

AUSTRALASIAN INSTITUTE OF CHARTERED LOSS ADJUSTERS

ABN: 18 074 804 167



CHARTER OF OBJECTS AND PROFESSIONAL CONDUCT FOR THE AUSTRALASIAN INSTITUTE OF CHARTERED LOSS ADJUSTERS

1. OBJECTS

The primary object of the Institute is to advance the Profession (of Loss Adjusting) for the benefit of its practitioners and the public in general through the continual education of its Members and the encouragement of skilled, ethical and sound practice in the Profession.

2. DEFINITIONS

In this Charter, unless the context otherwise requires;

Client refers to a person engaging a Member for loss adjusting services;

Institute refers to the Australasian Institute of Chartered Loss Adjusters;

Member refers to a member of the Australasian Institute of Chartered Loss Adjusters; and

Profession refers to the profession of loss adjusting.

3. DUTY TO DISCLOSE

A Member shall inform his or her Client or principal of any business connections, interests, or circumstances which may be deemed likely to influence the judgement or the quality of the Member's service to such Client or principal.

4. COMPETENCE AND DUE CARE

A Member must be competent in the practice of the Profession. A Member must strive continually to improve his/her technical services and keep his/her knowledge and skills relevant to the Profession up-to-date. A Member must always use the utmost care and diligence in discharging his/her duties to his/her principals and Clients.

5. FIDUCIARY DUTIES OF MEMBERS

When dealing with a Client, a Member must always conduct himself/herself in accordance with his/her fiduciary duties.

6. INTEGRITY OF MEMBERS

If called upon to give evidence or otherwise speak on a matter of fact in respect of the Profession, a Member must at all times give evidence honestly, notwithstanding the effect either on other Members, sectional interests, the Member's own interest or the Client's interest.

7. ETHICAL CONDUCT OF MEMBERS

- (a) A Member must neither maliciously nor in a reckless or careless manner do anything likely to injure, directly or indirectly, the reputation of the Institute.
- (b) A Member shall refrain from any conduct or action in his/her professional role which may tarnish the image of the Profession or unjustifiably detract from the good name of the Institute.

- (c) No Member shall issue a report under his/her signature unless the work dealt with therein shall have been undertaken by the Member or a person in the same firm.
- (d) A Member must at all times, with due regard to professional duties, act honourably towards his/her professional colleagues.
- (e) Members must:
 - (i) inform their client/principal, the insured and any other relevant parties of any business connections, interests or circumstances which may be deemed likely to influence the judgement or the quality of the Member's service to such party;
 - (ii) at all times endeavour to keep free of conflicts of interest and recognise the legal and equitable rights of all parties; and
 - (iii) provide written notice to their client/principal, the insured and any other relevant parties as soon as possible after a Member identifies a conflict of interest.
- (f) For the avoidance of doubt, this clause does not extend to employment, contractor, subcontractor or agent disputes, unless the Institute elects to exercise its direction under clause 8(c) of this Charter.

8. EMPLOYMENT DISPUTES

- (a) This Charter is not intended to be used in relation to employment disputes. The Institute may consider a dispute an employment dispute if:
 - (i) the dispute concerns a matter in relation to the employment or former employment of an employee; and
 - (ii) the dispute does not otherwise concern conduct or alleged conduct which is in breach of this Charter.
- (b) Examples of employment disputes may include, but are not limited to, disputes arising from:
 - (i) interpersonal conflicts between employees or between an employee and employer;
 - (ii) decisions relating to an employee's employment, transfer, promotion or termination;
 - (iii) a decision about the terms and conditions of an employee's employment;
 - (iv) a decision to suspend or terminate an employee's employment or otherwise discipline an employee;
 - (v) issues related to post-employment obligations including but not limited to a change in employment, restraints of trade, or competition.

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- (c) If the Institute is of the opinion that an employment dispute breaches this Charter, then, at the Institute's absolute discretion, it may elect to deal with the matter under clause 12 of this Charter.
- (d) Any court ruling arising from an employment dispute will, if requested, be considered in accordance with the obligations of a member under the Charter.

For the purposes of clause 8, employment disputes also extend to arrangements between contractors, subcontractors and agents.

9. PRACTICE NAME

A Member is prohibited from using a practice or business name which is false, misleading or deceptive. Practice names and descriptions must not reflect adversely on the Profession or the Institute.

10. ADVERTISING AND PUBLICITY

- (a) A Member may participate in publicity provided that:
 - (i) No advertisement, circular or other form of publicity used by a Member should claim for that Member a level of skill or experience in any respect over any other Member unless such a claim can be substantiated.
 - (ii) A Member must ensure that no representations contained in any such publicity are untruthful or contain deliberate inaccuracies.
 - (iii) Advertisements, circulars and other publicity shall not be of a character that could reasonably be regarded as likely to bring the Profession into disrepute.
 - (iv) No Member of the Institute other than a Fellow, Associate or Affiliate may use any initials after his/her name which give or indicate the impression of membership of the Institute. A Fellow may use after his/her name the initials FCLA and an Associate may use after his/her name the initials ACLA and an Affiliate may use after his/her name AICLA (Aff). Fellows and Associates may, if continuing professional development accreditation is achieved, use the title "Chartered Loss Adjuster".

- (b) (i) Designation of Firms and Companies as Chartered Loss Adjusting Firms or Companies

A Member must not claim that his or her firm or company is a chartered loss adjusting firm or company, nor practise in association with a firm or company that claims that it is a chartered loss adjusting firm or company, unless at least 50% of Partners or Directors of such a firm or company are Fellows or Associates of the Institute and signatories to this Charter of Objects and Professional Conduct and the remaining Partners or Directors agree to abide by the terms of this Charter.

- (ii) Designation of Individuals
Members may display the name of the Institute and its logo on the Member's letterhead and business cards, providing the Member displays that they are a Member of the "Australasian Institute of Chartered Loss Adjusters Limited" and so long as they abide by the Charter of Objects and Professional Conduct. Such display shall be no larger than 50% of the font size of the name of the Member's firm as printed on the letterhead or business cards.

11. SOLICITATION

A Member must not by commission or in any other similar way make any payment for the introduction of work or offer any similar financial or other inducement to secure instructions.

12. COMPLIANCE WITH INSURANCE CODE OF PRACTICE

A Member agrees to be bound by the Insurance Code of Practice of the country in which the Member practises in so far as it is applicable to the Profession.

13. COMPLIANCE WITH CHARTER

Compliance with this Charter is mandatory and any Member who is guilty of infringing any clause of this Charter may be liable to disciplinary sanction by the Institute in one or more of the following ways:

- (a) A caution and/or reprimand.
- (b) Suspension from membership of the Institute for any period not exceeding 2 years.
- (c) Expulsion.

Any such disciplinary actions taken by the Institute will be conducted in accordance with the rules of natural justice.



**Australasian Institute of
Chartered Loss Adjusters**

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