

The CBFA Code of Ethics

The Business Financial Association (BFA) has adopted the Code of Ethics to provide principles and rules to all persons who have been certified to use the CBFA™ (Certified Business Financial Advisor) designation. Persons not certified as a CBFA are prohibited from using the CBFA marks in any fashion or form including but not limited to written, verbal, and or electronic. The BFA determines who is certified and authorized to use the CBFA designation. Persons certified to use the CBFA designation are obligated to abide by the principles and rules and to also take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

Membership in the BFA is voluntary and all CBFA designees, whether or not a member of the BFA, must adhere to the Code of Ethics. The Code of Ethics guides CBFA designees and BFA members in the performance of their professional responsibilities. BFA members have responsibilities to those who use their professional services. BFA members also have a responsibility to cooperate with each other to improve the business financial planning profession.

A person certified to use the CBFA designation is called a CBFA designee. This Code of Ethics applies to all CBFA designees.

The Code of Ethics consists of principles which are statements of the ethical and professional ideals that CBFA designees are expected to adhere to in their professional activities. The Code of Ethics also consists of rules that provide guidelines for the principles. These rules describe the standards of professional conduct expected of CBFA designees.

All CBFA designees must comply with this Code of Ethics. Compliance with the Code of Ethics requires a CBFA designee to be knowledgeable with the following Code of Ethics principles and rules.

Principle of Integrity

A CBFA designee must provide business financial planning services with the highest degree of integrity. A CBFA designee must rely on his or her integrity to determine what is right for the client. Integrity must not be sacrificed for personal gain. Allowances can be made for innocent errors and legitimate differences of opinion; but integrity must not be compromised by deceit or by sacrificing principles.

Rules of Integrity

- A CBFA designee must not solicit clients through false or misleading communications or advertisements.
- A CBFA designee shall not engage in conduct involving dishonesty, fraud, deceit or misrepresentation, or knowingly make a false or misleading statement.

Principle of Objectivity

A CBFA designee must be objective in providing business financial planning services to clients. Objectivity requires honesty and impartiality. A CBFA designee should maintain integrity, objectivity and avoid compromising of his or her judgment.

Rules of Objectivity

- A CBFA designee shall exercise reasonable and prudent professional judgment in providing professional services.

- A CBFA designee must act in the interest of the client.

Principle of Competence

A CBFA designee must attain and maintain a level of knowledge and skill that will enable him or her to competently provide business financial planning services to clients. In addition to obtaining the CBFA certification, a CBFA designee must make a commitment to obtain ongoing continuing education and professional improvement.

Rules of Competency

- A CBFA designee must keep informed of changes in the business and related news and take continuing education classes in order to improve professional competence. A CBFA designee is required to obtain at least the minimum continuing education requirements established by the CBFA Board.
- A CBFA designee shall offer advice only in those areas in which he or she is competent.

Principle of Fairness

A CBFA designee must perform business financial planning services in a manner that is fair and reasonable to clients, and must disclose conflicts of interest in providing such services. Fairness requires impartiality, honesty and disclosure of conflicts of interest. Fairness is treating others in the same fashion that you would want to be treated.

Rules of Fairness

- A CBFA designee must disclose to the client information that is relevant to the professional relationship, including, conflicts of interest, credentials, qualifications, licenses, compensation structure, and any agency relationships.
- A CBFA designee must make timely written disclosure of all material information relative to conflicts of interest and sources of compensation.
- A CBFA designee must provide upon written request by the client, information regarding all compensation related to the business financial planning service, including all compensation and/or commissions derived from implementation of the business financial plan.

Principle of Confidentiality

A CBFA designee must not release and or disclose any confidential client information without the consent of the client. Creating a relationship of trust and confidence between a CBFA designee and a client can only be built upon the understanding that any and all information obtained by the CBFA designee regarding the client will be kept confidential.

Rules of Confidentiality

- A CBFA designee must not reveal or use for his or her own benefit any client information without the consent of the client.
- A CBFA designee shall maintain the same standards of confidentiality to employers or partners as to clients.

Principle of Professionalism

A CBFA designee's conduct must reflect positively upon the profession. A CBFA designee must behave with dignity and courtesy. In addition, a CBFA designee must cooperate with other designees to enhance and maintain the profession's public image and to improve the quality of services.

Rules of Professionalism

- A CBFA designee must show respect for other financial planning professionals by engaging in fair and honorable practices.
- A CBFA designee who has knowledge that another designee has committed a violation of this Code of Ethics or an illegal activity must inform the BFA and the appropriate regulatory or professional bodies.
- A CBFA designee must perform business financial planning services in accordance with any applicable laws, rules, and regulations of governmental agencies and other applicable authorities.
- A CBFA designee must not engage in any conduct which reflects adversely on his or her integrity as a CBFA designee.
- A CBFA designee must comply with all applicable renewal requirements including payment of the annual CBFA certification renewal fee, and obtaining the required continuing education credit.

Principle of Diligence

A CBFA designee must be diligent in providing business financial planning services. Diligence is providing business financial planning services in a prompt manner, with the proper supervision required in rendering these services.

Rules of Diligence

- A CBFA designee must provide business financial planning services in a diligent manner.
- A CBFA designee must make and/or implement only recommendations which are suitable for the client.
- A CBFA designee must make a reasonable investigation regarding the financial products recommended to clients. Such an investigation may be made by the designee or by others provided the designee acts reasonably in relying upon such investigation.
- A CBFA designee must properly supervise subordinates with regard to their delivery of business financial planning services, and shall not accept any violation of this Code of Ethics by subordinates.

Public Complaint Procedures

The BFA takes seriously the ethical conduct of Certified Business Financial Advisors (CBFA). Therefore, the following Public Complaint Procedures information is being provided to the public to acquaint them with the process for filing a complaint against a CBFA designee. These procedures provide for a review and a determination as to whether there has been a violation of

the CBFA Code of Ethics. If it has been determined that a violation of the Code of Ethics has occurred, the appropriate disciplinary actions will be imposed on the CBFA designee.

If a member of the public feels that the Code of Ethics has been violated, the public member should immediately notify the BFA by emailing us at customerservice@BFA.ag or mailing us at 121 N Main St -Plentywood, MT 59254. When filing a complaint, the public member must identify themselves, submit a written account of the complaint, and provide any documentation relevant to the alleged violation. This written documentation will be provided to the CBFA designee for their review and response. The BFA will then use the procedures specified in the Code of Ethics to determine if a violation has occurred. If the BFA determines a violation has occurred, the appropriate disciplinary actions will be taken. The public member will be notified by email of the receipt of the complaint and informed of the action taken by the BFA.

A complaint filed against a CBFA designee is a serious matter that could adversely affect the designee's career and reputation. Therefore, a public member must give careful consideration before filing a complaint.

Code of Ethics Disciplinary Rules and Procedures

I. The BFA has adopted a Code of Ethics which establishes the professional conduct for CBFA designees. The BFA has the right to require that CBFA designees adhere to the Code of Ethics and the right to enforce the provisions of the Code of Ethics.

II. The BFA has the duty of reviewing and taking appropriate disciplinary action for violations of the Code of Ethics.

III. Any written complaint(s) made by any person involving a CBFA designee regarding potential ethics violations shall be directed to the BFA. In order to determine whether to proceed, the BFA may make any inquiries it deems appropriate regarding claims in the complaint.

IV. The BFA shall determine if there is probable cause to believe grounds for discipline exists and shall either dismiss the allegations as being without merit, issue a cautionary letter, or recommend a form of discipline as described in Section VII. The BFA has the right to require a CBFA designee to complete additional continuing education or other remedial work in addition to, or instead of, any disciplinary action. Violation of the Code of Ethics or criminal laws, or any unprofessional conduct by a CBFA designee shall constitute grounds for discipline, whether or not the act occurred in the course of a client relationship.

V. Although a CBFA designee's right to use the designation shall not be suspended until the BFA has made its determination, if a CBFA designee has been convicted of a serious crime, or has engaged in conduct which poses an immediate threat to the public, or received a letter of professional suspension from a governmental or industry self-regulatory authority that the designee has been the subject of an order of professional suspension, the BFA may immediately suspend the CBFA designee's right to use the CBFA designation.

VI. Upon receipt of a written complaint containing allegations which indicate a violation of the Code of Ethics, the CBFA designee shall be given written notification of the allegations. The designee may obtain copies of all documents which are not privileged and which are relevant to the complaint. The designee shall have thirty (30) calendar days from the date of receipt of the complaint notice to file a written response to the allegations with the BFA. At the expiration of the thirty (30) calendar-day period the BFA shall compile all documents and materials and commence probable cause determination procedures as soon thereafter as is reasonably practicable.

VII. The BFA will follow the disciplinary rules and procedures set forth below when enforcing the Code of Ethics. Where grounds for discipline have been established, the following forms of discipline may be imposed:

- 1) The BFA may order a private censure of a CBFA designee.
- 2) The BFA may order that a Letter of Reprimand be issued, and that letter may be published in a press release identifying the CBFA designee.
- 3) The BFA may order suspension for a specified period of time. Said suspension may be, at the BFA's option, published in a press release identifying the CBFA designee.
- 4) The BFA may order permanent revocation of a CBFA designee's right to use the designation. A notice of permanent revocation may be, at the BFA's option, published in a press release identifying the CBFA designee.

VIII. All appeals must be appealed within thirty (30) calendar days after notice of the disciplinary action is received by the designee or the decision of the BFA shall become final.

IX. After the revocation or suspension of a designee's right to use the CBFA designation is final, the designee shall promptly terminate any use of the designation.