBI members at the final level.
- 2) The local Regional Executive Board has the authority to examine and resolve complaints by consensus and deliberation regarding AREBI Code of Ethics violations committed by AREBI members at the first level.
- 3) If the organization does not yet have a Regional Executive Board in the area of activity, therefore complaints regarding AREBI Code of Ethics violations could be submitted to the Central Executive Board.
- 4) The examination of a complaint regarding AREBI Code of Ethics violations could be conducted at two level:
 - a) The first level is conducted by the local Regional Executive Board.
 - b) The final level is conducted by the Central Executive Board.
- 5) The AREBI Code of Ethics Council could be asked for their views, opinions, and assessments in the process of resolving cases of AREBI Code of Ethics violations if deemed necessary by the Central Executive Board as input and consideration for the Central Executive Board in making decisions.

Article 9

Complaint Procedures

- 1) The complaint process that can be submitted is matter related to violations of the AREBI Code of Ethics.
- 2) The complaint process for violations of the AREBI Code of Ethics can only be submitted by the aggrieved party, namely:
 - a) Active AREBI members.
 - b) Clients
 - c) Public members
- 3) Every complaint submitted to the Regional Executive Board or the Central Executive Board should include the following data:
 - a) Fill out the provided form.

- b) Create written scope/chronology of the matter being complained about.
- c) Attach other supporting data.

Article 10
Examination Procedures

- 1) The Regional Executive Board and or the Central Executive Board should appoint an Ethics Committee consisting of at least 3 (three) person, should be in an odd number and from the board members, elements of the Vice Chairman of the Ethics Code, Membership Organisation and elements of the Secretary General, while at the regional level, at least 3 (three) members from the Regional Executive Board, including the Vice Chairman, Secretary, and relevant field chairman, are appointed to conduct the examination and ensure no affiliation with either the Complainant or the Respondent.
- 2) During the examination process conducted by the Ethics Committee of the Regional Executive Board and or the Central Executive Board, should considered the following:
 - a) Start the examination process, verifying the membership status of both the Complainant and the Respondent, ensuring they are active AREBI members.
 - b) Ensuring the Complainant has followed the complaint procedures outlined in Article 9, paragraph 3.
 - c) If in the examination process, the Ethics Committee considers it necessary for the Complainant to complete the necessary evidence. Therefore, the Ethics Committee of the Regional Executive Board and or the Central Executive Board may send a letter to the Complainant.
 - d) If in the examination process of the Complaint of violation of the AREBI Member Code of Ethics, elements of a civil or criminal category are found by the Ethics Committee, therefore the Ethics Committee of the Regional Executive Board or the Central Executive Board will provide recommendations/input/view to the Complainant to be treated by the process of the applicable law.
- 3) After the Ethics Committee of the Regional Executive Board and or the Central Executive Board receives a written complaint with sufficient evidence, therefore, at least within 14 (fourteen) working days they will notify either verbally or in writing, the Respondent regarding the complaint.
- 4) After the Respondent receives notification of the complaint, the Respondent will be given 14 (fourteen) days to respond in writing, accompanied by y necessary supporting documents.
- 5) If within 14 (fourteen) days the Respondent does not provide a written response, therefore the Ethics Committee will issue a second notification with a warning, and if within 14 (fourteen) working days from the date of the warning letter the Respondent still does not respond, therefore it is considered to have waived their right to respond.
- 6) In the event the Respondent fails to attend the 2 (two) summonses or does not submit a response as outlined in Chapter V, Article 10, paragraph 5, the Ethics Committee may immediately impose a decision.
- 7) If the Respondent responds as outlined in Chapter V, Article 10, paragraph 4, the Ethics Committee will summon both the Complainant and the Respondent to attend a resolution hearing.

- 8) If the Complainant fails to attend the resolution hearing, therefore the matter complained by the Complainant shall be dismissed.
- 9) Complainant and Respondent, in the matter of:
 - a) The summonses should have been received by the person concerned no later than 3 (three) days before the resolution hearing.
 - b) Each party should be present in person without being delegated to another person.
 - c) Have the right to present witnesses and evidence.

Article 11

Resolution Procedures

- 1) In resolving violations of the AREBI Code of Ethics, the Ethics Committee shall explain the applicable resolution procedures, which are:
 - a) Reconciliation between the Complainant and the Respondent through deliberation and consensus.
 - b) If reconciliation is not achieved, the resolution process shall continue with further examination of evidence and witnesses presented.
 - c) If according to the consideration of the Ethics Committee, in the process of this resolution, the tendency is not a violation of the AREBI Code of Ethics, therefore, to the litigating party shall be recommended to pursue legal action according to applicable laws.
- 2) Resolution of violations at the first level by the Regional Executive Board Ethics Committee, with the authority to:
 - a) Encourage the Complainant and the Respondent to deliberate and reach a consensus through peaceful means.
 - b) If peaceful means are not achievable, the Regional Executive Board Ethics Committee shall recommend the resolution to the Regional Executive Board Chairperson to be forwarded to the Central Executive Board for final resolution.
- 3) Resolution of violations at the final level by the Central Executive Board Ethics Committee, with the authority to:
 - a) Continue to encourage the Complainant and the Respondent to deliberate and reach a consensus through peaceful means.
 - b) If the peace process, remains unresolved, therefore the Ethics Committee of the Central Executive Board shall continue the examination by adjudicating, and make a decision, also providing considerations and recommendations to the Chairman of the Central Executive Board.
 - c) In the decision-making process, the Chairman of the Central Executive Board may seek views, opinions, and considerations from the Ethics Council if deemed necessary.
- 4) In resolving violations of the AREBI Code of Ethics at both the first and final levels, the Ethics Committee is required to:
 - a) Prepare an attendance list form.
 - b) Create minutes of each meeting, which are validated and signed together.

Article 12

Decision-Making Procedure

- 1) After the examination process and considering the complaint, defence, documentary evidence, and witness testimony, the Ethics Committee of the Regional Executive Board and or the Central Executive Board shall make a decision, which may be in the form of:
 - a) Declaring the complaint from the Complainant as inadmissible/rejecting the complaint from the Complainant.
 - b) In the event the complaint is accepted, therefore:
 - (1) The First Level Ethics Committee will process it until deliberation and Consensus is reached.
 - (2) The Final Level Ethics Committee will process, adjudicate, and impose sanctions on the Respondent.
- 2) In making decisions, the Ethics Committee:
 - a) Should state the basis for considerations referring to the violated articles of the AREBI Code of Ethics.
 - b) Should be based on a majority and open vote, without the need for the parties involved to be present.
 - c) Members of the Ethics Committee who dissent from the vote shall be entitled to make a note of objection attached to the case file.
- 3) After the decision-making process by the Ethics Committee of the Regional Executive Board or the Central Executive Board, the following documents shall be issued:
 - a) The First Level or Final Level Decision is in the form of a Resolution Report signed by the Complainant, the Respondent, and witnessed by the Chairman of the Regional Executive Board or the Chairman of the Central Executive Board.
 - b) The Final Level Decision is in the form of a Decision Letter signed by the Chairman and Secretary General of the Central Executive Board, which is final and cannot be contested or sued, either civilly or criminally, if a consensus is not reached or if a violation of the AREBI Code of Ethics is proven.

Article 13 Sanctions

- 1) The sanctions imposed in the decision of the Central Executive Board could be in the form of:
 - a) Ordinary Warning:

In the event that the violation is ordinary / minor, therefore an Ordinary Warning Letter shall be issued.
 - b) Severe Warning:

In the event that the violation is serious due to repeated violations and / or does not heed the warning sanction that has been given, or the violation in question meets the criteria of a serious violation, therefore Severe Warning Letter shall be issued directly.
 - c) Conditional Dismissal:

In the event that the violation is severe, disregards and disrespects the Code of Ethic provisions, and or after receiving a severe warning letter still repeat the violations,

therefore Conditional Dismissal Letter shall be issued as a member of AREBI for 1 (one) year from the date of the decision.

d) Expulsion:

In the event that the violation of the AREBI Code of Ethics committed completely damages the objectives, image, and dignity of the AREBI organisation in the field of the Property Broker profession, therefore Expulsion Decision Letter shall be issued as a Member of AREBI.

2) In the case of conditional dismissal, the following applies:

- a) Prohibited from participating in all AREBI activities.
- b) If reapplying for AREBI membership, an assessment will be conducted, and a minimum of five recommendations from active AREBI members should be obtained.
- c) The reapplication process for AREBI membership should follow the new membership registration procedure.

Article 14
Delivery of Decision Copies

Based on the decision in Chapter V, Article 12.3, within a maximum of 14 (fourteen) days, a copy of the decision shall be made and shall be delivered to:

- 1) The Complainant
- 2) The Respondent / Member being complained about
- 3) The Regional Executive Board
- 4) The Central Executive Board
- 5) Other relevant institutions

Chapter VI
CLOSING

Article 15
Conclusion and Closing

- 1) Amendments to the AREBI Code of Ethics and Rules of Professional Conduct may be made by the Central Executive Board through the AREBI National Work Meeting and the AREBI National Conference.
- 2) Detailed implementation instructions for the AREBI Code of Ethics and Rules of Professional Conduct can be further regulated by the Regional Executive Board in the form of Regional Organizational Regulations.
- 3) The AREBI Code of Ethics and Rules of Professional Conduct were refined by the AREBI Central Executive Board Working Group Team in accordance with the Working Group Team Assignment Letter No. 004/ST/DPP-AREBI/VIII/2024.
- 4) If there are errors and/or mistakes in the future, they will be corrected accordingly.
- 5) This refinement of the AREBI Code of Ethics and Rules of Professional Conduct takes effect from the date of enactment

Jakarta, 10 November 2024

PREPARED AND REFINED AGAIN IN NOVEMBER 2024

WORKING GROUP TEAM OF THE AREBI CENTRAL EXECUTIVE BOARD

WORKING GROUP TEAM
OF THE AREBI CENTRAL EXECUTIVE BOARD

CHAIRMAN:

VICE CHAIRMAN:

SECRETARY:

Yunior Liu

Vice Chairman V

Sulihin Widjaja

Secretary General

Agung Putri

Vice Secretary General

MEMBERS

Ir. Widiyanto (Aseng)

Vice Chairman VI

Putu Subada Kusuma

Vice Chairman VII

Acknowledged by:

Lukas Bong

Chairman of Central Executive Board AREBI

Ratified at the X National Conference 2024

Decision No.: 09/Kep/MUNAS-AREBI/XI/2024

Date: 21 November 2024

NATIONAL CONFERENCE X AREBI
PRESIDIUM SESSION LEADERSHIP

Chairman

Vice Chairman

Secretary

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Members

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