

**CERTIFIED PUBLIC ADJUSTERS
CORPORATION**

Code of Ethics

3/1/2017

Members of the Board & Employees Adopted Code

CERTIFIED PUBLIC ADJUSTERS CORPORATION CODE OF ETHICS

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CERTIFIED PUBLIC ADJUSTERS CORPORATION CODE OF ETHICS

The Board of Directors (the "Board") of Certified Public Adjusters Corporation, a New York corporation (the "Company"), have adopted this Code of Ethics for the Company's directors, officers and employees (the "Code"). The Companies Customer (the "Client") is to receive the applicable benefits of (the "Code").

Article I. PURPOSE

This Code is intended to focus the Board, management and our employees on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical or unlawful conduct, and to help enhance and formalize our culture of integrity, honesty and accountability. This Code is also designed to establish the policies and appropriate standards concerning business conduct, responsibilities and conflicts of interest. This Code applies to the directors and employees of the Company for the benefit of the Company and its Clients.

Article II. FIDUCIARY STANDARDS AND PROCEDURES

A. *Employees Duties for Client Claims Handling*

1. It is the obligation of the Company and its employees to represent the Company Clients with the highest degree of service while placing all personal obligations (*with the exception of verifiable emergencies*) aside during the hours of Company operations.
2. Every employee is required to thoroughly document all aspects of the Clients claims including but not limited to the immediate collection of time sensitive data, conducting interviews, taking detailed photographs of damaged items, issuing the proper Client disclosures regarding claims settlements practices and filing all legal documents necessary to keep the Client compliant with their insuring agreement including but not limited to time sensitive notices, which the Company will file well in advance of the time requirements accompanied by a request for the policyholder's insurance carrier to acknowledge in writing.
3. When a Client is referred to the Company by a Company employee, a Clients' own vendor/contractor or any other party it shall be every employees duty to place the Clients interests and privacy above that of the referring party regardless of any conflicts that may arise between the Client and their vendor/contractor or referring party.
4. Every employee shall keep the Client informed of material developments of the claim by phone, fax, email or by letter delivery. During catastrophic events where telecommunications and mail services are impacted employees shall keep a history of events in a hand written log to discuss with Clients at a later time, as well to be added to the Company's electronic imaging system.
5. Every employee shall immediately inform his or her supervisor of any suspected unconventional or deceptive activity during the preparation and presentation of the Client's claim and when possible protect the Client from exposure when such acts are perpetrated by vendors or third parties. Supervisors will report such activity to their managers or to the Company's Compliance Officer.

B. *Customer Relations*

1. Every employee shall display the utmost courtesy and respect to Company Clients regardless of the Client's demeanor, keeping in mind that a Client exposed to adverse conditions may be having difficulty adjusting or accepting their present / future situation(s).
2. In such case where a client appears agitated and or abusive, employees shall immediately refer the matter to his / her supervisor. No employee shall engage a Client in an impolite exchange as doing so will result in punitive actions by the Company including but not limited to suspension or termination of employment. Regardless of a Client's behavior. The Company will not tolerate its employees discourteously challenging or provoking a Client, regardless of the Client initiating such exchange.
3. "The Customer is always right (*Farrington, Frank 1915*)", or "The Customer is never wrong", "The Customer is King", Give the Customer what he/she wants". These kind of logical phrases have been employed for thousands of years. Our Company motto is; "The Customer is the Boss". The Company adopts this axiom and its implied policy as ultimately it is our Client who finalizes all of the decisions of their claims, generally based upon the education and recommendations Company employees provide, so that if a Client is made perfectly to understand what it means to be right regarding insurance settlements, little effort should result in a Client understanding what is wrong, illegal and or harmful to their claims.

Article III. WAIVERS

Any waiver of Parts III A and B of this Code with respect to a director, an executive officer, and each financial or accounting officer at the level of the principal accounting officer or controller or above, may be made only by the Board and shall be promptly disclosed as required in accordance with the rules and regulations promulgated by the New York State Department Of Financial Services (NYS DFS). Waivers with respect to other employees may be made only by the Board. The Board shall carefully evaluate any requested waiver and shall ensure that all waivers of this Code will not harm the Company or its reputation. No waivers of the requirements of Parts III. C through H and IV. and V. of this Code may be granted.

Article IV. POLICIES

A. Conflicts of Interest

The Company requires disclosure of related-party transactions and conflicts of interest, and seeks to avoid such transactions as well as the appearance of conflicts, where practicable. A conflict of interest occurs when the private affairs or financial interests of an individual employee interfere with the interests, assets, or business of the Company. Potential conflicts must be fully and promptly disclosed to the Company's designated Compliance Officer, his/her designee or a member of the Board.

B. Corporate or Other Opportunities

This Code prohibits (i) participating in personal gain by diverting to others any business opportunities that the employee learns about through the use of corporate property, information or position or that are discovered or disclosed in the course of the Company's business, (ii) using Company property, information or position for unauthorized or unlawful personal gain, and (iii) competing with the Company. Directors and employees owe a duty to the Company to advance their legitimate interests when the opportunity to do so arises without personal gain outside of the employees set compensation agreements specifically such gain that is prohibited by the Company or applicable New York State Insurance Laws or the governing New York Codes Rules & Regulations (11NYCRR).

C. Confidentiality

Directors and employees of the Company should maintain the confidentiality of information entrusted to them by the Company or its Clients, except when disclosure is authorized or legally mandated by Section 405 of the NYS Insurance Laws. Confidential information includes all non-public information that might be of use to competitors, counterparts or harmful to the Company or its Clients, if disclosed.

D. Fair Dealing

Each director and employee of the Company should endeavor to deal fairly with the Company's Clients, counterparts, competitors and employees. None should attempt to take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

E. Protection and Proper Use of Company Assets

Directors and employees should protect the Company's assets and seek to ensure the proper use of the Company's and its Clients' property, electronic communication systems, information resources, materials, facilities, and equipment. All assets should be used and maintained with reasonable care and respect, guarding against waste and abuse, and Company assets or property that should never be borrowed or removed without express written (signing out) permission from the department head responsible for that asset. In the case of executive officers and directors, any loan or removal of Company property or assets requires written approval by the Chairman of the Board of Directors and disclosure to the Board. Directors and employees should be cost-conscious and alert to opportunities to improve performance while reducing costs. All Company assets should be used only for legitimate business purposes.

F. Compliance with Laws, Rules and Regulations

Directors and employees of the Company will conduct the business of the Company in accordance with all applicable federal, state & municipal / local laws, rules and regulations, and shall comply with applicable policies and procedures of the Company, including this Code.

G. Reporting of Illegal or Unethical Behavior

Directors and employees of the Company must report any knowledge or reasonable suspicion of violations of any laws, rules or regulations or any violations of this Code. Such report must comply with the reporting procedures described in New York State Department of Financial Services Section 405 of the insurance law or that of any legal authority having jurisdiction over such violation.

H Disclosure.

The information in the Company's public communications, including the New York State Department Of Financial Services (NYS-DFS) filings, must be full, fair, accurate, timely and understandable. All directors and employees of the Company are responsible for acting in furtherance of this policy. In particular, directors and executive officers are required to maintain familiarity with the disclosure requirements applicable to the Company commensurate with their duties and are prohibited from knowingly misrepresenting, omitting or causing others to misrepresent or omit, material facts about the Company or its Clients to others, whether within or outside the Company, including the Company's independent auditors or any legal authority having jurisdiction of Company operations. In addition, any director or employee who has a supervisory role in the Company's disclosure process has an obligation to discharge such supervisory responsibilities in good faith and in the Company's and Clients best interests.

Article V. COMPLIANCE STANDARDS AND PROCEDURES

This Code is designed to provide a method to report conduct that directors, and employees suspect violates this Code. The Company encourages participation by all employees in this effort.

If actions have taken place, may be taking place, or may be about to take place that violate any law, rule or regulation or any provision of this Code, it should be brought to the attention of appropriate authorities within the Company and when required by law reported to the proper legal authority having jurisdiction.

A. Procedure to Report Violations or Suspected Violations

1. Failure to report a known violation of these policies may result in disciplinary action up to and including dismissal. If an employee has knowledge of or reasonably suspects misconduct or a violation of this Code or that of the NYS-DFS, the matter should first be brought to the attention of his/her immediate supervisor in writing or, in the case of a director with knowledge, in writing to the attention of the Chief Executive Officer or the Board.
2. If the conduct in question involves a reporting individual's supervisor, the reporting individual believes that a supervisor has not dealt with the matter properly, or feels they cannot discuss the matter with a supervisor, the reporting individual may raise the matter with the next level of management or report it to the Board. If a reporting individual is uncomfortable reporting to any of the above persons, or feels that the report has not been dealt with properly, the individual may report it directly to the Compliance Officer or any representative of the Board.
3. In reviewing a report, a manager should consider whether the report alleges or implicates a violation of this Code or any law and if so, he or she must report it immediately to the next level of management and must also notify the Company's designated Compliance Officer, or where appropriate, to a representative of the Board.
4. When reporting misconduct or suspected misconduct, the Company prefers that the reporting individual discloses his/her identity in writing in order to facilitate the Company's ability to take appropriate steps to address the report, including conducting an investigation. If anyone wishes to remain anonymous, he/she may do so; however, they should be aware that if they do not identify themselves, the Company may not have sufficient information to properly investigate their allegations. When a report relates to an accounting or auditing issue or fraud by an employee or a Client, the complaint procedures adopted by the Audit Committee of the Board supersede these provisions, but only to the extent these provisions are inconsistent.
5. Any employee or Client of this Company involved in any capacity in an investigation of a possible violation of any law, rule or regulation, including but not limited to insurance fraud or any provision of this Code, should maintain the confidentiality of the investigation and should not discuss the subject matter of the investigation with anyone other than those participating in the investigation, unless required by law or when seeking their own legal advice, if necessary.

B. Consequences of Failure to Comply

1. If a director or employee violates this Code, fails to *properly* report a violation of this Code or intentionally submits a false report, he/she will be subject to discipline by the company and any federal state or local authority having jurisdiction. In the event of a violation of any law, rule or regulation, the violation may be reported to the appropriate law enforcement authorities. The discipline imposed will vary depending on the nature, severity, and frequency of the violation as well as the status of the person involved. Discipline will be imposed for violations of this Code, failure to report violations and withholding relevant and material information concerning violations. Directors and employees will be informed of the charges against them in writing and will be given the opportunity to respond in writing to explain their actions before any disciplinary action is imposed.
2. Varying levels of disciplinary action may be imposed, including:
 - (a) Verbal Warning
 - (b) Written Warning
 - (c) Written Reprimand
 - (d) Probation
 - (e) Suspension
 - (f) Termination or Removal
 - (g) Suspension or Revocation of NYS Adjusters License
3. Offenders may also be subject to criminal prosecution by the New York State Department of Financial Services and civil liability, including compensating the Company, the Company's Clients or other injured parties for their loss.
4. No employee may be retaliated against for reporting *in good faith* to the Company or a legal authority, in accordance with this Code, or suspected misconduct or violation of this Code or any violations of governing insurance laws and regulations. Any employee who believes he or she has been retaliated against, or threatened with retaliation, should inform the Director of Human Resources in writing and copied to the Compliance Officer or a representative of the Board immediately. Employees or directors who violate this non-retaliation policy will be subject to the most severe disciplinary actions.
5. Individuals are expected to act responsibly and ethically in reporting under this Code. Employees and directors must not use this Code or any of its procedures in bad faith or in a false or frivolous manner as doing so will subject that party to disciplinary action.

THIS CODE IS SUBJECT TO CHANGE; HOWEVER, SUCH CHANGE WILL NEVER BE LESS THAN THE ETHICS SET FORTH HEREIN TO DATE