



CRFA™ Code of Ethics

The Society of Certified Retirement Financial Advisors™ grants the CRFA™ designation to a limited number of applicants. By recommending graduates to retirees, the Society takes on a great responsibility. Every graduate must agree to uphold and abide by this code of ethics to protect the value of the designation and provide assurance to retirees that they may rely on the ethical standards of CRFA™ graduates.

The Society of Certified Retirement Financial Advisors™ has established this Code of Ethics.

1. To conduct your business according to high standards of honesty and fairness and to render that service to your clients so that any “prudent man” would agree that you conduct yourself and your business beyond reproach.
2. To provide competent and “client-centric” service. If your products or services do not fit the prospect or client, you will identify that fact as soon as possible and withdraw.
3. Seek to make a comprehensive review of your prospect’s or client’s financial circumstances and make appropriate referrals to other professionals for services beyond your expertise. In other words, seek to protect your client’s or prospect’s financial well-being whether or not within your specific area of expertise.
4. To provide prompt handling of client’s financial affairs and immediately address client concerns, dissatisfaction or complaints.
5. To advertise honestly, to use appropriate sales materials and presentations and to provide a balanced view of all recommendations.

The Code consists of three parts: The Principles, The Rules, and The Disciplinary Procedures. The Principles embody the ethical and professional standards expected of CRFA™ Graduates. These principles address the “substance” and not merely the “form” of the graduate’s behavior. The

Principles are the guidelines of professional conduct, the same conduct that any client would expect of any professional on whom they rely—an attorney, a CPA or a physician. The Rules deal with how the Principles are implemented in specific circumstances.

The Rules may not apply to every graduate because each graduate may participate in different areas of financial services products and services. Each graduate must determine which rules apply in which circumstances and where a specific rule does not exist, look to the Principles for guidance.

The Principles

Principle 1. Competence: A CRFA™ graduate shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which the graduate is engaged.

Competence means having adequate levels of knowledge and skill to provide appropriate advice as judged by one's peers. Competence also includes the recognition when one is involved in matters beyond one's competence and either withdraws or seeks appropriate professional assistance. Competence also includes maintaining one's level of knowledge through continuing education.

Principle 2. Confidentiality: A graduate shall not disclose any confidential client information without the specific consent of the client unless in response to proper legal process, to defend against charges of wrongdoing by the graduate or in connection with a civil dispute between the graduate and claimant.

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

Principle 3. Professionalism: A graduate's conduct in all matters shall reflect credit upon the designation. Because of the importance of the professional services rendered by graduates and the sensitivity of the financial affairs of retirees, graduates must be responsible for their behavior to not only clients, but also prospects, other professionals and members of the public. A graduate is representing the credential and may not behave in any manner that would discredit the credential.

Principle 4. Fairness & Integrity: A CRFA™ Graduate shall perform professional services in a manner that is fair and reasonable to clients, prospective clients, colleagues, and employers, and the graduate 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.

Principle 5. Diligence: A CRFA™ Graduate shall remain organized regarding clients records and affairs, shall respond in a timely manner, shall properly plan and provide appropriate follow up on services or products delivered.

Principle 6. Objectivity: A graduate shall be objective in providing professional services to clients and eliminate personal opinions, unsubstantiated forecasts, unfounded assumptions and base recommendations on the available facts and a proper balancing of those facts.

The Rules Introduction

The Principles apply to all CRFA™ graduates. However, due to the nature of a graduate's particular field of endeavor, certain Rules may not be applicable to that graduate's activities. Therefore, the graduate must determine which rules apply to their particular activities and adhere to them. When a rule seems to be missing, the graduate should look to the broader principles for guidance.

Rules that Relate to the Principle of Competence

Rule 101: A CRFA™ Graduate shall keep informed of developments in his/her area of activity and participate in continuing education throughout his/her professional career in order to improve professional competence in all fields in which the designee is involved. The CRFA™ Graduate shall satisfy all minimum continuing education requirements established by his/her licensing authorities and regulatory organizations and the Society of Certified Retirement Financial Advisors™.

Rule 102: A CRFA™ Graduate shall offer advice only in those areas that the CRFA™ has competence. In those areas that the CRFA™ is not professionally competent, he/she 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: A CRFA™ Graduate shall not reveal or use for his/her benefit, without the client's consent, any personally identifiable information relating to the client relationship or the affairs of the client, except and to the extent that disclosure or use is reasonably necessary:

(a) To establish an advisory or brokerage account, to effect a transaction for the client, or as otherwise authorized in order to carry out the client engagement; or

(b) To comply with legal requirements or legal process; or

(c) To defend the CRFA™ Graduate against charges of wrongdoing; or

(d) To defend the CRFA™ Graduate in connection with a civil dispute between the CRFA™ Graduate and the client.

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

Rule 202: A CRFA™ Graduate shall maintain the same standards of confidentiality to employers as to clients.

Rule 203: A CRFA™ Graduate doing business as a partner or principal of a firm owes to his/her 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: A CRFA™ Graduate shall use the designation in compliance with the rules and regulations of the Society of Certified Retirement Financial Advisors, as established and amended from time to time.

Rule 302: A CRFA™ Graduate shall show respect for other professionals and related occupational groups by engaging in fair and honorable competitive practices.

Rule 303: A CRFA™ Graduate who has knowledge that is not required to be kept confidential under this Code that another CRFA™ Graduate has committed a violation of this Code, which raises substantial questions as to that designee's honesty, trustworthiness or fitness as a CRFA™ Graduate, shall promptly notify the CRFA™ Board of Standards. For purposes of this Rule, knowledge means no substantial doubt.

Rule 304: A CRFA™ Graduate who has knowledge that is not required to be kept confidential under this Code — which raises a substantial question of unprofessional, fraudulent or illegal conduct by a CRFA™ Graduate or other person — shall promptly inform the appropriate regulatory and/or professional disciplinary body, as well as the CRFA™ Board of Standards. For purposes of this Rule, knowledge means no substantial doubt.

Rule 305: A CRFA™ Graduate who has reason to suspect illegal conduct within the designee's organization shall make timely disclosure of the available evidence to the designee's immediate supervisor and/or partners or co-owners. If the CRFA™ Graduate is convinced that illegal conduct exists within the designee's organization, and that appropriate measures are not being taken to remedy the

problem, the CRFA™ Graduate shall, where appropriate, alert the proper regulatory authorities, including the CRFA™ Board of Standards.

Rule 306: In all professional activities, a CRFA™ Graduate 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 Board of Standards of the Society.

Rule 307: A CRFA™ Graduate shall not engage in any conduct that reflects adversely on his/her integrity or fitness as a CRFA™ Graduate or the Society.

Rule 308: A CRFA™ Graduate shall return a client's original records in a timely manner when the client requests them.

Rule 309: A CRFA™ Graduate shall exercise reasonable and prudent professional judgment in providing professional services.

Rule 310: A CRFA™ Graduate shall always act in the best interest of the client or prospect.

Rules that Relate to Fairness & Integrity

Rule 401: A CRFA™ Graduate 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 CRFA™ Graduate's business affiliation, address, telephone number, credentials, qualifications, licenses, and agency relationships, as well as the designee'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: A CRFA™ Graduate 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 CRFA™ Graduate (or his/her 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: A CRFA™ Graduate's compensation shall be fair, reasonable, and clearly disclosed.

Rule 404: A CRFA™ Graduate 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, a CRFA™ Graduate may provide the prospective client references and recommendations from present or former clients, provided that such references and recommendations do not violate the confidentiality provisions of the Code.

Rule 406: A CRFA™ Graduate shall not solicit clients through false or misleading communications or advertisements, either written or oral.

Rule 407: A CRFA™ Graduate 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: A CRFA™ Graduate shall not give the impression to a client or prospective client that the designee is representing the views of the Society of Certified Retirement Financial Advisors™ or any other group, unless the graduate has been expressly authorized to do so. The graduate's personal opinions shall be clearly identified as such.

Rule 409: A CRFA™ Graduate is prohibited from the unauthorized or misleading use of Society-approved credentials. If the graduate's renewal date has passed and graduate has not fulfilled requirements to maintain designation, such person may no longer use the CRFA designation until reactivated by meeting all requirements and paying any required late fee. Additionally, graduate may not misuse designation to represent that he is a specialist in a particular product or service, has specific knowledge that he does not possess or use the designation in any way to mislead a prospect or client about his expertise or breadth of experience or knowledge.

Rule 410: A CRFA™ Graduate shall conduct him/herself with honor and dignity.

Rules that Relate to Diligence

Rule 501: A CRFA™ Graduate shall act promptly in serving clients, employers, principals, and other users of the designee's services.

Rule 502: A CRFA™ Graduate shall carefully evaluate a client's circumstances prior to making a recommendation and the graduate shall make and/or implement only those recommendations that are appropriate for the client.

Rule 503: A CRFA™ Graduate shall properly supervise subordinates with regard to their delivery of services to the client, and the designee shall not accept or otherwise condone any subordinate's conduct that is in violation of this Code.

Rule 504: A CRFA™ Graduate shall use the CRFA™ designation only if the CRFA™ is in good standing with the CRFA™ Board of Standards and the Society of Certified Retirement Financial Advisors™ and is current with the annual license fee and continuing education requirements.

Rules that Relate to Objectivity

Rule 601: A graduate shall employ objective standards in providing professional services or recommending products and not be influenced by biases, assumptions, hearsay, public opinion or other information which cannot be substantiated or which has no foundation.

The Disciplinary Procedures

Introduction:

All CRFA™ graduates are bound by the Principles and Rules of the Code of Ethics. In order to maintain high standards of professional conduct, those graduates who have demonstrated that they are unable to or have not discharged their professional responsibilities shall be subject to appropriate disciplinary procedures. Adherence to the Code of Ethics in letter and spirit is mandatory for all CRFA™ Graduates, and its provisions will be strictly enforced.

The Board of Standards:

The CRFA™ Board of Standards, Inc. (the Board), is a group of industry professionals, responsible for setting standards, maintaining the educational curriculum, providing opportunities for continuing education and investigating, reviewing, and taking appropriate action with respect to a graduate's alleged violations of the Code of Ethics.

The Board is authorized to:

1. Make amendments to the Code of Ethics and/or Disciplinary procedures as societal mores shift in order to maintain a high standard for graduate conduct;
2. Appoint CRFA™ graduates to assist with investigations or to serve temporarily as Hearing Officers or participate in disciplinary panels;
3. Select other individuals who will investigate alleged violations of the Code;
4. Report to the graduates on the operation of the Board;
5. Prosecute graduates who violate the rules or the principles by implementing procedures described below.

Grounds for Discipline

Misconduct by a CERTIFIED RETIREMENT FINANCIAL ADVISOR™ professional, including the following acts or omissions, constitutes grounds for discipline, whether or not the misconduct occurred in the course of a client relationship:

- any act or omission which violates the provisions of CRFA Board's *Code of Ethics and Professional Responsibility (Code of Ethics)*
- any act or omission which violates the criminal laws of any state or of the U.S.
- any act which is the proper basis for suspension of a professional license
- any act or omission which violates CRFA Board's *Disciplinary Rules & Procedures*
- failure to respond to a request by the Board of Professional Review without good cause
- obstruction of the Board of Professional Review's performance of its duties
- any false or misleading statement made to CRFA Board

This list is not exclusive, and there may be other acts or omissions amounting to unprofessional conduct, which may also constitute grounds for discipline.

Disciplinary Procedure:

The disciplinary process is initiated by the filing of a complaint and anyone may file a complaint against a graduate.

Upon the Board's receiving a complaint, the Board will notify the graduate and the charged graduate will be required to respond to the complaint within fifteen (15) days.

The disciplinary procedures of CRFA Board have been devised to ensure a fair and reasonable process for a CERTIFIED RETIREMENT FINANCIAL ADVISOR™ professional against whom allegations of *Code of Ethics* violations are brought.

1. Request for Investigation - Upon receipt of a written complaint, staff counsel reviews the allegations to determine if further investigation is warranted.
2. Investigation - If staff counsel determines to proceed with an investigation a CERTIFIED RETIREMENT FINANCIAL ADVISOR™ professional is given written notice of the investigation, which contains the general nature of the allegations. The CERTIFIED RETIREMENT FINANCIAL ADVISOR™ professional is given 30 days within which to file a written response. If no response is received within the allotted 30 days a formal complaint is issued and the case is presented to a hearing panel.
3. Probable Cause Determination - CRFA Board Staff Counsel determines if there is probable cause to believe grounds for discipline exist. If so, staff may issue a formal complaint against the CERTIFIED RETIREMENT FINANCIAL ADVISOR™ professional. If the information already received is sufficient, however, it is immediately turned over to panel review.
4. Formal Complaint – Where deemed necessary, the complaint will contain the specific allegations of misconduct and the potential *Code of Ethics* and/or *Practice Standards* violations. The CERTIFIED RETIREMENT FINANCIAL ADVISOR™ professional has 30 days from the date of receipt of the complaint to file a written answer. If no answer is received, the allegations in the complaint are deemed admitted and the CERTIFIED RETIREMENT FINANCIAL ADVISOR™ professional's right to use the CRFA™ certification marks is administratively revoked.
5. Panel Review - When a written response to the complaint is received, a review of the facts takes place before a panel of three individuals. At least one member of every panel is a member of the Board of Professional Review.
6. Board of Professional Review - The panel submits its findings for review to the full Board of Professional Review which, after considering all the facts and recommendations, renders a final decision.
7. All decisions of the Board of Professional Review are final.

Forms of Discipline

If grounds for discipline have been established, the Board of Professional Review may impose any of the forms of discipline below. All disciplinary actions, except private written censure, may be publicly disseminated.

- a private written censure
- a public letter of admonition
- suspension of the right to use the CRFA™ marks for a specified period of time, not to exceed five years
- permanent revocation of the right to use the CRFA™ marks.



BOARD OF STANDARDS

Acknowledgement and Acceptance of the CRFA™ Code of Ethics

I have read and understand the CRFA™ Code of Ethics.
I agree to conduct my business in accordance with its terms.

Print Name: _____

Address: _____

City, State, Zip Code: _____

Area Code, Phone Number: _____

Signature: _____

Date: _____

Class Attended: _____

Mail To:
Society of Certified Retirement Financial Advisors™
Attention: CRFA™ Board of Standards
Oakland Blvd., Ste. 240
Walnut Creek, CA. 94596
Or Transmit via Facsimile to: 925.520.4875