



**Code of Conduct**  
**Article 7 of the General Regulations**

## **Article 7: Code of Conduct**

- 7.1 General responsibilities.
  - 7.1.1 Individuals are forbidden from presenting themselves as Certified Professionals if they have not met all of DSI's conditions for full certification.
  - 7.1.2 The Certified Professional or Candidate Certified Professional acts on the basis of integrity, expertise, accuracy and dignity in his or her dealings with investors, supervisory bodies, clients, potential clients, employers, employees and other certified individuals or candidates.
  - 7.1.3 At all times, the Certified Professional or Candidate Certified Professional acts professionally and honestly in such a way that he or she is a credit to the good reputation and objectives of DSI. The behaviour of the Certified Professional or Candidate Certified Professional contributes to the public's trust in the adequate functioning and integrity of the financial markets.
  - 7.1.4 The Certified Professional or Candidate Certified Professional shall constantly strive to comply with the standards for knowledge, competency and integrity stipulated by DSI. If the Certified Professional or Candidate Certified Professional supervises or leads others, he or she will encourage his or her subordinates to act in accordance with the Code of Conduct and to maintain and improve their knowledge and expertise to the best of their ability.
  - 7.1.5 The Certified Professional or Candidate Certified Professional is familiar with and abides by the laws, rules, regulations and guidelines drawn up by the competent agencies and which are applicable to the professional group and the activities of those professionals, and complies with such accordingly.
  - 7.1.6 The Certified Professional or Candidate Certified Professional shall not cooperate with actions or transactions that are in conflict with or opposed to the laws, rules, regulations and guidelines referred to in Article 7.1.5.
  - 7.1.7 The Certified Professional or Candidate Certified Professional must treat all information with the utmost confidentiality. The Certified Professional or Candidate Certified Professional may deviate from this provision in the event that a law, legal verdict or decree by an authorised disciplinary body requires him/her to do so. He/she can also do so if necessary for the handling of a dispute between the Certified Professional or Candidate Certified Professional and the client by a judicial or disciplinary body.
  - 7.1.8 The Certified Professional or Candidate Certified Professional shall prevent the entanglement of his own interests with those of other persons and, if his or her employer has drawn up a code to prevent the mingling of business and private interests, shall

strictly observe it. The Certified Professional or Candidate Certified Professional shall avoid any appearance of a conflict of interest.

- 7.1.9 If there are any matters that affect or could affect the issue of integrity and competency, the Certified Professional or Candidate Certified Professional must disclose to the parties referred to in Article 7.1.2 any information that can clarify or eliminate the appearance of a conflict of interest, with compliance with the provisions of Article 7.1.7.
- 7.2 Responsibilities towards clients and potential clients
  - 7.2.1 The Certified Professional or Candidate Certified Professional ensures that he or she serves the interests of his or her client first, and practices the required care in his or her dealings with the client.
  - 7.2.2 The Certified Professional or Candidate Certified Professional must carefully study the client's financial situation, knowledge, experience, goals and risk profile before providing recommendations or making investment decisions regarding the client's investment management. In his or her recommendations and investment decisions, the Certified Professional or Candidate Certified Professional must take the client's personal situation.
  - 7.2.3 The Certified Professional or Candidate Certified Professional shall at all times come to a professional opinion in a careful and considered manner when providing advice or making investment decisions.
  - 7.2.4 The Certified Professional or Candidate Certified Professional provides balanced and soundly justified advice based on facts of material importance. In order not to mislead the client, the Certified Professional or Candidate Certified Professional shall always inform the client of important facts or circumstances that are in conflict with his or her advice.
  - 7.2.5 The Certified Professional or Candidate Certified Professional shall provide the client with correct, accurate and complete information about all costs for his/her services.
  - 7.2.6 The Certified Professional or Candidate Certified Professional shall provide the client with correct, accurate and complete information about the actual investment results achieved. The Certified Professional or Candidate Certified Professional must prevent the probability or accuracy of the results from being represented in an improper or potentially misleading way.
- 7.3 Responsibilities towards the investors and the financial markets
  - 7.3.1 The Certified Professional or Candidate Certified Professional must contribute to building confidence in the proper functioning of the financial markets, the effective functioning of the market and the proper protection of the interests of the investing public through fair market behaviour.

- 7.3.2 The Certified Professional or Candidate Certified Professional has the duty to preserve the investors' confidence in the fairness of the financial markets through honest dealings and by constant compliance with professional ethics standards. The Certified Professional or Candidate Certified Professional is obliged to refuse to cooperate with those who attempt to deviate from the principles of fair market behaviour, and may not lend him- or herself to practices which may frustrate or impair the normal functioning of the securities markets.
- 7.3.3 The Certified Professional or Candidate Certified Professional may make no use of non-public, price-sensitive information. The Certified Professional or Candidate Certified Professional is expected to strictly comply with rules and regulations applicable to the issue of prior knowledge.
- 7.3.4 The Certified Professional or Candidate Certified Professional may not manipulate the financial markets, whether by means of one or more transactions, by spreading or promoting rumours, by distributing non-public, price-sensitive information, or in any other manner.
- 7.4 Responsibilities regarding the tasks of the registered Compliance Professional
- 7.4.1 The general responsibilities described in paragraph 7.1 of this Code shall apply accordingly to the Certified Professional or Candidate Certified Professional.
- 7.4.2 The Certified Professional or Candidate Certified Professional is obliged to do everything that can reasonably be expected of him or her to ensure that persons in his or her profession can act in accordance with applicable laws, regulations and guidelines laid down by the competent authorities (hereafter: 'the applicable regulations').
- 7.4.3 The Certified Professional or Candidate Certified Professional is obliged to do everything that can reasonably be expected of him or her to ensure that he or she is informed of actions within his or her jurisdiction that are not in accordance with the applicable regulations.
- 7.4.4 If the Certified Professional or Candidate Certified Professional is aware of acts within his or her jurisdiction which are not in accordance with the applicable rules, he or she must immediately recommend appropriate measures and, if necessary, resist any direct or indirect pressure from other persons who can reasonably be regarded as undermining the principles of integrity, independent judgement and determination.
- 7.4.5 When choosing and recommending such appropriate measures as referred to in the preceding paragraph, the Certified Professional or Candidate Certified Professional must at least be guided by the following principles, which are part of the foundation of a properly functioning compliance position:

- a. rule compliance: the measure is primarily aimed at addressing the non-compliance of the contested act through the applicable regulations, and the prevention of such occurrences from repeating if possible;
- b. proportionality: the proposed measure is proportionate to the nature and scope of the applicable regulations in question;
- c. expertise and ingenuity: the Certified Professional or Candidate Certified Professional possesses, or obtains impartial advice on, the expertise and product knowledge necessary not only to choose measures and alternatives in accordance with the principles described in a. and b. above, but which also meet the legitimate professional needs and wishes of the field for which the Certified Professional or Candidate Certified Professional is responsible as a compliance professional;
- d. perseverance: the Certified Professional or Candidate Certified Professional shall not desist from his or her task until such time as he or she is convinced that the measure he or she has recommended has been implemented satisfactorily by those in the field responsible for its implementation;
- e. escalation: if the Certified Professional or Candidate Certified Professional has reason to suppose that the recommended measure has not been sufficiently or completely implemented by those responsible in a timely manner, then he or she shall without hesitation or reluctance bring the matter to the attention of the higher management or supervisory body within the institution in which he or she is employed and which can in his or her opinion adequately deal with the matter, inasmuch as doing so is applicable in consultation with the management of the compliance department in which he or she is employed. In exceptional cases where the integrity and independent functioning of the Certified Professional or Candidate Certified Professional as a compliance professional is decidedly at stake, said individual may if necessary seek independent external counsel on the proper handling of the conflict of interests which the individual reasonably believes to exist.