



## **CODE OF ETHICS FOR THE BLOODSTOCK AGENTS FEDERATION (N.Z.) INCORPORATED.**

### **1. CODE OF ETHICS AS BETWEEN AGENTS AND CLIENTS**

- a) Members of the Association must act in the best interests of their client at all times. Those interests must be considered paramount.
- b) Members shall strictly observe all statutory obligations imposed on them.
- c) Members shall maintain a high standard of service including the use of written contracts and appointment of agent forms if and when required.
- d) Members shall carefully consider whether any potential conflict of interest may exist in any relationship or transaction, and must advise their client accordingly.

Examples of such a conflict could include but would not be restricted to:

- (i) any relevant financial retainer with a third party;
  - (ii) any previous purchase of or involvement with a horse.
- e) Members shall not undertake to provide professional services where they have a present or contemplated interest unless such interest is specifically disclosed to all parties to the transaction. Members shall not acquire an interest in or buy for themselves, any member of their immediate family, their firm or any member thereof, or any entity in which they have an ownership interest (other than a public company), bloodstock listed with them, without making the true position known to their clients.
  - f) When acting as agents, members shall not accept any commission, rebate, or profit on expenditure made for their client, unless such fact shall be first made known to the client.
  - g) Members must be diligent at all times and shall avoid misrepresentation or the concealment of pertinent facts. Members have an obligation to discover adverse factors that a reasonably competent and diligent investigation would disclose.
  - h) Information arising from and relating to an agent/client relationship shall always be confidential.
  - i) Except where the law or custom of the county concerned otherwise requires, any oral or written communication between bloodstock agents shall in principle be accorded a confidential character unless certain promises or acknowledgments are made therein on behalf of a client.
  - j) In accepting employment as an agent, the member pledges himself/herself to protect and promote the interests of the client. This obligation of absolute fidelity to the clients' interest is primary. It does not relieve the member of the obligation to treat all parties to the transaction fairly.
  - k) It is improper for a bloodstock agent to accept a commission or agency unless it can be handled promptly and with due competence and without undue interference by the pressure of other work.
  - l) Clients of Association members shall have the right to make representations to the Association if they consider that a member agent has acted unethically in his/her professional conduct (see Point 4 Complaints Procedure). The Association is empowered to suspend or terminate the membership of any member (see Rule 15 and Rule 17).

## **2. CODE OF ETHICS AS BETWEEN AGENTS**

- a) Members shall not act in any way liable to bring the Association into disrepute.
- b) A member must not attempt to supplant or compete with another member by any unfair or improper means.
- c) It shall be considered improper for bloodstock agents to communicate about a particular sale or commission directly with any person whom they know to be represented in that sale or commission by another bloodstock agent, without the latter's consent.
- d) A member shall at all times be responsible for the actions of his/her employees and anyone acting on his/her behalf in their business relations with fellow members, clients and the public in accordance with this code of ethics.
- e) A member must at all times abide by the standard of ethics and professional practice established by the Association and shall observe the highest principles of professional integrity and business practice. A member shall display, if appropriate, the logo of the Association to indicate affiliation and observance of the Association's Code of Ethics.
- f) A member, in the best interests of the public, the Association, its members and his/her own business, should always be loyal to the Association and be active in its work. He/she must do everything in his/her power to increase public confidence in the profession, to promote goodwill and friendly business relations amongst members, advance the interests of the profession and maintain its integrity and status.
- g) Bloodstock agents shall preserve independence in the discharge of their professional duty.
- h) Bloodstock agents shall treat their professional colleagues with the utmost courtesy and fairness. When undertaking to render assistance to a foreign colleague they shall always keep in mind that the foreign colleague has to depend on them to a much larger extent than in the case of another bloodstock agent in the same county. Therefore the responsibility is much greater, both when giving advice and when handling a case.
- i) In all matters bloodstock agents shall be punctual and diligent and they should never mingle funds of other with their own and they should at all times be in a position to refund money that they hold for others. They shall not retain money they receive for their clients for longer than is absolutely necessary.

## **3 OBJECTS OF THE ASSOCIATION**

- a) To establish and maintain a high level of conduct and trading practice amongst Association members so that clients who wish to use a member of the Association can do so with confidence.
- b) To provide support for those members trading as Bloodstock Agents and to advance the status of the Federation of Bloodstock Agents within the Bloodstock industry
- c) To promote and to publicise the members of the Association and their specialist knowledge.
- d) To represent the membership on industry bodies and to give the benefit of members experience to the bloodstock industry as a whole.

## **4 COMPLAINTS PROCEDURE**

- a) Should a person have a complaint regarding the actions of a member they shall forward the details of the complaint to the Secretary of the Bloodstock Agents Federation in writing. If after consultation with the Secretary and/or the President of the Federation, the complainant still wishes to pursue the matter, the complaint and all associated documentation shall be handed over to an independent mediator who will be appointed by the President and/or the Vice President of the Federation to investigate the complaint.

- b) If any of the Bloodstock Agents Federation's committee is personally associated with a complaint they must be excluded from the process.
- c) The President and or Vice President of the Bloodstock Agents Federation shall be responsible for:
  - (i) Ensuring all parties specified in a formal complaint have received a written copy of the complaint and copies of any submissions or other evidence put forward by any party regarding the complaint;
  - (ii) Ensure that before any hearing takes place all parties to a formal complaint have been given an opportunity to respond and reply to any matter raised by parties relevant to the complaint;
  - (iii) Dealing with the complaint as quickly as possible;
  - (iv) Invite any party to the complaint to have appropriate representation or a support person with them at any meeting or hearing.
- d) The complaint will then be investigated by the Mediator who shall make a recommendation to the President and/or Vice President of the Bloodstock Agents Federation as to the validity of the complaint and to the severity of the failure of the member to comply with the Code of Practise.
- e) The member in question shall co-operate with the Mediator.
- f) If the recommendation is that there is a case to answer, the President and or Vice President of the Bloodstock Agents Federation have the right to call a special meeting of the Committee of the Bloodstock Agents Federation to review the recommendation and evidence and to then decide on any necessary penalty. Before making a decision the committee will:
  - Declare any conflict of interest as soon as it becomes apparent
  - Act only on written and agreed information, not verbal hearsay
  - Ensure any party to the complaint and/or their appropriate representation or support person has an opportunity to appear before the committee at the Special Meeting and/or make a submission to it.
- g) Under Rules 15 & 17 of the BAF, the Committee may fine, suspend or expel any member proved to their satisfaction to have been guilty of improper or dishonourable conduct, or of conduct prejudicial to the interests of the Federation or in breach of any regulation or bylaws of the Federation.