



# CODE OF ETHICS AND STANDARDS OF PROFESSIONAL CONDUCT

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## PREAMBLE

The CSLA Board of Standards Code of Ethics and Standards of Professional Conduct are fundamental to the values of the CSLA designation and essential to achieving its mission to help student loan borrowers and financial professionals be fully informed about strategies, risks and rewards associated with the variety of student loan repayment options. Since the creation of the CSLA, the Code of Standards has promoted integrity of the CSLA designation and served as a model for measuring the ethics of financial professionals providing student loan repayment advice. All CSLA designees and CSLA candidates must abide by the Code of Standards. Violations may result in disciplinary sanction by the CSLA Board of Standards. Sanctions can include a revocation of candidacy or of the right to use the CSLA designation.

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## THE CODE OF ETHICS

Holders of the CSLA designation and candidates for the CSLA designation must:

- Act with integrity, competence, diligence, respect and in an ethical manner with the public, clients prospective clients, employers, employees, colleagues in the investment professional and loan servicers.
  - Place the integrity of financial advice surrounding student loan repayment and the interest of clients above their own personal interests.
  - Maintain and improve their professional competence.
  - Use reasonable care and exercise independent professional judgment when conducting repayment analysis, making investment or repayment recommendations, and assisting with repayment selections.
  - Practice and encourage others to practice in a professional and ethical manner.
  - Promote the integrity and viability of student loan
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## STANDARDS OF PROFESSIONAL CONDUCT

### 1. PROFESSIONALISM

- A. Knowledge of the Law.** Member and Candidates must understand and comply with all applicable laws, rules and regulations (including CSLA Board of Standards Professional Conduct) or any government, regulatory organization, licensing agency, or professional association governing their professional activities. In the event of a conflict, designees and candidates must comply with the more strict law, rule or regulation. Members must not knowingly participate or assist in and must dissociate from any violation of such law, rules or regulations.
- B. Independence and Objectivity.** Designees and Candidates must use reasonable care and judgment

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## STANDARDS OF PROFESSIONAL CONDUCT (cont.)

to achieve and maintain independence and objectivity in their professional activities. Designees and Candidates must not offer, solicit, or accept any gift, benefit, compensation, or consideration that reasonably could be expected to compromise their own or another's independence and objectivity.

- C. Misrepresentation.** Designees and Candidates must not knowingly make any misrepresentation relating to student loan analysis, or corresponding investment analysis, recommendations, actions or other professional activities.
- D. Misconduct.** Designees and Candidates must not engage in any professional conduct involving dishonesty, fraud, or deceit, or commit any act that reflects adversely on their professional reputation, integrity, or competence.

### 2. INTEGRITY OF PUBLIC INTEREST

- A. Income Misrepresentation.** Designees and Candidates must not engage in practices that distort income or artificially disclose of incomes with regards to income driven repayment plans.

### 3. DUTIES TO CLIENTS

- A. Loyalty, Prudence, and Care.** Designees and Candidates have a duty of loyalty to their clients and must act with reasonable care and exercise prudent judgment. Designees and Candidates must act for the benefit of their clients and place their clients' interest before their employer's or their own interests.
- B. Fair Dealing.** Designees and Candidates must deal fairly and objectively with all clients when providing investment analysis, making investment or repayment recommendations, taking investment or repayment action or engaging in other professional activities.
- C. Future Projections.** When communicating expected repayment information, Designees and Candidates must make reasonable efforts to ensure that it is fair, accurate and complete. Designees and Candidates will not make any guarantees

about future assumptions.

- D. Preservation of Confidentiality.** Designees and Candidates must keep information about current, former and prospective clients confidential unless:
  1. The information concerns illegal activities on the part of the client or prospective client.
  2. Disclosure is required by law, or
  3. The client or prospective client permits disclosure of the information.

### 3. CONFLICTS OF INTEREST

- A. Disclosure of Conflicts.** Designees and Candidates must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with respective duties to their clients, prospective clients, and loan servicer. Designees and Candidates must ensure that such disclosures are prominent, are delivered in a plain language, and communicate the relevant information effectively
- B. Referral Fees.** Designees and Candidates must disclose to their clients, and prospective clients, as appropriate, any compensation, consideration, or benefit received from or paid to others for the recommendation of products or services.

### 4. RESPONSIBILITIES AS A CSLA DESIGNEE

- B. Conduct as Participants in a CSLA Program.** Designees and Candidates must not engage in a conduct that compromises the reputation or integrity of the CSLA designation, or the integrity, validity, or security of the CSLA Board of Standards.
- B. Reference to CSLA Board of Standards, the CSLA designation, and the CSLA course curriculum.** When referring to the CSLA Board of Standards, CSLA designees, the CSLA designation, or content in the CSLA curriculum, Designees and Candidates must not misrepresent or exaggerate the meaning or implications of becoming a designees with the CSLA Board of Standards, holding a the CSLA designation, or candidacy in the CSLA curriculum.