

# **Professional Financial Services, Inc. Registered Investment Advisor**

## **Code of Conduct and Ethical Behavior**

This writing sets forth the firm's Code of Conduct and Ethical Behavior ("Code of Ethics") for individuals who conduct business as investment advisor representatives ("IARs") under Professional Financial Services, Inc.'s Registered Investment Advisor (RIA).

This Code of Ethics is based upon the principle that all IARs have a fiduciary duty to place the interests of their clients ahead of their own. As an IAR, you must avoid activities, interests and relationships that might interfere with your making decisions in the best interest of your clients.

**Please review this important document carefully. You will be asked annually to certify that you have read and understand this Code of Ethics, and that you comply with its provisions. Any questions about this Code of Ethics may be directed to the Chief Compliance Officer.**

### **1. Fiduciary Duty**

- Make the best interests of the advisory client your primary concern, ahead of your personal interests. You must carefully avoid serving your own personal interests ahead of that of your advisory clients. You should not induce or cause your clients to take action, or to refrain from taking action, for your personal benefit.
- Avoid taking inappropriate advantage of your position. For example, taking advantage of investment opportunities or accepting gifts from clients or persons seeking business with Professional Financial Services, Inc. could call into question your exercise of independent judgment.
- Conduct all personal securities transactions in full compliance with this Code of Ethics and all applicable laws, rules and regulations, including reporting requirements. Doubtful situations always should be resolved in favor of the client.

### **2. Confidentiality**

You must keep all advisor client information confidential. You are prohibited from revealing information relating to the investment intentions, activities or portfolios of your clients, except to persons who require knowledge of the information in order to carry out their responsibilities, such as your advisory business staff, the Compliance Department, or a regulator.

### 3. Gifts

**Accepting Gifts.** As an IAR, occasionally you may be offered or receive gifts (including promotional items) from clients, brokers, vendors or others. Gifts of nominal value (totaling less than \$100 over a 12-month period) may be accepted. Acceptance of all other gifts is prohibited.

Except for nominal gifts, all gifts must be declined and returned in order to protect the reputation and integrity of Professional Financial Services, Inc. and yourself. Please report all gifts you receive, other than nominal gifts or promotional items, promptly to the Compliance Department, and verify that you declined and returned them.

**Solicitation of Gifts.** You are prohibited from soliciting gifts of any size under any circumstances.

**Giving Gifts.** You may not give any gift with a value in excess of \$100 (total per year) to clients or persons you do business with or who regulate, advise or render professional services to Professional Financial Services, Inc.

### 4. Undue Influence

As a fiduciary, you may not cause or attempt to cause any clients to purchase, sell or hold any security in a manner calculated to create any personal benefit. Whenever an investment decision for an advisory client that you recommend or participate in could create a material benefit to you or give the appearance of impropriety, you must disclose to those persons with authority to make investment decisions for the account the full nature of the beneficial interest you have in that security, any derivative security of that security or the security issuer. You also must advise the Compliance Department of a situation which could restrict or prohibit you making investment decisions in regard to the subject security.

### 5. Applicable Laws and Professional Financial Services, Inc. Policies and Procedures

Compliance with this Code of Ethics is in addition to compliance with all applicable laws, rules and regulations and Professional Financial Services, Inc. policies and procedures, including, without limitation, the provisions of the Professional Financial Services, Inc. Investment Advisor Representative Compliance and Procedures Manual (the "IAR Manual"), which is hereby incorporated by reference.

Please review the entire IAR Manual, giving immediate close attention to the following sections:

- Section 3: Fiduciary Obligations
- Section 6: Books and Records
- Section 7: Insider Trading

Individuals subject to this Code of Ethics also must submit a complete report of personal securities holdings. This requirement is met when as a registered representative the individual reports his or her personal brokerage accounts to the Compliance Department so that duplicate statements may be requested.

## 6. Reporting Violations

You have an important and mandatory obligation to promptly report any violations of this Code of Ethics to the Chief Compliance Officer, Robert E. Tucker. In the event of a violation involving the Robert E. Tucker, promptly report the matter to the H. Beck, Inc.

Professional Financial Services, Inc. seeks to create a safe environment for anyone who may report a violation, and attempts to handle such matters discreetly to avoid retaliation or other unfavorable consequences. You may choose to remain anonymous when reporting violations.

## 7. Sanctions

If the Compliance Department determines that an IAR (and/or an individual associated with an IAR) has committed a violation of this Code of Ethics, Professional Financial Services, Inc. may impose sanctions and take other actions as it deems appropriate. Among other things, the firm may require the offending individual to reverse any trades in question, forfeit any profit or absorb any loss derived therein from such matter as determined by the firm. Failure to timely abide by the directions to reverse a trade, forfeit profits, or take, or refrain from taking, such other actions as directed by the firm may result in the imposition of additional sanctions.

## 8. Exceptions

For good cause shown, on a case-by-case basis, the Chief Compliance Officer may consider and allow a special exception to this Code of Ethics when the proposed conduct involves negligible opportunities for abuse. All exceptions shall be requested and issued in writing.

## 9. Annual Compliance Certification

Individuals subject to this Code of Ethics shall sign a certification promptly upon becoming employed or otherwise associated with the firm that evidences their receipt of this Code of Ethics. Annually all individuals subject to this Code of Ethics will be required to certify in writing that they have read, understand, and have complied with the Code of Ethics.

## 10. Recordkeeping

Professional Financial Services, Inc. keeps the following records in regards to this Code of Ethics:

- Current Code of Ethics and historical record of prior versions or any amendment for the prior five years (or more).
- Records of any violations of the Code of Ethics, and any actions taken as a result of the violations.
- Current and historical records (at least 7 years) for Professional Financial Services, Inc. IARs.
- Duplicate personal brokerage account statements.

Such other records as determined by the Chief Compliance Officer.

## 11. Recommendation or selection of other advisors and conflicts of interest.

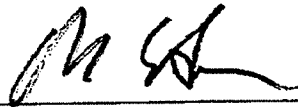
Financial advisors who are related persons of Professional Financial Services, Inc. and a FINRA registered representative of H. Beck, Inc., may solicit the services of third party money managers (TPMMs) to manage client accounts. In such circumstances, financial advisors receive a financial advisory fee from the client. Financial advisors act as the liaison between the client and the TPMM in return for the financial advisory fee charged. Financial advisors are responsible for:

- Helping the client complete the necessary paperwork of the TPMM;
- Providing ongoing services to the client;
- Updating the TPMM with any changes in client status which is provided to us by the client;
- Reviewing the quarterly statements provided by the TPMM; and
- Delivering the Form ADV Part 2 and the Privacy Notice of the TPMM to the client.

Clients placed with TPMMs will be billed in accordance with the TPMM's Fee Schedule which will be disclosed to the client prior to signing an agreement. When referring the investment management services of a TPMM to clients, the client's best interest, based on individual circumstances and needs, will be the financial advisors' main determining factor.

Recommending different TPMMs may represent conflicts of interest because financial advisors are paid a fee for providing advisory services to clients working with TPMMs and may choose to recommend a particular TPMM to clients based on the fee he is to receive. This conflict is mitigated by the fact that financial advisors 1) have a fiduciary responsibility to act in the best interest of their clients; 2) clients are not required to accept any recommendation of a particular TPMM given by financial advisors; 3) clients have the option to receive investment advice through other money managers of their choosing and 4) the Investment Advisory Agreements of the TPMMs that the financial advisors recommend limits the maximum fee (including both program and advisory fees) that can be charged to clients.

I acknowledge receipt of the BFS Code of Conduct and Ethical Behavior and the BFS Compliance Manual, and agree to comply with the provisions of both.



Robert E. Tucker

1/1/2017

Date