

The FAAA Professional Code

The FAAA Professional Code (the FAAA Code) requires that FAAA Members uphold the highest standards in their dealings with clients, other professionals and regulators.

The principles of the FAAA Code are organised under three pillars: Being, Knowing and Doing.

Being

1. Client first: Placing the client's interests first, in line with the requirements of relevant laws and regulations, is a hallmark of professionalism. This requires that financial planning professionals not place personal, employer or licensee gain or advantage before client interests.

2. Integrity: This requires honesty and candour in all professional matters. Integrity requires the financial planning professional to observe both the letter and the spirit of relevant rules, regulations and laws - including the FAAA Code. Integrity requires that conduct is approached in a spirit of utmost good faith and that their actions are aligned with promoting a culture that supports and requires integrity in others.

3. Objectivity: This requires that financial planning professionals must not allow bias, preference, undue influence, incentives or other inappropriate factors to influence the advice or service they provide to clients, or their dealings with other professionals.

4. Fairness: This requires dealing with clients, colleagues and others in the professional sphere in a way that is just, and treating others in the way you would want to be treated. Financial planning professionals will have a far higher level of knowledge than clients and non-industry participants. Fairness requires they use their greater knowledge to enable clients to make fully informed decisions, and never present advice or information in a way that omits or distorts material considerations.

Knowing

5. Knowledge and skills: Financial planning professionals must ensure they have the appropriate level of knowledge and skills required to discharge the functions of their role. For those advising clients, this includes the self-awareness to identify when it is appropriate to decline the provision of advice or to refer the client to another suitably qualified professional.

6. Continuing Professional Development (CPD): The financial planning profession operates against a background of a quickly moving market and ongoing regulatory change. In order for financial planning professionals to continue to deliver high quality outcomes to their stakeholders it is incumbent on them to keep up to date with changes and meet their CPD requirements as appropriate to their FAAA membership category.

Doing

7. Professional behaviour: Financial planning professionals must conduct themselves with dignity and show respect and courtesy to clients, fellow professionals and others in business related activities. Professional behaviour requires those in the financial planning profession, individually and in cooperation with peers, to enhance and maintain the profession's public image and its ability to serve the public interest. For those in client facing roles this will include providing a high level of client service, meeting commitments in a timely way, providing regular updates and appropriately managing client expectations.

8. Competence: This requires financial planning professionals to utilise their knowledge and skills to deliver high quality outcomes for stakeholders. In particular, advice delivered to consumers should be accurate, up to date and relevant. Recommendations must be implemented in timely and thorough manner.

9. Diligence: Financial planning professionals must work in a way that is conscientious and exercises a due level of care. They must apply a best practice approach to their dealings with clients and other stakeholders, meeting the standards set out in relevant FAAA guidance as appropriate. In the financial planning context, this will require gaining an appropriate understanding of a client's circumstances and ensuring recommendations are suitable and aligned with the client's needs.

10. Confidentiality and Data Protection: Due to the volume and sensitivity of client data that financial planners and other related professionals are entrusted with, there is an additional level of responsibility on financial planning participants. This arises due to the potential for inappropriate data use or ineffectual data security to cause consumer harm, as well as damage to the image and reputation of the profession. Client or consumer data must not be shared in a way that is contrary to law or regulation, or otherwise without the client's informed and explicit consent. Client data must be held in a secure manner and professionals must take all reasonable steps to ensure they comply with the requirements to maintain this.