



# The CLTC Code of Professional Responsibility

# Ethical Promotion of Planning

The CLTC Code of Professional Responsibility:

*“Financial-services professions have come under increasing scrutiny as breaches in moral conduct and legal compliance have become widespread. Companies, firms and associations have started adopting stricter rules of conduct for their members and licensees. These rules concern establishing trust, servicing client needs, and creating recommendations for services and products that are appropriate to clients’ situations. It is a well-established fact that when practices are built on trust, needs-based selling, and long-standing client relationships, they lead to few complaints about unethical conduct.”*

Each student and graduate receives a copy of the code and is required to sign a pledge to comply with it.

**As a reminder, these are the Ten Rules of Ethical Conduct:**

- I. Conduct business under the assumption that the client is a willing and able participant.
- II. Conduct the interview as a process to establish a plan to protect the client's family, not an opportunity to sell product.
- III. Understand that a client's wants and needs may be two different things, and that the producer's responsibility is to focus on needs.
- IV. Understand that the issue of suitability is foremost in the proper implementation of long-term care insurance.
- V. Understand that long-term care insurance may not be the most appropriate solution to the client's needs and if it's not, advise the client of this and offer to assist in implementing the proper plan.

## Ten Rules of Ethical Conduct (continued)

- VI. Attempt to minimize the cost of insurance by recommending only necessary coverage and, when appropriate, copayment by the insured.
- VII. Consider insurance as only one part of a client's total financial situation, and advise him to employ the counsel of other professionals when appropriate.
- VIII. Never disparage a competitor's product, services, business practices or personal character.
- IX. Never use misleading or false language in advertising and marketing materials, and fully disclose if endorsers are profiting from the sale of a product.
- X. Present an unbiased, objective assessment of the client's health history and suitability of coverage to the carrier.

- Certification for Long-Term Care, LLC believes these Ten Rules of Ethical Conduct govern the promotion of long-term care insurance and are related to three key elements in the promotion of product:
- The Interview
- Evaluation of the suitability of coverage based on an analysis of needs
- Proper representation of the client's case to your carrier.

- Certification for Long-Term Care has the duty to protect the CLTC designation by responding to requests for information submitted by the public or other CLTC designees regarding a graduate's use of the designation.
- Upon investigation, if the designee is not in good standing that person will have relinquished the designation and will receive a letter from the home office to cease using the designation or to rejoin by paying a renewal fee and meet all requirements. If the relinquished graduate re-joins he or she may be required to take the master class course again to be reinstated.