



Code of Ethics Policy

The International Association of Registered Financial Consultants (IARFC®) is the sole body designated to award and support the Association's designations, credentials, and membership. The IARFC designations and credentials are widely recognized and bestow a recognized level of competence in the field. Part of that competence relates to an understanding that the designee, credential holder, and/or member will abide by the Code of Ethics and Practice Standards, thereby protecting the public they are called to serve. All IARFC designees, credential holders, and/or members must agree to uphold, abide by, and practice in accordance with this Code of Ethics in order to protect the value of their designation or credential and provide assurance to all members of the public, most importantly those who are served by the designee, credential holder, and/or member.

The Code consists of three parts: The Canons, The Principles and The Rules. The Principles embody the ethical and professional standards expected of IARFC designees, credential holders, and members. These principles address the "substance" and not merely the "form" of service to the clients and the employers. The Principles are the guidelines of professional conduct, the same conduct that any clients would expect of any professional on whom they rely — an attorney, a CPA or a physician. The Rules serve as a description of best-practices or IARFC Standards, and outline how the Principles must be implemented in specific circumstances.

THE CANONS OF ETHICAL BEHAVIOR

The International Association of Registered Financial Consultants hereby establishes these **Canons of Ethical Behavior** stating that all IARFC designees, credential holders, and members are bound to:

- I. Put their clients' interest above their own at all times within the scope of their abilities.
- II. Maintain proficiency in their work through continuing education.
- III. Charge a fair and reasonable fee based on the amount of time and skill required to complete the financial planning process.
- IV. Abide by both the spirit and the letter of the laws and regulations applicable to financial planning services.
- V. Give their clients the same service they would provide to themselves in the same circumstances.
- VI. Disclose all facts about fees, commissions, and any other sources of compensation that are received for services provided to clients.



THE PRINCIPLES

Principle 1. Competence: An IARFC designee, credential holder, and/or member shall provide services to clients in a manner that demonstrates competency. Competency must be maintained through participation in recertification activities that demonstrate that the designee, credential holder, and/or member has maintained current in the necessary knowledge and skills required in the role of the designation, credential holders, and/or membership they hold.

Competence is defined as having adequate levels of knowledge and skill to provide appropriate advice as judged by one's peers. Competence includes the recognition when one is involved in matters beyond one's competence that one must withdraw or seek appropriate professional assistance. Competence also includes maintaining one's level of knowledge through continuing education/recertification.

Principle 2. Confidentiality: An IARFC designee, credential holder, and/or member shall not disclose any confidential client information without the specific consent of the clients unless the disclosure is made in response to a legal proceeding, to defend against charges of wrongdoing by the designee, credential holder, and/or member, a response to a legal subpoena, or in connection with a civil dispute between the designee, credential holder, and/or member and a claimant.

Confidentiality is a fundamental aspect of trust on which the professional-client relationship is based.

Principle 3. Professionalism: An IARFC designee, credential holder, and/or member's conduct in all matters shall reflect professionalism and good character as expected by the Association. Because of the critical nature of the professional services rendered by the designee, credential holder, and/or member and the sensitivity of the financial affairs of their clients, the designee, credential holder, and/or member are held responsible for their behaviour not only to clients, but also prospective clients, other professionals and members of the public. An IARFC designee, credential holder, and/or member is representing the Association and may not behave in any manner that would discredit the Association.

Principle 4. Fairness and Integrity: An IARFC designee, credential holder and/or member shall perform professional services in a manner that is fair and reasonable to clients, prospective clients, colleagues, and employers. Moreover, the designee, credential holder, and/or member shall disclose any conflicts of interest associated with providing such services. Fairness includes subordinating one's own personal interest when it conflicts with the client's interests and when such conflicts are unclear, attempting to balance the interests of all parties equitably. The designee, credential holder, and/or member must demonstrate integrity by living according to high moral principles and serving the public with steadfast adherence to the IARFC Code of Ethics Rules and Principles, and the IARFC Policies and Procedures.

Principle 5. Diligence: An IARFC designee, credential holder, and/or member shall remain organized regarding client's records and affairs, shall respond to clients' concerns and communications in a timely manner, and shall properly plan and provide appropriate follow-up on services or products delivered.

Principle 6. Objectivity: An IARFC designee, credential holder, and/or member shall be objective in providing professional services to clients. Services must be provided without the influence of personal bias opinions, unsubstantiated forecasts, and unfounded assumptions. Recommendations to clients must be based upon available facts, and a proper balancing of those facts.



THE RULES

RULES THAT RELATE TO THE PRINCIPLE OF COMPETENCE

Rule 101: An IARFC designee, credential holder, and/or member shall keep informed of developments in their area of activity and participate in continuing education throughout their professional career in order to improve professional competence in all fields in which the designee, credential holder, and/or member is involved. The IARFC designee, credential holder, and/or member shall satisfy all minimum continuing education requirements established by their licensing authorities and regulatory organizations and the IARFC.

Rule 102: An IARFC designee, credential holder, and/or member shall offer advice only in those areas that the designee, credential holder, and/or member has competence. In those areas that the designee, credential holder, and/or member is not professionally competent, they shall seek the counsel of qualified individuals and/or refer clients to such persons or withdraw from providing advice or assistance.

RULES THAT RELATE TO CONFIDENTIALITY

Rule 201: An IARFC designee, credential holder, and/or member shall not reveal or use for their benefit, without the client's consent, any personally identifiable information relating to the clients' relationship or the affairs of the client, except and to the extent that disclosure or use is reasonably necessary:

- I. To establish an advisory or brokerage account, to affect a transaction for the client, or as otherwise authorized in order to carry out the clients' engagement; or
- II. To comply with legal requirements or legal process; or
- III. To defend the IARFC designee, credential holder, and/or member against charges of wrongdoing; or
- IV. To defend the IARFC designee, credential holder, and/or member in connection with a civil dispute between the IARFC designee, credential holder, and/or member and the client.

For the purposes of this rule, the proscribed use of clients' information is improper, regardless of whether it actually causes harm to the client.

Rule 202: An IARFC designee, credential holder, and/or member shall maintain the same standards of confidentiality to employers as to clients.

Rule 203: An IARFC designee, credential holder, and/or member doing business as a partner or principal of a firm owes to their partners or co-owners a responsibility to act in good faith. Good faith includes, but is not limited to, adherence to reasonable expectations of confidentiality both while in business together and thereafter.



RULES THAT RELATE TO THE PRINCIPLE OF PROFESSIONALISM

Rule 301: An IARFC designee, credential holder, and/or member shall use the designation, credential, and/or membership in compliance with the current rules and regulations of the IARFC and Certification Board, as established and amended.

Rule 302: An IARFC designee, credential holder, and/or member shall show respect for other professionals and related occupational groups by engaging in fair, ethical, honourable, and competitive practices.

Rule 303: An IARFC designee, credential holder and/or member who has been or is the subject of disciplinary action or review by a regulating agency shall notify the IARFC of such action immediately upon learning of the action not to exceed 45 days. An IARFC designee, credential holder, and/or member who fails to follow this rule is subject to revocation of their designation, credential and/or membership on a permanent basis.

Rule 304: An IARFC designee, credential holder, and/or member who has knowledge that another designee, credential holder, and/or member has committed a violation of this Code shall promptly notify the IARFC Ethics Committee not to exceed 45 days. A violation would be any act that raises substantial questions as to another designee's, credential holder's, and/or member's honesty, integrity, competence, trustworthiness or fitness to practice. For the purposes of this Rule, knowledge means no substantial doubt.

Rule 305: An IARFC designee, credential holder, and/or member who has knowledge that raises a substantial question of legally actionable, unprofessional, fraudulent or illegal conduct by an IARFC designee, credential holder, member or other person — shall promptly inform the appropriate regulatory and/or professional disciplinary body not to exceed 45 days, as well as the IARFC Ethics Committee. For purposes of this Rule, knowledge means no substantial doubt.

Rule 306: An IARFC designee, credential holder, and/or member who has reason to suspect illegal conduct within the designee, credential holder's, and/or member's organization shall make timely disclosure of the available evidence to the designee, credential holder, and/or member's immediate supervisor and/or partners or co-owners. If the designee, credential holder, and/or member is convinced that illegal conduct exists within the designee, credential holder, and/or member's organization, and that appropriate measures are not being taken to remedy the problem, the designee, credential holder, and/or member shall, where appropriate, alert the proper regulatory authorities, and the IARFC Ethics Committee not to exceed 45 days.

Rule 307: In all professional activities, An IARFC designee, credential holder, and/or member shall perform services in accordance with:

- (a) Applicable laws, rules and regulations of governmental agencies and other applicable authorities; and
- (b) Applicable rules, regulations and other established policies of the IARFC Ethics Committee.

Rule 308: An IARFC designee, credential holder, and/or member shall not engage in any conduct that reflects adversely on his/her integrity or fitness to practice.



Rule 309: An IARFC designee, credential holder, and/or member shall return a client's original records in a timely manner when the clients requests them.

Rule 310: An IARFC designee, credential holder, and/or member shall exercise reasonable and prudent professional judgment in providing professional services.

Rule 311: An IARFC designee, credential holder, and/or member shall always act in the best interest of the clients or prospective clients.

RULES THAT RELATE TO FAIRNESS AND INTEGRITY

Rule 401: An IARFC designee, credential holder, and/or member shall, in rendering services to a client, disclose:

- (a) All material information relevant to the professional relationship, including but not limited to conflict(s) of interest(s), changes in the designee's, credential holder's, and/or member's business affiliation, address, telephone number, credentials, qualifications, licenses, and agency relationships, as well as the designee's, credential holder's and/or member's scope of authority within the agency.
- (b) The information required by all laws applicable to the relationship in a manner that complies with such laws.

Rule 402: An IARFC designee, credential holder, and/or member who practices financial planning shall make timely written disclosure of all material information relative to the professional relationship, including conflict(s) of interest(s) and sources and amount of compensation, as well as the following:

- (a) A statement setting forth the philosophy of the designee, credential holder, and/or member (or their firm) in working with clients, and
- (b) Resumes of principals and employees of the firm who are expected to provide services to the client, as well as a description of those services.

Rule 403: An IARFC designee, credential holder and/or member's compensation shall be fair and reasonable, with an estimate of fees and method of compensation clearly disclosed.

Rule 404: An IARFC designee, credential holder and/or member who is an employee shall perform professional services with dedication to the lawful objectives of the employer and in accordance with this Code.

Rule 405: Prior to establishing a professional relationship, An IARFC designee, credential holder, and/or member may provide the prospective clients with professional references and recommendations from present or former clients, provided that such references and recommendations do not violate the confidentiality provisions of the Code or any other regulatory restrictions.

Rule 406: An IARFC designee, credential holder, and/or member shall not solicit clients through false or misleading communications or advertisements, either written or oral.



Rule 407: An IARFC designee, credential holder, and/or member shall not, during the course of rendering professional services, engage in conduct that involves dishonesty, fraud, deceit or misrepresentation, or knowingly make a false or misleading statement to a client, employer, employee, professional colleague, governmental or other regulatory body or official, or any other person or entity.

Rule 408: An IARFC designee, credential holder, and/or member shall not give the impression to clients or prospective clients that the designee, credential holder, and/or member is representing the views of the International Association of Registered Financial Consultants or any other group, unless the designee, credential holder, and/or member has been expressly authorized to do so.

Rule 409: An IARFC designee, credential holder, and/or member is prohibited from the unauthorized or misleading use of the IARFC designations and credentials. If the designee's, credential holder's, and/or member's renewal date has passed and they have not fulfilled requirements to maintain membership, the membership may not be used until the designee, credential holder, and/or member meets all requirements and pays all outstanding fees and fines. Additionally, An IARFC designee, credential holder, and member is prohibited from using the designation, credential, and/or membership to represent that they are a specialist in a particular product or service, has specific knowledge that they do not possess or use the designation, credential, and/or membership in any way to mislead a prospect or clients about their expertise or breadth of experience or knowledge.

Rule 410: An IARFC designee, credential holder and/or member shall conduct themselves with honour, integrity, and dignity.

RULES THAT RELATE TO DILIGENCE

Rule 501: An IARFC designee, credential, and/or member shall act promptly when serving clients, employers, principals, and other users of the designee, credential holder, and/or member's services.

Rule 502: An IARFC designee, credential holder, and/or member shall carefully evaluate a client's circumstances prior to making a recommendation and the designee, credential holder, and/or member shall make and/or implement only those recommendations that are appropriate for the client.

Rule 503: An IARFC designee, credential holder, and/or member shall properly supervise subordinates with regard to their delivery of services to the client, and the designee, credential holder, and/or member shall not accept or otherwise condone any subordinate's conduct that is in violation of this Code.

Rule 504: A credential holder shall use the credential only when the credential holder is in good standing with the Ethics Committee and Certification Board. Good standing shall be interpreted to mean current on all applicable fees, Code of Ethics reaffirmation, and continuing education credits.

Rule 505: A designee or member shall use the designation or membership only when the designee or member is in good standing with the IARFC and the Ethics Committee. Good standing shall be interpreted to mean current on all applicable fees, Code of Ethics reaffirmation and continuing educations credits when applicable.



RULES THAT RELATE TO OBJECTIVITY

Rule 601: An IARFC designee, credential holder, and/or member shall employ objective standards in providing professional services or recommending products and not be influenced by personal biases, assumptions, hearsay, public opinion or other information which cannot be substantiated or which has no foundation.

VIOLATION OF THE CODE OF ETHICS:

IARFC designees, credential holders, and/or members who violate the Code of Ethics shall be subject to disciplinary actions by the IARFC Ethics Committee.