



# Agent's Code of Professional Ethics

## Code of Professional Ethics

The objective of this Code of Professional Ethics is to specify and set forth the means to enforce the minimum ethical conduct expected of all agents as professionals and to facilitate voluntary compliance with the standards considerably higher than the required minimums. Accordingly, the Code prescribes two kinds of standards; Canons and Rules of Professional Conduct.

The **Canons** serve as model standards of exemplary professional conduct. They express the general concepts and principles from which more specific Rules are derived.

The **Rules** are specific standards of a mandatory and enforceable nature. They prescribe the absolute minimum level of conduct required of every agent. The reliance of the public and the business community on sound financial planning and advice imposes on financial planning professionals an obligation to maintain high standards of technical competence, morality and integrity. To this end, the following Code of Professional Ethics serves as the guiding document.

Each agent is required, to read, understand, acknowledge and agree to abide by this Code of Profession Ethics in all respects.



## **Canon 1**

*The agent should endeavor as a professional to place the public interest above His/her own.*

### **RULES OF PROFESSIONAL CONDUCT**

The agent has a duty to understand and abide by all Rules of Professional Conduct, which are set forth in this Code of Professional Ethics.

The agent shall not directly or indirectly condone any act that the agent is prohibited from performing by the Rules of this Code.

## **Canon 2**

*The agent should seek continually to maintain and improve his/her professional knowledge, skills and competence.*

### **RULES OF PROFESSIONAL CONDUCT**

The agent shall keep informed on all matters that are essential to the maintenance of the agent's professional competence in the area in which he/she specializes and/or claims expertise.

## **Canon 3**

*The agent must obey all laws and regulations and avoid any contact or activity that would cause unjust harm to those who rely upon the professional judgment and skill of the agent.*

### **RULES OF PROFESSIONAL CONDUCT**

The agent will be subject to disciplinary action for professional misconduct and has the duty to be aware of and abide by the laws and regulations and all legal limitations pertaining to the agent's professional activities.

The agent shall place the needs and best interests of the client above the needs and interests of the agent, the agent's employees or business associates in all cases; and shall not allow the pursuit of financial gain or other personal benefit to interfere with the exercise of sound professional judgment and skills.



In the conduct of business or professional activities, the agent must not engage in any act or omission of a dishonest, deceitful or fraudulent nature.

The agent shall not knowingly misrepresent or conceal any material limitation in respect to the agent's ability to provide the quantity or quality of service that will adequately meet the financial planning needs of the client.

In marketing a product, the agent must not knowingly misrepresent or conceal any material limitations on the product's ability to meet the financial needs of the client, and shall scrupulously avoid any statements that are likely to mislead the client regarding the future results of any recommendation.

The agent has the duty to disclose fully and accurately the material facts representing the true costs, benefits, and limitations of any service or products recommended; and disclose any actual or potential conflict of interest that could impair objectivity.

The agent must not disclose to another person any confidential information entrusted to or obtained by the agent in the course of the agent's business or professional activities, unless a disclosure of such information is required by law or is made to a person who necessarily must have the information in order to discharge legitimate occupational or professional duties.

In the rendering of a professional service to a client, the agent has the duty to maintain the type and degree of professional independence that (a) is required of practitioners in the agent's occupation or (b) is otherwise in the public interest, given the specific nature of the service being rendered.

## **Canon 4**

*The agent must be diligent in the performance of his/her occupational performance of his/her occupational duties.*

### **RULES OF PROFESSIONAL CONDUCT**

The agent shall competently and consistently discharge the agent's occupational duties to every employer, client, purchaser, or user of the agent's services, so long as those duties are consistent with the client's best interests.

In the making of oral or written recommendations to clients, the agent shall (a) distinguish clearly between fact and opinion; (b) base the recommendations on sound professional evaluation of the clients' needs; and (c) support the recommendations with



appropriate research and adequate documentation of facts.

## **Canon 5**

*The agent should assist in improving the public understanding of financial planning.*

### **RULES OF PROFESSIONAL CONDUCT**

The agent shall support efforts to provide consumers with objective information concerning their financial planning needs, as well as the resources that are available to meet their needs.

The agent shall not misrepresent the benefits, costs or limitations of any financial planning service or product, whether the product or service is offered by the agent or by another individual or firm.

## **Canon 6**

*The agent must always treat the client with dignity and respect and at all times adhere to the concept of suitability.*

### **RULES OF PROFESSIONAL CONDUCT**

Clients who are seniors have significant experience in many and various areas. They are educated, intelligent and valuable segments of the community. The agent at all times must recognize these qualities and conduct business with seniors in a manner that justly reflects this respect.

Many clients, including seniors, are not familiar with or aware of the planning they may need in respect to their retirement needs. It is the responsibility of the agent to (a) do whatever is necessary to educate the client in this regard; (b) be absolutely certain that there is a clear understanding; and (c) provide options and solutions in a dignified manner.

Seniors can be vulnerable to those whose only goal is to sell any financial service product or services for the commission or fee earned regardless of suitability. It is the firm duty and responsibility of the agent to protect the senior purchaser by making all recommendations to seniors based on suitability; that is, the senior's need for such product or service.



## Canon 7

*The agent must refrain from marketing, soliciting or selling unregistered securities or any other such related products or services as well as avoid any schemes or arrangements of a questionable nature.*

### **RULES OF PROFESSIONAL CONDUCT**

The agent shall not be involved in any manner whatsoever with any unregistered securities such as ATM machines, pay phones, equipment leasing, promissory notes, vertical settlements, off-shore investments and the like.

The agent shall not be involved in any businesses or arrangements of a questionable nature, regardless of their nature; but instead, constantly maintain the highest of ethical reputations.

## Canon 8

*The agent should use the fact of “independent agentship” in a manner consistent with the Rules of Professional Conduct.*

### **Rules of Professional Conduct**

The agent shall not misrepresent the criteria for admission to Brokers' Choice of America independent agentship. Those criteria are (1) active participation in the financial services industry; and (2) a written commitment to abide by this agreement and its Code of Professional Ethics.

The agent must not misstate his/her authority to represent Brokers' Choice of America. Specifically, an agent must not write, speak or act in such a way as to lead another to believe that the agent is officially representing Brokers' Choice of America, unless the agent has been duly authorized to do so by Brokers' Choice of America.

The agent must not use the fact of general independent agentship for noncommercial purposes; such as resumes, prospectuses, nor in introductions unless the speaker clearly states that the opinions and ideas presented are his/her own and not necessarily those of the Brokers' Choice of America.

The agent or prospective agent applying for Brokers' Choice of America independent agentship shall not misrepresent any credentials or affiliations with other organizations.



## Canon 9

*The agent should assist in maintaining the integrity of this Code of Professional Ethics.*

### **RULES OF PROFESSIONAL CONDUCT**

The agent shall not sponsor as a candidate for Brokers' Choice of America independent agentship any person who is known by the agent to engage in business or professional practices, which violate this Code.

The agent possessing unprivileged information concerning an alleged violation of this Code shall, upon request, reveal such information to Brokers' Choice of America to investigate or act upon the alleged violation.

The agent shall immediately notify Brokers' Choice of America of any accusation or actual violation of the code of ethics of any professional credentialing organization to which he/she is subject and forward complete details to Brokers' Choice of America.

The agent shall immediately notify BCA of any revocation or suspension by any state or federal licensing or regulatory agency of any license held by the agent and forward complete details to.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Agent (Print)

Date Signed: \_\_\_\_\_

To Your Success,  
Brokers Choice of America

*\*As with any financial transaction make sure to consult your CPA or tax attorney as well as your Financial Advisor for the most appropriate information as it applies to you individually. This article is written only to provide a basic understanding of the above concept.*

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