

INTRODUCTION

There are two parts to the TripleA Advisers Association Code of Conduct:

Part One: Code of Ethics which seeks to codify an overall code of conduct for TripleA members.

Part Two: Disciplinary procedures that outlines the steps that will be taken should a complaint be received in respect to a TripleA member.

PART 1: CODE OF ETHICS

The Code of Ethics is structured around five (5) key principles which outline the overall standards expected of TripleA members.

PRINCIPLES

1. Competence.
2. Objectivity.
3. Fairness.
4. Compliance.
5. Professionalism.

These principles are used by the TripleA Board as a guide to determine whether the disciplinary process should be followed. They express general concepts from which more specific supporting rules are then detailed. The rules prescribe the minimum level of conduct for every member. A clear violation of the rules will constitute sufficient grounds for disciplinary action.

1. COMPETENCE

A member will provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which the member is engaged.

RULES

- 1.1 A member shall keep informed on all matters that are essential to the maintenance of the member's professional competence in the area in which they operate, specialise or claim expertise.
- 1.2 A member shall satisfy all minimum continuing education requirements set by legislation, regulation or the TripleA Advisers Association.

2. OBJECTIVITY

A member will be objective in providing professional services and advice to clients.

RULES

- 2.1 A member must make a conscientious effort to ascertain and understand all relevant circumstances surrounding the client.
- 2.2 A member must ensure advice and service is sound in the first instance and ongoing to best match the client's changing circumstances.
- 2.3 A member must remain informed of economic and legislative changes which relate to the client-member relationship.

2.4 When making oral or written recommendations to clients, a member shall:

- Distinguish clearly between fact and opinion;
- Base recommendations on a sound professional evaluation of the client's needs; and
- Support recommendations with appropriate research and documentation.

3. FAIRNESS

A member will endeavour to provide advice and service which are in the client's best interest.

RULES

- 3.1 A member must ensure that the client's interests are always placed first.
- 3.2 A member possessing a specific body of knowledge which is not possessed by the general public, has an obligation to use that knowledge for the benefit of the client, and to avoid taking advantage of that knowledge to the detriment of the client.
- 3.3 In a conflict of interest situation, the member must always act with honesty and integrity and ensure that the interests of the client are paramount. Full disclosure should always be made and recorded.

4. COMPLIANCE

A member must obey all laws and regulations governing the provision of professional advice.

RULES

- 4.1 Members must comply with all legislation and regulation relevant to the business they are conducting.
- 4.2 Members have a duty to know and abide by the laws and regulations that apply to the business they are conducting.

5. PROFESSIONALISM

A member must maintain a high level of integrity expected of a professional.

RULES

- 5.1 A member will always endeavour to act with integrity given the position of trust by clients.
- 5.2 A member is to show due courtesy and consideration to those engaged in related professions who are also serving the client.
- 5.3 In the conduct of business or professional activities, a member shall not engage in any act or omission of a dishonest, deceitful, or fraudulent nature.
- 5.4 In accordance with the Privacy Act, a member shall not disclose to any other person any confidential information obtained by the member in the course of the member'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 duties.
- 5.5 A member is expected to work to enhance the overall professionalism of the industry.
- 5.6 A member is expected to work to enhance the position of the Association and not engage in activities that may damage the reputation or integrity of the TripleA Advisers Association.

PART 2: DISCIPLINARY PROCEDURES

Under its constitution the Board of the TripleA has wide ranging powers, amongst other things, to enforce disciplinary disputes and appeal procedures which include the power to establish a Disciplinary and Disputes Committee.

The Disciplinary and Disputes Committee is to be made up of a chair who may be independent from the TripleA, and two standard members: all of whom, in the sole opinion of the Board, have the appropriate skills, expertise, and qualifications to hold inquiries into all matters, questions and disputes.

The Disciplinary and Disputes Committee shall be responsible for:

1. The hearing of complaints and / or disputes in respect to the activities of any member that is brought to the attention of the Association.
2. Recommending any appropriate disciplinary measures where in the reasonable opinion of the Disciplinary and Disputes Committee a breach of the TripleA Code of Ethics or Constitution has occurred.

Please note, the TripleA will not hear a complaint on a matter that is currently subject to civil action or likely to result in civil action unless there is evidence of gross professional misconduct.

1. CONVENING THE DISCIPLINARY AND DISPUTES COMMITTEE

The *Disciplinary and Disputes Committee* will be convened:

- At the TripleA Board's absolute discretion and on its own motion.
- On receipt of a written complaint that, in the opinion of the TripleA board, has sufficient merit to convene the committee.

Written complaints are to be addressed to the Chief Executive, TripleA Advisers Association and emailed to Wayne@TripleA.org.nz.

2. REQUIRED INFORMATION

In order to initiate a complaint, and for the TripleA Board to determine whether the *Disciplinary and Disputes Committee* should be convened, the following information shall be provided in writing.

- 2.1 Name and contact details of complainant.
- 2.2 Name of member against whom the complaint is being made.
- 2.3 A description of the alleged misconduct. It would be helpful if this outlined what elements of the TripleA Code of Ethics the complainant believes has been breached.
- 2.4 Whether the complainant has formally complained to the member concerned, including the nature of any response. All members are required under the Financial Service Providers (Registration and Dispute Resolution) Act 2008 to have an internal complaints process. The TripleA will not commence an investigation until that process has been completed.
- 2.5 Whether the complaint has been referred to any other regulatory body, or government authority, or whether legal proceedings have commenced.

3. RECORD OF COMPLAINTS

All complaints received under the TripleA Code of Conduct will be recorded in a complaints register, including those that do not proceed to a *Disciplinary and Disputes Committee* process.

4. PRELIMINARY RESPONSE TO A COMPLAINT

In response to a complaint the TripleA Advisers Association will:

- 4.1 Acknowledge receipt of the complaint in writing to the complainant within 14 days.
- 4.2 Keep a complete record and file of the progress of the complaint.
- 4.3 Supply a copy of the complaint and supporting documentation to the member and seek a response including supporting documentation from them.
- 4.4 Keep the complainant advised of progress of their complaint.
- 4.5 On receipt of the member's response, determine whether the complaint has sufficient merit to convene the *Disciplinary and Disputes Committee*.
- 4.6 If the TripleA Advisers Association is of the view that the complaint does not have sufficient merit to convene the *Disciplinary and Disputes Committee* advise the complainant of its reasons for that decision in writing.

5. RESPONSE TO A COMPLAINT

- 5.1 If the TripleA Advisers Association is of the view that the complaint does have sufficient merit then the TripleA Board will move to convene the *Disciplinary and Disputes Committee* as outlined above.
- 5.2 The committee will formally investigate the complaint and determine whether sufficient grounds exist for taking disciplinary action against the member.
- 5.3 The committee may seek the assistance of specialist advice, including legal advice, in support of their investigations, determinations and recommendations as required.

6. RESULT OF A COMPLAINT

If a complaint is upheld, within 14 days of hearing the complaint the *Disputes and Disciplinary Committee* shall give the member written advice of its findings and proposed penalties. The member may appeal the decision within 30 days of the date of the written advice.

The appeal shall be in writing to the Chief Executive of the TripleA and shall detail the reasons for the appeal. The member's appeal will be heard by the TripleA Board.

Should the appeal be unsuccessful, the member will be required to reimburse the TripleA for any costs, charges or expenses incurred by the TripleA in respect to the appeal. Penalties imposed on a member may include one or more of the following:

- 6.1 Suspend membership of the member.
- 6.2 Terminate membership of the member and remove their name from the register.

Review Date: September 2017