

**Pfaffmann Financial, Inc.**  
**Db**  
**Rubicon Financial Network**  
**Code of Ethics**

February 1, 2005  
{Amendment #01}

**Execution Page**

Effective immediately, this Code of Ethics (“COE”) supersedes or cancels all previous COEs and other directives pertaining to previous COEs.

Pursuant to Pfaffmann Financial, Inc.’s policy, each Access Person must read, understand, and agree to abide by the rules set forth herein in conjunction with the First Allied Securities, Inc. Registered Representative Compliance Manual (“FC Manual”) and the Pfaffmann Financial, Inc. IAR Compliance Manual. The rules set forth are based on applicable securities laws and regulations. Failure to comply may result in disciplinary action. By conforming to them, both in letter and in spirit, the Covered Person shall service his/her own best interest by serving the client’s best interest.

Date, sign, and return the attached Certification of this COE to Pfaffmann Financial, Inc.’s Chief Compliance Officer. Maintain your copy of this COE.

Pfaffmann Financial, Inc.

\_\_\_\_\_  
John P. Pfaffmann, President

Date: February 2005

\_\_\_\_\_  
John P. Pfaffmann, CCO

Date: February 2005

**EXHIBIT I**  
**Certification**  
**of the**  
**Pfaffmann Financial, Inc.**  
Code of Ethics

Initial each paragraph:

\_\_\_\_\_ I certify that I have received a personal copy and have read the Code of Ethics dated February 2005

\_\_\_\_\_ I certify that I will comply with these policies and procedures during the course of my employment or affiliation with Pfaffmann Financial, Inc.

\_\_\_\_\_ I agree to promptly report to the Chief Compliance Officer any violation, or possible violation, of the Policy of which I became aware.

\_\_\_\_\_ I understand that violation of the Policy will be grounds for disciplinary action or dismissal and may also be a violation of federal and/or state securities laws.

\_\_\_\_\_ I certify that I have not and will not discuss material non-public information, particularly regarding client account holdings, with anyone who does not have a bona fide business need to know the information.

\_\_\_\_\_

Print Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

Signed copy to be retained in Pfaffmann Financial, Inc.'s Compliance Department files.

## Table of Contents

Introduction and Purpose.....	5
Standards of Conduct.....	5
Persons Covered by the COE.....	6
Personal Securities Transactions.....	6
Securities Covered by the COE.....	7
Conflicts of Interest.....	7
Confidentiality.....	8
Gifts and Gratuities.....	8
Political Contributions.....	9
Reporting Violations.....	9
Pfaffmann Financial’s Obligation to Protect Covered Persons Who Report Violations.....	9
Certification of Compliance.....	9
Additional Guidance.....	9

## **Introduction and Purpose**

Clients of Pfaffmann Financial, Inc. are entitled to expect high ethical standards of conduct in all of their dealings with us. Pfaffmann Financial, Inc. strives to foster a culture that supports our ability to meet our clients' expectations. To assist us in minimizing potential conflicts and prevent inappropriate activity by access persons of Pfaffmann Financial, Inc., we have developed a Code of Ethics ("COE").

## **Standards of Conduct**

The following principals will be the foundation on which Pfaffmann Financial, Inc. will build our reputation for being committed to ethical activities.

- **Integrity:** Strong adherence to a strict code of moral values is the foundation of ethical behavior. The position of trust you are placed in mandates that you perform your duty according to the strictest codes of honesty and integrity. It is unacceptable to seek personal gain or advantage at the expense of a client.
- **Competence:** This is a measure of a person's ability to perform a duty. The duties you are required to perform include satisfying your clients' needs and complying with all applicable laws and procedures. It is our desire to see that in obligating these duties, you employ and continually strive to achieve the utmost competence and good faith. Where necessary, this includes acquiring additional training to ensure competency and proficiency.
- **Professionalism:** Crucial to proper business conduct is the ability to act in a professional manner. The professionalism presented to clients and the public speaks more loudly than any statement that can be made. Professionalism should provide those around you with a positive experience, which includes disclosing compensation that is received. It is unprofessional to engage in any conduct which reflects adversely upon yourself, your colleagues, Pfaffmann Financial, Inc., or the profession.
- **Fiduciary Duty:** This capacity requires that when conducting business and dealing with clients, it is always the clients' best interests that are served first. It is paramount that conflicts are disclosed and every effort is made to direct conflict situations to conclusions that benefit clients, based on their suitability.
- **Objectivity:** When making decisions and providing advice, it is fundamental that you do so without distorting the facts by personal prejudices or feelings. Every effort should be made to ensure that decisions made and conclusions drawn are free from any and all emotional influences.

Persons covered by the COE are not permitted, in connection with the purchase or sale, directly or indirectly, of a security held or to be acquired by a client:

- a. To defraud such client in any manner;
- b. To mislead such client, including by making a statement that omits material facts;
- c. To engage in any act, practice or course of conduct which operates or would operate as a fraud or deceit upon such client;
- d. To engage in any manipulative practice with respect to such client; or

- e. To engage in any manipulative practice with respect to securities, including price manipulation.

The principles listed above should govern all conduct of Pfaffmann Financial, Inc. Representatives, although more specific guidelines on conduct may be outlined below or in the Pfaffmann Financial, Inc. Compliance Manual(s) or by consulting the Chief Compliance Officer (“CCO”).

Registered Representatives, Associated Persons, and Access Persons are required to comply with all applicable city, state, and federal securities laws and the Pfaffmann Financial, Inc. Compliance Manual(s).

### **Persons Covered by the COE**

Because of the sensitive nature of client data, all supervised persons of Pfaffmann Financial, Inc. who have access to material, non-public information regarding client holdings or recommendations given to clients, including directors, officers, employees, registered representatives and investment adviser representatives are required to adhere to the COE. Portions of the COE also extend to the trading activity of the immediate family (relative by blood or marriage living in the employee’s or Representative’s household or any account in which the employee or Representative has a direct or indirect beneficial interest, such as a trust).

For clarity, throughout the remainder of this COE, management, employees, Financial Consultants, Registered Representatives and Investment Adviser Representatives will be referred to as “Covered Persons.”

### **Personal Securities Transactions**

Covered Persons agree to abide by the rules set forth in the applicable compliance manual(s) regarding personal trading.

Covered Persons must report all personal securities holdings to their designated supervisor (as described in the Pfaffmann Financial, Inc. Compliance Manual) at the time they become a Covered Person and at least once per year thereafter. The report must be current as of a date not more than 45 days prior to submission. Covered Persons are required to have reports of personal securities transactions submitted to their designated supervisor no later than 30 days after the end of each calendar quarter (April 30, July 30, October 30, January 30). In the event the designated supervisor can obtain records of personal securities transactions of accounts held through Pfaffmann Financial, Inc.’s clearing firm(s) electronically, additional reporting is not required by the Access Person.

There are three exceptions to personal securities transactions covered by the COE:

1. Transactions effected pursuant to an automatic investment plan.
2. Securities held in accounts over which the access person had no direct or indirect influence or control.

3. If the advisory firm has only one access person, so long as the firm maintains records of the holdings and transactions that would otherwise be required to be reported.

### **Securities Covered by the COE**

All Covered Persons are required to submit reports for “reportable securities” in which the person has or acquires any direct or indirect beneficial ownership. A Covered Person is presumed to be a beneficial owner of securities that are held by his or her immediate family members sharing the Covered Person’s household.

Covered Security means any stock, bond, future, investment contract or any other instrument that is considered a “security” under the Investment Advisers Act of 1940, including:

- Options on securities, on indexes, and on currencies;
- All kinds of limited partnerships
- Foreign unit trusts and foreign mutual funds; and
- Private investment funds, hedge funds, and investment clubs.

There are five exceptions of securities that appear to present little opportunity for improper trading:

- Direct obligations of the US government
- Money market instruments
- Shares of money market funds
- Shares of mutual funds (unless the adviser or a control affiliate acts as the adviser or principal underwriter for the fund)
- Units of a UIT if the UIT is invested exclusively in unaffiliated mutual funds.

Per Rule 204A-1, Covered Persons are required to obtain pre-approval prior to investing in Initial Public Offerings (“IPO”) or limited partnerships. Pre-approval may be obtained through John Pfaffmann, acting as the Covered Person’s supervisor and/or the Chief Compliance Officer. Care should be taken in granting approval to ensure the Covered Person is not misappropriating an investment opportunity that should first be offered to eligible clients.

### **Conflicts of Interest**

As a fiduciary, Pfaffmann Financial, Inc. has an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of its clients. Compliance with this duty can be achieved by trying to avoid conflicts of interest and by fully disclosing all material facts concerning any conflict that does arise with respect to any client. Individuals subject to the code must try to avoid situations that have even the appearance of conflict or impropriety.

Pfaffmann Financial, Inc. utilizes the Form ADV Part II (“Disclosure Document”) to disclose general conflicts of interest to clients. Specific conflicts to avoid include:

1. **Conflicts Among Client Interests.** Conflicts of interest may arise where Pfaffmann Financial, Inc. or its supervised persons have reason to favor the interests of one client over another. Some examples include:

- Favoring larger accounts over smaller accounts;
- Favoring accounts in which employees have made material personal investments;
- Favoring accounts of close friends or relatives of supervised persons.

Favoritism of one account over another could constitute a breach of fiduciary duty.

2. **Competing with Client Trades.** Access persons are prohibited from using knowledge about pending or currently considered securities transactions for clients to profit personally, directly or indirectly, as a result of such transactions, including by purchasing or selling such securities.

3. **Personal Interest in a Security.** Investment personnel are prohibited from recommending, implementing or considering any securities transaction for a client prior to disclosing any material beneficial ownership, business or personal relationship or other material interest in the issuer or its affiliates.

### **Confidentiality**

Covered persons are reminded of their responsibility under Regulation S-P to ensure the confidentiality of all client information, including client account holdings and recommendations, for current and former clients, is protected.

### **Gifts and Gratuities**

A Covered Person shall not accept or give, directly or indirectly, from or to any person or firm (other than Pfaffmann Financial, Inc. compensation of any nature, as a bonus, marketing reimbursement, commission, fee, contest prize, gratuity, excessive entertainment, loan, or other consideration, in connection with any securities transaction(s), in excess of \$100.00 per year, without the prior permission of Pfaffmann Financial, Inc.'s Compliance Officer. Should a Covered Person receive a gift, they are required to adhere to the procedures outlined in the applicable compliance manual(s).

Receipt of non-cash compensation from a non-member offeror (i.e., product sponsor) in connection with the distribution and sale of mutual funds and/or variable products, can only be accepted as outlined in the applicable compliance manual(s). Non-cash compensation includes, but is not limited to, merchandise, payment of securities, gifts, prizes, travel expenses, meals and lodging.

**Political Contributions**

In accordance with MSRB rules, Covered Persons must immediately report any and all political contributions to public officials by following the procedures outlined in the applicable compliance manual(s).

**Reporting Violations**

Covered Persons are required to report suspected violations of the COE to the Chief Compliance Officer. Reports of suspected violations may be directed through the Covered Persons supervisor, who is required to report all suspected violations to the CCO. All reported suspected violations of the COE will be investigated by the CCO or an appropriate designee. Any confirmed violation of the COE will be documented and reported to management of Pfaffmann Financial, Inc. by the CCO.

**Pfaffmann Financial, Inc.'s Obligation to Protect Covered Persons Who Report Violations**

Pfaffmann Financial, Inc. respects the integrity of those who report possible violations of the COE and feels an obligation to protect reporters from possible retaliation. Instances of retaliation are considered a violation of the COE and could result in the same disciplinary sanctions as any other violation. Pfaffmann Financial, Inc. will take all measures available to protect the identity of persons who report possible violations of the COE. Should it be determined by Pfaffmann Financial, Inc. that a person is reporting violations of the COE as a form of harassment against a Covered Person, the reporter may be found to have violated the COE and will be subject to sanctions.

**Certification of Compliance**

By signing and returning the attached Certification, Covered Persons agree to abide by the spirit of the Code of Ethics. Failure to comply may result in disciplinary action.

**Additional Guidance**

The CCO of Pfaffmann Financial, Inc. is available to Covered Persons for guidance on application of the COE to specific situations. From time to time, the CCO may determine that continuing education for all Covered Persons or a specific group of Covered Persons may be necessary.