

PAA Code of Ethics

Objective of the Code

The Objective of the Code of Professional Ethics is to specify and set forth the means to enforce the minimum ethical conduct expected of all members as professionals, and to facilitate voluntary compliance with standards considerably higher than the required minimum. The code prescribes two kinds of standards:

- Canons and
- Rules.

Canons serve as model standards of exemplary professional conduct. They express general concepts and principles from which the 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 member. Only a violation of the Rules will constitute sufficient grounds for disciplinary action. The Canons are used by the Ethics Committee to apply and interpret the Rules uniformly with reference to the general principles and concepts they embody.

There are five canons that form the PAA code of ethics, these are:

- **Advocacy**
- **Diligence**
- **Compliance**
- **Development**
- **Integrity** (avoid activities that detract from the integrity of the PAA)

1. ADVOCACY

Endeavor to provide advice and service which are in the client's best interest.

Rules

- 1.1. 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.
- 1.2. In a conflict of interest situation, the interest of the client must be paramount.

2. DILIGENCE

Provide ongoing professional advice and service to clients

Rules

- 2.1 The member must make a conscientious effort to ascertain and understand all relevant circumstances surrounding the client.
- 2.2 Advice and service is to be competent and ongoing to best match the client's changing circumstances.
- 2.3 Remain informed of economic and legislative changes which relate to the client-member relationship
- 2.4 In the making of oral or written recommendations to clients, a member shall:
 - Distinguish clearly between fact and opinion
 - Base recommendations on sound professional evaluation of the client's needs and
 - Support the recommendations with appropriate research and adequate documentation of the facts.

3. COMPLIANCE

Obey all laws governing business and/or professional activities

Rules

- 3.1 Members must comply with all relevant legislation
- 3.2 A member shall be subject to disciplinary action for professional conduct and has the duty to know and abide by the laws and regulations and all the legal limitations pertaining to the member's professional activities.
- 3.3 In marketing a product, a member shall not knowingly misrepresent or conceal any material limitations on the product's ability to meet the financial needs of the client and shall avoid any statements likely to mislead the client regarding the future results of any recommendation.

4. DEVELOPMENT

Continue educational development

Rules

- 4.1 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 he/she specialises or claims expertise.
- 4.2 Members shall satisfy all minimum continuing education requirements set by the Association.

5. INTEGRITY

Maintain a level of integrity expected of a professional.

Rules

- 5.1 A member is to accord due courtesy and consideration to those engage in related professions who are also serving the client.
- 5.2 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.
- 5.3 A member shall not disclose to any other person any confidential information entrusted to or obtained by the member in the course of the member's business or professional activities, unless a disclosure of such information is required law or is made to a person who necessarily must have the information in order to discharge legitimate occupational or professional duties.