

# Code of Conduct for Members of the Financial Services Federation Incorporated

## INTRODUCTION

The members (including Associate and Affiliate Members) of the Financial Services Federation (Inc.) believe that the interests of investors, customers and the public can best be served through compliance with a Code of Conduct. By virtue of their membership of the Federation members agree to abide by this Code. Members also understand that a breach or breaches of the Code of Conduct or the Rules of the Federation could result in their expulsion as a Member of the Federation.

## CODE OF CONDUCT

1. Members will at all times be fair, reasonable and honest in the conduct of their business with their customers.
2. Members will not bring the financial services industry or the Federation or its Members into disrepute in any of their dealings with the New Zealand public.
3. Members will abide by all applicable New Zealand law and regulations with regard to their businesses and their dealings with their customers.
4. Members will adhere to the Federation's Guidelines as in force from time to time.
5. Members will be truthful and will not do or say, or omit to do or say, anything that is, or is likely to be misleading or deceptive to their customers.
6. Members businesses will be maintained as constructive agencies in community life.
7. Members will not do or say, or omit to do or say anything or conduct their businesses in any way that the Disciplinary Committee of the Federation believes is inappropriate for Federation members.
8. Members will adhere to the Rules of the Federation.

## DISCIPLINARY PROCEDURE

The Federation encourages members of the public, who have a complaint against a member organisation to make their complaints in the first instance to the Member organisation. In the majority of cases, establishing a dialogue at an early stage can lead to a satisfactory resolution. In circumstances where this has been done but a resolution satisfactory to the complainant is not possible, the complainant should refer their complaint to the Disputes Resolution Service to which the Member belongs for resolution. Where the Executive Committee or the Director of the Federation or another Member organisation has become aware that a Member may have breached any of the requirements of the Code of Conduct, the matter must be referred to the Director in the first instance who, upon review determines that the matter should be referred to the Executive Committee who then, upon review determines that the matter should be referred to the Federation's Disciplinary Committee for a decision as to whether any action should be taken against the Member concerned and what form that action might take. Upon receipt of notification of a disciplinary matter, the Disciplinary Committee must advise the Member concerned in writing of the nature of the matter and that a meeting of the Disciplinary Committee will be convened generally within one month of the date of the advice. This advice must include the place, date and time at which the Disciplinary Committee will be held. The Member has the right to make representations on the complaint to the Disciplinary Committee, and the proceedings of the meeting of the Committee are confidential between the Member

and the Committee until such time as the Committee reaches a decision as to what action, if any, they propose to take against the Member. The Disciplinary Committee, having heard from the Member concerned and having taken into account all information available to them with regard to the alleged breach of the Federation's Code of Conduct, will make a decision as to what action, if any, will be taken against the Member concerned. The Disciplinary Committee shall present a report to the Federation at the next Meeting following the decision of the Disciplinary Committee in relation to the matter, and the report shall include information as to the decision made by the Disciplinary Committee, whether it be:

1. That the matter should be dismissed; or
2. That the matter should be sustained, and that the Member or Members concerned should be censured; or
3. That the matter should be sustained, and that the Member or Members concerned should be expelled from the Federation; and/or
4. That the Member or Members concerned should be reported to the appropriate regulatory body or disputes resolution service.

The decisions of the Disciplinary Committee will be considered final by the Federation. However, the Member or Members concerned shall have the right to respond to any such decisions with specific new information for the Committee to review, should such information come to light.