



**AMBA**

Alberta Mortgage Brokers Association

# CODE OF **CONDUCT**

**April 2024**

# PREAMBLE

AMBA's Code of Conduct is intended to provide specific standards to its' members that cover interactions that occur with the public, with clients, with fellow mortgage industry members, and with the greater real estate industry. The Code will empower our members to uphold the highest level of integrity and ethical conduct in all aspects of their career. The Code will protect positive competitive behaviour between members but is not intended to deal with operational and/or contractual issues within the industry. The development of a dynamic set of ethical standards for AMBA's members conduct requires members to commit themselves to an ongoing effort to act ethically, encourage others to act ethically, and report behavior that could jeopardize the reputation of the mortgage industry.

**The Code of Conduct reflects AMBA's values: In order to earn your TRUST, you can expect us to act:**

- 1. Ethically**
- 2. Respectfully**
- 3. Professionally**
- 4. Transparently**
- 5. Inclusively**

**The Code shall be a guideline to augment the licencing and regulating policies of the Real Estate Council of Alberta.**



Alberta Mortgage Brokers Association

# CODE OF CONDUCT

## 1. With Respect to the Public

- a. Members shall conduct their business so as not to deny equal professional services to any person for reasons of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender, age, marital status, religious beliefs, political convictions, family status, or disability.
- b. Members shall not engage in any in-person or online conduct, within or external to providing services, that is disgraceful, unprofessional, or would put the industry in a negative light. For guidance, members should refer to RECA's Good Character Policy.
- c. Members shall not engage or participate in any advertising, marketing, or business practices that may mislead the public.
- d. Members will dispatch their duties with the highest attention paid to personal responsibility, honesty, and integrity.
- e. Members will endeavor to provide full, clear, and accurate mortgage information to the public at all times.
- f. Members shall not disparage, harass, or discriminate against any person or group for reasons of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender, age, marital status, religious beliefs, political convictions, family status, or disability.

## 2. With Respect to Clients

- a. Members must endeavor to be informed of existing laws and legislation, proposed legislative changes, and essential facts or public policies which affect the industry.
- b. Members must always conduct their activities in full compliance with all federal, provincial and municipal laws and regulations; association bylaws; all applicable Codes of Ethics/Conduct; the rules and standards of practice of the Real Estate Council of Alberta; and abide by the Real Estate Act of Alberta.
- c. Members pledge to be fair and to protect and promote the interest of their clients.
- d. Members must respect any and all contractual relationships and shall not in any manner, by direction or suggestion, advise a party to a contract that they should attempt to breach or terminate the contract.



- e. Members must disclose in writing any perceived or existing conflicts of interest that may interfere or affect a transaction. The disclosure must be acknowledged by the affected parties.
- f. Members shall have knowledge of and abide by all applicable privacy legislation within their jurisdiction.
- g. It is the duty of all members to be knowledgeable about the risks of fraudulent practices within the industry and to practice due diligence to protect against fraud, misrepresentation or unethical practices.
- h. Members have a duty to report suspected fraudulent activity to their Managing Broker. Managing Brokers have a duty to report suspected fraudulent activity to RECA.
- i. Under no circumstances should a member knowingly permit themselves to be involved in a transaction which may be suspected of misrepresentation, fraud or illegality.
- j. All contracts and agreements to which a member is party should be in writing and shall be complete and exact to the best of their knowledge and ability.
- k. Members shall always provide the client with sufficient opportunity to make an educated, informed and uncoerced decision and will therefore avoid the use of any high-pressure tactics.
- l. Members have a duty to hold in strict confidence any information acquired in the course of the professional relationship concerning the business and affairs of his/her client. This duty applies even in circumstances where there are related parties if a conflict of interest exists.
- m. Members must disclose any and all potential conflicts of interest related to holding multiple licences within the real estate industry (i.e. Real Estate Agent, Appraiser).
- n. Members have a duty to provide skilled & conscientious service within the limits of their knowledge, experience, and licencing scope; members shall encourage clients to seek the advice of outside professionals should the advice be beyond the expertise of the member.
- o. Members shall not disparage, harass, or discriminate against any person or group for reasons of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender, age, marital status, religious beliefs, political convictions, family status, or disability.



### 3. With Respect to Fellow Mortgage Industry Members

- a. Members shall always conduct their business so as to avoid controversies with fellow members and shall treat colleagues with respect at all times.
- b. When working with fellow industry members, members should avoid any act or behavior that may reflect negatively on the perception or reputation of the industry.
- c. A member should never publicly criticize a fellow industry member nor express an opinion of an industry members' transaction unless requested professionally to do so in writing by one of the principals in a transaction, or their lawyer. Any opinion then rendered should be in accordance with accepted professional courtesy and integrity and approved by their Managing Broker.
- d. In the normal course of business, in the spirit of professional courtesy, members should endeavor to inform fellow industry members in the event that a consumer engages multiple brokers during a transaction so long that doing so does not jeopardize confidentiality required by the client and/or privacy legislation.
- e. Members shall refrain from actively soliciting clients who are currently transacting with another broker.
- f. In situations where members agree to enter into a co-brokering arrangement (agency agreement), both members will respect and abide by the terms of the agreement. Either party may not solicit or refer the client to other parties without mutual consent for the transactions outlined in the agreement.
- g. Members have a duty to communicate any inter-industry conflicts to their Managing Broker when and if there is a potential for disparagement or disrepute.
- h. Members shall not disparage, harass, or discriminate against any person or group for reasons of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender, age, marital status, religious beliefs, political convictions, family status, or disability.

### 4. With Respect to the Real Estate Industry

- a. Members shall refrain from providing unqualified advice that is beyond the scope of their licence, particularly in areas where there exists qualified and/or licenced professionals. (i.e. lawyers, accountants, appraisers, Real Estate Agents)
- b. Members will engage with fellow real estate professionals in a professional and respectful manner at all times.
- c. If a Member holds more than one licence (eg. Real Estate Agent and Mortgage Broker) they must provide full disclosure to all relevant parties within a transaction.



- d. In order to protect the integrity of the industry, members will show due diligence in reporting any suspicious or potentially fraudulent activity to the appropriate regulatory authority, governing body, or parties involved (i.e. lender, Real Estate Broker, lawyer).
- e. Members shall not disparage, harass, or discriminate against any person or group for reasons of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender, age, marital status, religious beliefs, political convictions, family status, or disability.

## 5. Anti-Harassment

- a. Members shall commit to contributing to an environment free of personal harassment and sexual harassment and will make every reasonably practicable effort to that end. In furtherance of this commitment, Members shall not personally harass or sexually harass Members, Staff, Volunteers, Non-Members/Guests, Vendors, Service Providers, etc. while attending or participating in any AMBA event, meeting, or gathering.

## 6. Violations of the Code

- a. In an instance where a member fails to comply with the Code of Conduct, and a complaint has been filed against them, the member will be subject to the Code of Conduct Dispute Resolution Rules.
- b. Members shall abide by and participate in any complaints or professional conduct processes that may be set out by AMBA's policies and procedures from time to time.
- c. AMBA may alert partner organizations and/or stakeholder organizations (i.e. RECA and/or MPC) to violations of the Code of Conduct when required or when deemed appropriate.

## 7. Reporting Violations

- a. Members are encouraged to report any breach of the Code of Conduct that they have personally observed, witnessed, or experienced. Code violations can be reported to the Chair of the Board or the CEO in writing.
- b. By encouraging reporting, Members shall hold one another accountable to the highest level of ethical conduct for the betterment of the Mortgage industry.

