



**CODE OF ETHICS**  
**Mid-Atlantic Business Intermediaries Association, Inc. (MABIA)**

This Code of Ethics was enacted by the Board of Directors of the International Business Intermediaries Association (IBBA) and is a part of the bylaws of the IBBA and has been adopted by the Mid-Atlantic Business Association, Inc. (MABIA) and is a part of the bylaws of MABIA. This code is for the use by all the members of MABIA as a means of establishing a uniform standard of conduct for business brokers and intermediaries. We adhere to the ethical principle of business and believe that the investment risk and effort required building a profitable going business or enterprise deserves a fair evaluation and a straightforward, professional, and honest presentation to both seller and buyer.

**ARTICLE ONE:**

The Business Broker should keep himself informed as to trends affecting business opportunities.

**ARTICLE TWO:**

The Business Broker shall make a reasonable effort to protect the public and all parties to a transaction against fraud, misrepresentation, or unethical practices in the area of business opportunities.

**ARTICLE THREE:**

The Business Brokers shall have a responsibility to recommend that clients use attorneys and tax accountants for independent advice on transactions.

**ARTICLE FOUR:**

The Business Broker should keep in a special bank account, separated from his own funds, monies coming into his possession in trust for other persons.

**ARTICLE FIVE:**

The Business Broker, for the protection of all parties with whom he deals, should see that financial obligations and commitments regarding business opportunity transactions, of which he is a part are in writing, expressing the exact agreement of the parties. He should also see that copies of such agreements are placed in the hands of all parties involved.

**ARTICLE SIX:**

A Business Broker, in accepting employment as an agent, pledges himself to protect and promote the interests of the client. This obligation of absolute loyalty and honesty to his client's interest is primary, but does not relieve the Business Broker from the obligation of dealing fairly with all parties to the transaction.

**ARTICLE SEVEN:**

Since the Business Broker is representing one or another party to a transaction, he should not accept compensation from more than one party without the full knowledge of all parties to the transaction.

**ARTICLE EIGHT:**

The Business Broker shall not serve as both principal and consultant on a transaction unless a full disclosure is made in writing to all principals involved.

**ARTICLE NINE:**

The exclusive listing of property should be urged and practiced by the Business Broker.

**ARTICLE TEN:**

The Business Broker when acting as an agent in the management of a business should not accept any commission, rebate, or profit on expenditures made for an owner, without the owner's knowledge and consent.

**ARTICLE ELEVEN:**

The Business Broker should not undertake to make an appraisal that is outside or beyond the scope of his experience without first obtaining the assistance of an authority of such types of property unless the extent or lack of experience of the Business Broker is fully disclosed to the client.

**ARTICLE TWELVE:**

A Business Broker when making a formal appraisal of a business opportunity should not render an opinion without careful and thorough analysis and interpretation of all market and economic factors affecting the value of the property.

**ARTICLE THIRTEEN:**

The Business Broker should not undertake to make an appraisal or render an opinion of value on any property when he has a present or contemplated interest unless such interest is specifically disclosed in the appraisal when his employment or fee is contingent upon the amount of his appraisal.

**ARTICLE FOURTEEN:**

The Business Broker should not submit or advertise business without authority; in any offerings, the price quoted should not be other than that agreed upon with the owners as the offering price. A Business Broker should always have written authorization to sell or purchase including price, term of the agreement, and compensation to be paid the Business Broker.

**ARTICLE FIFTEEN:**

All bona fide written offers will be submitted to the seller. The decision to accept or reject an offer remains with the seller at all times.

**ARTICLE SIXTEEN:**

The Business Broker will not engage in the practice of disclosing one buyer's offer to another buyer as a sales technique.

**ARTICLE SEVENTEEN:**

The Business Broker should seek no unfair advantage over his fellow Brokers, and should willingly share with them the lessons of his experience and study.

**ARTICLE EIGHTEEN:**

The Business Broker should conduct his business to avoid controversies with his fellow Brokers, cooperate with the Association and its officers in all matters, including investigation, censure, discipline, or dismissal of members who by their conduct, prejudice their PROFESSIONAL status or the reputation of the Association.

**ARTICLE NINETEEN:**

In the best interest of the Association, society, and his associates, the Business Broker should be loyal to his community and active in its work.

**ARTICLE TWENTY:**

The Business Broker shall not deny equal professional services to any person for reasons of race, creed, sex or country of national origin. The Business Broker shall not be a party to any plan

or agreement to discriminate against a person or persons on the basis of race, creed, sex or country of national origin.