

Polish yourself with (a) pledge



Ethics is the adherence to principles, not the submission to a short-term rule book.



WHAT A DIFFERENCE a few years makes. The stain made by consumer fraud, elder financial abuse, investment scams, corporate scandals and “creative” accounting practices continues to soil the confidence of investors in the financial services industry.

In the past two years, the Securities & Exchange Commission, the National Association of Securities Dealers, and various state insurance departments have levied more than \$5 billion in fines for ethical misconduct.

The message is clear: Investors insist advisors willfully embrace a strict code of ethics. Ethics is the adherence to principles, not the submission to a short-term rulebook.

The following is the code of ethics all members of the National Ethics Bureau pledge to uphold, but you do not have to join NEB to embrace its ideals:

1. I will be totally honest when explaining my education and business background, professional designations, and years of experience in the financial services industry.
2. I will be completely truthful to my clients by not exaggerating the realistic returns they can expect from any investments or insurance products I may recommend to them.
3. I will always disclose the important features of an investment or insurance product that outlines the possible risks or any other features that may negatively affect its future performance.
4. I will never let higher commissions influence my decisions in determining what is the best investment or insurance product for my clients.
5. I will always determine the proper suitability of any investment or insurance product before making a specific recommendation to my clients,

and I will take into account any future needs for liquidity that may arise, such as inflation, taxes and nursing care.

6. I only will use sales presentation material that is completely accurate and true regarding any investment or insurance product that I offer, and I will always comply with state and federally regulated advertising guidelines when using any sales presentation material, including illustrations, that may influence the buying decisions of my clients.
7. I will always provide my clients with copies of all documents, whether signed or unsigned, that disclose any pertinent facts regarding any investment or insurance product that I have sold them.
8. I will always refer my clients to a more specialized professional advisor, such as a certified public accountant, estate planning attorney or a licensed securities broker, if their needs are beyond my areas of licensing and expertise.
9. I will always follow through on any of the additional services or extra assistance that I promised to my clients during the initial sales process, despite costs or inconvenience, even if I feel that there may be no future financial benefit to me.
10. I will consistently educate myself as to the new laws and regulations in the financial services industry and I will never knowingly break those laws for any reason.

To print a PDF version of this ethics pledge, go to www.ethicscheck.com.

STEVEN MCCARTY HAS MORE THAN 15 YEARS EXPERIENCE IN THE FINANCIAL SERVICES INDUSTRY AND IS A DIRECTOR OF THE NATIONAL ETHICS BUREAU, AN INDEPENDENT ORGANIZATION OF APPROVED FINANCIAL ADVISORS. FOR MORE INFORMATION, GO TO WWW.ETHICS-CHECK.COM OR CALL (800) 282-1831.