

Retirement Management Analyst® (RMA®) Code of Ethics and Professional Responsibility

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Terminology

“Client” denotes a person, persons, or entity who engages an RMA certificate holder and for whom professional services are rendered. For purposes of this definition, a practitioner is engaged when an individual, based upon the relevant facts and circumstances, reasonably relies upon information or service provided by that practitioner. Where the services of the practitioner are provided to an entity (corporation, trust, partnership, estate, etc.), the client is the entity acting through its legally authorized representative.

“RMA certificate holder” denotes current certificants, candidates for certification, and individuals that have any entitlement, direct or indirect, to the RMA certificate marks.

“Compensation” is any non-trivial economic benefit, whether monetary or non-monetary, that an RMA certificate holder receives or is entitled to receive for providing his or her professional activities.

“Conflict(s) of interest” exists when an RMA certificate holder’s financial, business, property and/or personal interests, relationships or circumstances reasonably may impair his/her ability to offer objective advice, recommendations or services.

A “retirement-income engagement” exists when a client, based on the relevant facts and circumstances, reasonably relies upon information or services provided by an RMA certificate holder using the retirement-income process.

“Personal retirement-income services” or “retirement-income services” denotes the services provided by an RMA certificate holder associated with whether and how an individual can meet life goals through the proper management of financial resources.

“Personal retirement-income process” or “retirement-income process” denotes the process employed by an RMA certificate holder which typically includes, but is not limited to, these six elements:

- Establishing and defining the RMA certificate holder relationship
- Gathering client data including goals
- Analyzing and evaluating the client’s financial status
- Developing and presenting financial-planning recommendations and/or alternatives
- Implementing the retirement-income recommendations
- Monitoring the retirement-income recommendations

“Personal retirement-income subject areas” or “retirement-income subject areas” denotes the basic subject fields covered in the retirement-income process which typically include, but are not limited to:

- Financial statement preparation and analysis (including cash flow analysis/planning and budgeting)
- Investment planning (including portfolio design, i.e., asset allocation and portfolio management)
- Income tax planning
- Education planning
- Risk management
- Retirement planning
- Estate planning

“Personal retirement-income professional” or “retirement-income professional” denotes a person who is capable and qualified to offer objective, integrated and comprehensive financial advice to or for the benefit of individuals to help them achieve their financial objectives. A retirement-income professional must have the ability to provide retirement-income services to clients, using the retirement-income process covering the basic retirement-income subjects.

Preamble and Applicability

The Code of Ethics and Professional Responsibility (Code of Ethics) has been adopted by the Retirement Income Industry Association® (“RIIA®”) to provide principles and rules to all persons whom it has certified to use and thus authorized to use the Retirement Management Analyst® designation. Implicit in the acceptance of this authorization is an obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

For purposes of this Code of Ethics, a person recognized and certified by RIIA® to use the RMA® marks is called an RMA® certificate holder. This Code of Ethics applies to RMA certificate holders actively involved in the practice of personal retirement income, in other areas of financial services, in industry, in related professions, in government, in education or in any other professional activity in which the marks are used in the performance of professional responsibilities. For purposes of this Code of Ethics, the term RMA certificate holder shall be deemed to include current certificants, candidates and individuals who have been certified in the past and retain the right to reinstate their RIIA certification without passing the current RMA Certification Examination.

Composition and Scope

This Code of Ethics consists of two parts, Part I – Principles and Part II – Rules. The Principles are statements expressing in general terms the ethical and professional ideals that RMA certificate holders are expected to display in their professional activities. As such, the Principles are aspirational in character but are intended to provide a source of guidance for RMA certificate holders. The comments following each Principle further explain the meaning of the Principle. The Rules in Part II provide practical guidelines derived from the tenets embodied in the Principles. As such, the Rules describe the standards of ethical and professionally responsible conduct expected of RMA certificate holders in particular situations. This Code of Ethics does not undertake to define standards of professional conduct of RMA certificate holders for purposes of civil liability.

Due to the nature of an RMA certificate holder's particular field of endeavor, certain Rules may not be applicable to that RMA certificate holder's activities. For example, an RMA certificate holder who is engaged solely in the sale of insurance as a licensed insurance agent is not subject to the written disclosure requirements of Rule 402 (applicable to RMA certificate holders engaged in personal retirement income) although he or she may have disclosure responsibilities under Rule 401. An RMA certificate holder is obligated to determine what responsibilities he or she has in each professional relationship including, for example, duties that arise in particular circumstances from a position of trust or confidence that a RMA certificate holder may have. The RMA certificate holder is obligated to meet those responsibilities.

Compliance

RIIA requires adherence to this Code of Ethics by all RMA certificate holders. Compliance with this Code of Ethics, individually and by the profession as a whole, depends on each RMA certificate holder's knowledge of and voluntary compliance with the Principles and applicable Rules, on the influence of fellow professionals and public opinion, and on disciplinary proceedings, when necessary, involving RMA certificate holders who fail to comply with the applicable provisions of this Code of Ethics.

Part I – Principles

These Code of Ethics' Principles express the profession's recognition of its responsibilities to the public, to clients, to colleagues and to employers. They apply to all RMA certificate holders and provide guidance to them in the performance of their professional services.

Principle 1 – Integrity

An RMA certificate holder shall offer and provide professional services with integrity.

As discussed in "Composition and Scope," RMA certificate holders may be placed by clients in positions of trust and confidence. The ultimate source of such public trust is the RMA certificate holders' personal integrity. In deciding what is right and just, a RMA certificate holder should rely on his or her integrity as the appropriate touchstone. Integrity demands honesty and candor which must not be subordinated to personal gain and advantage. Within the characteristic of integrity, allowance can be made for innocent error and legitimate difference of opinion; but integrity cannot co-exist with deceit or subordination of one's principles. Integrity requires an RMA certificate holder to observe not only the letter but also the spirit of this Code of Ethics.

Principle 2 – Objectivity

An RMA certificate holder shall be objective in providing professional services to clients.

Objectivity requires intellectual honesty and impartiality. It is an essential quality for any professional. Regardless of the particular service rendered or the capacity in which an RMA certificate holder functions, an RMA certificate holder should protect the integrity of his or her work, maintain objectivity, and avoid subordination of his or her judgment that would be in violation of this Code of Ethics.

Principle 3 – Competence

An RMA certificate holder shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which he or she is engaged.

One is competent only when he or she has attained and maintained an adequate level of knowledge and skill, and applies that knowledge effectively in providing services to clients. Competence also includes the wisdom to recognize the limitations of that knowledge and when consultation or client referral is appropriate. A RMA certificate holder, by virtue of having earned the RMA certification, is deemed to be qualified to provide retirement-income services.

However, in addition to assimilating the common body of knowledge required and acquiring the necessary experience for certification, an RMA certificate holder shall make a continuing commitment to learning and professional improvement.

Principle 4 – Fairness

An RMA certificate holder shall perform professional services in a manner that is fair and reasonable to the public, to clients, to colleagues and to employers, and shall disclose conflict(s) of interest in providing such services.

Fairness requires impartiality, intellectual honesty and disclosure of conflict(s) of interest. It involves a subordination of one's own feelings, prejudices and desires so as to achieve a proper balance of conflicting interests and entails honesty and candor. Fairness is treating others in the same fashion that you would want to be treated and is an essential trait of any professional.

Principle 5 – Confidentiality

An RMA certificate holder 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 RMA certificate holder or in connection with a civil dispute between the RMA certificate holder and client.

A client, by seeking the services of an RMA certificate holder, may be interested in creating a relationship of personal trust and confidence with the RMA certificate holder. This type of relationship can only be built upon the understanding that information supplied to the RMA certificate holder will be confidential. In order to provide the contemplated services effectively and to protect the client's privacy, the RMA certificate holder shall safeguard the confidentiality of such information.

Principle 6 – Professionalism

An RMA certificate holder's conduct in all matters shall reflect credit upon the profession.

Because of the importance of the professional services rendered by RMA certificate holders, there are attendant responsibilities to behave with dignity and courtesy to all those who use those services, fellow professionals, and those in related professions. An RMA certificate holder also has an obligation to cooperate

with fellow RMA certificate holders to enhance and maintain the profession's public image and to work jointly with other RMA certificate holders to improve the quality of services. It is only through the combined efforts of all RMA certificate holders, in cooperation with other professionals, that this goal can be realized.

Principle 7 – Diligence

An RMA certificate holder shall act diligently in providing professional services.

Diligence is the provision of services in a reasonably prompt and thorough manner. Diligence also includes proper planning for, and supervision of, the rendering of professional services.

Part II – Rules

As stated in Part I - Principles, the Principles apply to all RMA certificate holders. However, due to the nature of a RMA certificate holder's particular field of endeavor, certain Rules may not be applicable to that RMA certificate holder's activities. The universe of activities engaged in by a RMA certificate holder is indeed diverse and a particular RMA certificate holder may be performing all, some or none of the typical services provided by retirement-income specialists. As a result, in considering the following Rules, an RMA certificate holder must first recognize what specific services he or she is rendering and then determine whether or not a specific Rule is applicable to those services. To assist the RMA certificate holder in making these determinations, the Standards of Professional Conduct includes a series of definitions of terminology used throughout this Code of Ethics. An RMA certificate holder should be able to determine which services he or she provides and, therefore, which Rules are applicable to those services.

Rules that Relate to the Principle of Integrity

Rule 101

An RMA certificate holder shall not solicit clients through false or misleading communications or advertisements:

- (a) **Misleading Advertising:** An RMA certificate holder shall not make a false or misleading communication about the size, scope or areas of competence of his or her practice or of any organization with which the RMA certificate holder is associated
- (b) **Promotional Activities:** In promotional activities, an RMA certificate holder shall not make materially false or misleading communications to the public or create unjustified expectations regarding matters relating to retirement income or the professional activities and competence of the RMA certificate holder. The term "promotional activities" includes, but is not limited to, speeches, interviews, books and/or printed publications, seminars, radio and television programs, webinars and DVDs
- (c) **Representation of Authority:** An RMA certificate holder shall not give the impression that a RMA certificate holder is representing the views of RIIA or any other group unless the RMA certificate holder has been authorized to do so. Personal opinions shall be clearly identified as such

Rule 102

In the course of professional activities, an RMA certificate holder shall not engage in conduct involving

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 103

An RMA certificate holder has the following responsibilities regarding funds and/or other property of clients:

- (a) In exercising custody of, or discretionary authority over, client funds or other property, an RMA certificate holder shall act only in accordance with the authority set forth in the governing legal instrument (e.g., special power of attorney, trust, letters testamentary, etc.) and applicable law
- (b) An RMA certificate holder shall identify and keep complete records of all funds or other property of a client in his or her custody, or under his or her discretionary authority
- (c) Upon receiving funds or other property to which a client is entitled, an RMA certificate holder shall promptly or as otherwise permitted by law or provided by agreement with the client, deliver to the client or third party any funds or other property which the client or third party is entitled to receive and, upon request by the client, render a full accounting regarding such funds or other property
- (d) An RMA certificate holder shall not commingle client funds or other property with an RMA certificate holder's personal funds and/or other property or the funds and/or other property of an RMA certificate holder's firm. Commingling one or more clients' funds or other property together is permitted, subject to compliance with applicable legal requirements and provided accurate records are maintained for each client's funds or other property
- (e) An RMA certificate holder who takes custody of all or any part of a client's assets for investment purposes, shall do so with the care, prudence and diligence required by applicable law

Rules that Relate to the Principle of Objectivity

Rule 201

An RMA certificate holder shall exercise reasonable and prudent professional judgment in providing professional services.

Rule 202

An RMA certificate holder shall act in the best interest of the client.

Rules that Relate to the Principle of Competence

Rule 301

An RMA certificate holder shall keep informed of developments in the field of retirement income and participate in continuing education throughout the RMA certificate holder's professional career in order to improve professional competence in all areas in which the RMA certificate holder is engaged. As a distinct part of this requirement, a RMA certificate holder shall satisfy all minimum continuing education requirements established for RMA certificate holders by RIIA[®].

Rule 302

An RMA certificate holder shall offer advice only in those areas in which the RMA certificate holder has competence. In areas where the RMA certificate holder is not professionally competent, the RMA certificate holder shall seek the counsel of qualified individuals and/or refer clients to such parties.

Rules that Relate to the Principle of Fairness**Rule 401**

In rendering professional services, an RMA certificate holder shall disclose to the client:

- (a) Material information relevant to the professional relationship, including, conflict(s) of interest, the RMA certificate holder's business affiliation, address, telephone number, credentials, qualifications, licenses, compensation structure and any agency relationships, and the scope of the RMA certificate holder's authority in that capacity
- (b) The information required by all laws applicable to the relationship in a manner complying with such laws and applicable Code of Ethics

Rule 402

An RMA certificate holder in a retirement income engagement shall make timely written disclosure of all material information relative to the professional relationship. In all circumstances and prior to the engagement, an RMA certificate holder shall, in writing:

- (a) Disclose conflict(s) of interest and sources of compensation
- (b) Inform the client or prospective client of his or her right to ask at any time for information about the compensation of the RMA certificate holder

As a guideline, an RMA certificate holder who provides a client or prospective client with the following written disclosures will be considered to be in compliance with this Rule:

- The basic philosophy of the RMA certificate holder (or firm) in working with clients. This includes the philosophy, theory and/or principles of retirement income which will be utilized by the RMA certificate holder
- Résumés of principals and employees of a firm who are expected to provide retirement income services to the client and a description of those services. Such disclosures shall include educational background, professional/employment history, professional designations and licenses held
- A statement that in reasonable detail discloses (as applicable) conflict(s) of interest and source(s) of, and any contingencies or other aspects material to, the RMA certificate holder's compensation
- A statement describing material agency or employment relationships an RMA certificate holder (or firm) has with related and third parties and the nature of compensation resulting from such relationships

Rule 403

Upon request by a client or prospective client (if not otherwise required by operation of law), the RMA certificate holder in a retirement-income engagement shall communicate in reasonable detail the requested

compensation information related to the retirement-income engagement, including compensation derived from implementation. The disclosure may express compensation as an approximate dollar amount or percentage or as a range of dollar amounts or percentages. The disclosure shall be made at a time and to the extent that the requested compensation information can be reasonably ascertained. Any estimates shall be clearly identified as such and based on reasonable assumptions. If an RMA certificate holder becomes aware that a compensation disclosure provided pursuant to this rule has become significantly inaccurate, he or she shall provide the client with corrected information promptly.

Rule 404

The disclosures required of an RMA certificate holder in a retirement-income engagement described under Rule 402 shall be offered at least annually for current clients, and provided in a timely manner, if requested.

Rule 405

An RMA certificate holder's compensation shall be fair and reasonable.

Rule 406

An RMA certificate holder who is an employee shall perform professional services with dedication to the lawful objectives of the employer and in accordance with this Code of Ethics.

Rule 407

An RMA certificate holder shall:

- (a) Advise his or her employer of outside affiliations which reasonably may be expected to compromise service to an employer
- (b) Provide timely notice to his or her employer and clients about any change of RMA certification status
- (c) Provide timely notice to clients, unless precluded by contractual obligations, about change of employment

Rule 408

An RMA certificate holder shall inform his or her employer, partners or co-owners of compensation or other benefit arrangements in connection with his or her services to clients, which are in addition to compensation from the employer, partners or co-owners for such services.

Rule 409

If an RMA certificate holder enters into a personal business transaction with a client, separate from regular professional services provided to that client, the transaction shall be on terms which are fair and reasonable to the client and the RMA certificate holder shall disclose, in writing, the risks of the transaction, conflict(s) of interest of the RMA certificate holder, and other relevant information, if any, necessary to make the transaction fair to the client.

Rules that Relate to the Principle of Confidentiality

Rule 501

An RMA certificate holder shall not reveal or use for his or her own 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 disclosure or use is reasonably necessary:

- (a) To establish an advisory, brokerage or insurance account, to effect a transaction for the client, or as otherwise authorized in order to carry out the client retirement-income engagement
- (b) To comply with legal requirements or legal process
- (c) To defend the RMA certificate holder against charges of wrongdoing
- (d) In connection with a civil dispute between the RMA certificate holder and the client

For purposes of this rule, the proscribed use of client information is improper whether or not it actually causes harm to the client.

Rule 502

An RMA certificate holder shall maintain the same standards of confidentiality to employers as to clients.

Rule 503

An RMA certificate holder doing business as a partner, owner or principal of a financial services firm owes the RMA certificate holder's partners, owner, co-owners or principals a responsibility to act in good faith. This 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 601

An RMA certificate holder shall use the RMA marks in compliance with the rules and regulations of RIIA, as established and amended from time to time.

Rule 602

An RMA certificate holder shall show respect for other retirement income professionals, and related occupational groups, by engaging in fair and honorable competitive practices. Collegiality among RMA certificate holders and others shall not, however, impede enforcement of this Code of Ethics.

Rule 603

An RMA certificate holder who has knowledge, which is not required to be kept confidential under this Code of Ethics, that another RMA certificate holder has committed a violation of this Code of Ethics which raises substantial questions as to the honesty, trustworthiness or fitness as an RMA certificate holder in other respects, shall promptly inform RIIA. This rule does not require disclosure of information or reporting based on knowledge gained as a consultant or expert witness in anticipation of, or related to, litigation or other

dispute resolution mechanisms. For purposes of this Rule, knowledge means no substantial doubt.

Rule 604

An RMA certificate holder who has knowledge, which is not required under this Code of Ethics to be kept confidential, and which raises a substantial question of unprofessional, fraudulent or illegal conduct by an RMA certificate holder or other financial professional, shall promptly inform the appropriate regulatory and/or professional disciplinary body. This Rule does not require disclosure or reporting of information gained as a consultant or expert witness in anticipation of, or related to, litigation or other dispute resolution mechanisms. For purposes of this Rule, knowledge means no substantial doubt.

Rule 605

An RMA certificate holder who has reason to suspect illegal conduct shall make timely disclosure of the available evidence to the RMA certificate holder's immediate supervisor and/or partners or co-owners. If the RMA certificate holder is convinced that illegal conduct exists within the RMA certificate holder's organization, and that appropriate measures are not taken to remedy the situation, the RMA certificate holder shall, where appropriate, alert the appropriate regulatory authorities and RIIA, in a timely manner.

Rule 606

In all professional activities an RMA certificate holder shall perform services in accordance with:

- (a) Applicable laws, rules and regulations of governmental agencies and other applicable authorities
- (b) Applicable rules, regulations and other established policies of RIIA Board

Rule 607

An RMA certificate holder shall not engage in any conduct which reflects adversely on his or her integrity or fitness as a RMA certificate holder, upon the RMA marks, or upon the profession.

Rule 608

An RMA certificate holder shall not practice any other profession or offer to provide such services unless the RMA certificate holder is qualified to practice in those fields and is licensed as required by federal or state law.

Rule 609

An RMA certificate holder shall return the client's original records in a timely manner after their return has been requested by a client.

Rule 610

An RMA certificate holder shall not bring or threaten to bring a disciplinary proceeding under this Code of Ethics, or report or threaten to report information to RIIA Board pursuant to Rules 603 and/or 604, or make or threaten to make use of this Code of Ethics for no substantial purpose other than to harass, maliciously injure, embarrass and/or unfairly burden another RMA certificate holder.

Rule 611

An RMA certificate holder shall comply with all applicable renewal requirements established by RIIA including, but not limited to, payment of the RMA certificate holder fee as well as signing and returning the Terms and Conditions of Certification in connection with the certification renewal process.

Rules that Relate to the Principle of Diligence**Rule 701**

An RMA certificate holder shall provide services diligently.

Rule 702

An RMA certificate holder shall enter into an engagement only after securing sufficient information to be satisfied that:

- (a) The relationship is warranted by the individual's needs and objectives
- (b) He or she has the ability to either provide requisite competent services or to involve other professionals who can provide such services

Rule 703

An RMA certificate holder shall make and/or implement only recommendations which are suitable for the client.

Rule 704

Consistent with the nature and scope of the engagement, an RMA certificate holder shall make a reasonable investigation regarding the financial products recommended to clients. Such an investigation may be made by the RMA certificate holder or by others provided the RMA certificate holder acts reasonably in relying upon such investigation.

Rule 705

An RMA certificate holder shall properly supervise subordinates with regard to their delivery of retirement-income services, and shall not accept or condone conduct in violation of this Code of Ethics. ■