

**COMMUNITY ASSOCIATIONS INSTITUTE  
PROFESSIONAL RESERVE SPECIALIST (RS) CODE OF ETHICS**

*Revised July 1999*

The Reserve Specialist Shall:

1. Comply with current standards or practices as may be established from time to time by CAI and the Reserve Specialist (RS) Designation Review Board;
2. Not make any inaccurate or misleading representations or statements to a prospective client;
3. Undertake only those engagements the Reserve Specialist can reasonably expect to perform with professional competence;
4. Exercise due care and exhibit adequate planning and supervision;
5. Disclose in writing to the client any actual, potential or perceived conflict of interest if the client may have dealings with another party in some way related to the Reserve Specialist;
6. Not knowingly misrepresent facts to benefit the Reserve Specialist;
7. Conduct himself or herself in accordance with the Reserve Specialist requirements;
8. Not hold himself or herself out to anyone as being a Reserve Specialist designee until such time as he or she receives written confirmation from the Reserve Specialist Designation Review Board or CAI of receipt of the designation; and
9. Abide by the redesignation policy of CAI.

**Compliance with the Professional Reserve Specialist (RS) Code of Ethics is further amplified in the Code Clarification Document provided by the Community Associations Institute.**

## CODE CLARIFICATION DOCUMENT RESERVE SPECIALIST

### A. Authority

The Code derives its authority from the Community Associations Institute (CAI). CAI's Board of Trustees and the Reserve Specialist Review Board have established a minimum standard of professional ethical performance for those individuals who receive the Reserve Specialist (RS) designations from CAI.

Those individuals or entities who have received the professional Reserve Specialist designation (RS) from CAI are subject to this Code.

### B. Definitions

The Code shall apply in any Reserve Specialist-client relationship where the RS receives some form of compensation for professional services offered or provided to the client.

Because the Code is designed to establish a standard of conduct for the Reserve Specialist, it is equally applicable to individuals and firms. An individual who agrees to abide by this Code shall also be responsible to see that any other person or firm under his/her supervision shall comply with the Code.

### C. Amplification

The following information and examples are provided by CAI to further explain some of the tenets of the Code of Ethics and corresponds to the numbered paragraphs in the Code of Ethics:

1. *Current standards or practices* are those numbered one through eight in the Code. Reserve Specialists who practice in states with legislative requirements for their profession must comply with those laws.
2. *Inaccurate or misleading representations* are oral or written statements made with knowledge of their falsity.
3. *Undertake only those engagements the RS can reasonably perform* is the essential key here. The Reserve Specialist should not undertake engagements that he/she cannot perform in the required time-frame and with professional competence.
4. *Adequate planning and supervision*. The Reserve Specialist must plan his or her own work and adequately supervise his or her employees' work so that the work is performed with professional competence.
5. *Disclosure of any possible conflict of interest* is essential. Disclosure must be in writing and sufficiently in advance of the selection process to allow full consideration of the possible conflicts and any alternatives. The fact that the client may still choose the Reserve Specialist's related entity is not a violation of the Code, provided ample disclosure was given.

D. Future

The Board of Trustees and the Reverse Specialist Designation Review Board may expand application of this Code, and reserves the right to update or amend both the Reserve Specialist Code of Ethics and the Code Clarification Document. Any such revision, updating or amendment shall be promptly promulgated to Reserve Specialist members and, after due notice, will apply to all members subject to the Code.

E. Disciplinary Action

After an internal investigation and hearing as provided in CAI's Ethics Enforcement Procedures Policy, a Reserve Specialist found to be in violation of this Code shall face a sanction in accordance with the enforcement policies adopted by the CAI Board of Trustees. The extend of such sanction shall be commensurate with the nature, severity, and intent of the violation. In a situation where a firm, principal(s) or supervisory staff are involved, sanctions may be imposed on more than one individual or the firm itself.

**Please answer the following questions.**

Have you ever been convicted of fraud, misrepresentation, misappropriation of funds or property? *If yes, attach a detailed explanation.*                       Yes             No

Have you ever been subject to disciplinary action by any professional organization? *If yes, attach a detailed explanation.*                       Yes             No

F. Signature

By signing below, I agree to abide by the CAI Professional Reserve Specialist Code of Ethics and to be subject to disciplinary action as adopted by the Board of Trustees.

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Firm Name (if employed by a firm or are a principal or supervisory staff member)

\_\_\_\_\_  
Printed name and signature of an officer of that firm, if applicable

Acknowledged before me on this day:

\_\_\_\_\_  
Notary Signature

\_\_\_\_\_  
Notary commission expiration date