

## CODE OF ETHICS

The Code of Ethics shall be the basis of conduct, business principles and ideals for the members of the AAPL; and it shall be understood that conduct of any member of the Association inconsistent with the provisions set forth in this Article shall be considered unethical and said individual's membership status shall be subject to review for possible disciplinary action as prescribed in Article XVII of these Bylaws.

In the area of human endeavor involving trading under competitive conditions, ethical standards for fair and honest dealing can be made increasingly meaningful by an association organized and dedicated not only to the definition, maintenance and enforcement of such standards, but to the improvement and education of its members as set out in the Standards of Practice. Such is the objective of AAPL and such is its public trust.

*Section 1.* It shall be the duty of the Land Professional at all times to promote and, in a fair and honest manner, represent the industry to the public at large with the view of establishing and maintaining goodwill between the industry and the public and among industry parties.

The Land Professional, in his dealings with landowners, industry parties and others outside the industry, shall conduct himself in a manner consistent with fairness and honesty, such as to maintain the respect of the public.

*Section 2.* Competition among those engaged in the mineral and energy industries shall be kept at a high level with careful adherence to established rules of honesty and courtesy.

A Land Professional shall not betray his partner's, employer's or client's trust by directly turning confidential information to personal gain.

The Land Professional shall exercise the utmost good faith and loyalty to his employer (or client) and shall not act adversely or engage in any enterprise in conflict with the interest of his employer (or client). Further, he shall act in good faith in his dealings with the industry associates.

The Land Professional shall represent others only in his areas of expertise and shall not represent himself to be skilled in professional areas in which he is not professionally qualified.

## STANDARDS OF PRACTICE

Under all is the land. Upon its wise utilization and widely allocated ownership depend the survival and growth of free institutions and of our civilization. The Code of Ethics shall be the basis of conduct, business principles and ideals for the members of the American Association of Professional Landmen.

In the area of human endeavor involving trading under competitive conditions, ethical standards for fair and honest dealing can be made increasingly meaningful by an association organized and dedicated not only to the definition, maintenance and enforcement of such standards, but to improvement and education of its members. Such is the objective of the American Association of Professional Landmen and such is its public trust.

Such standards impose obligations beyond those of ordinary trading. They impose grave social responsibility and a duty to which the land professional should dedicate himself. A land professional, therefore, is zealous to maintain and improve the standards of his calling and shares with his fellow land professionals common responsibility for its integrity and honor. The term "Land Professional" has come to connote competency, fairness, integrity and moral conduct in business relations. No inducement of profit and no instruction from clients can ever justify departure from these ideals.

In order to inform the members of the specific conduct, business principles and ideals mandated by the Code of Ethics, the Association has adopted the following Standards of Practice, and every member shall conduct his business in accordance therewith:

1. In justice to those who place their interests in his care, a land professional shall be informed regarding laws, proposed legislation, governmental regulations, public policies and current market conditions in his area of represented expertise, in order to be in a position to advise his employer or client properly (D, E).\*

(\*)References are to the foregoing summary of the standards of professional conduct and guiding principals and ideals mandated by the Code of Ethics and AAPL Bylaws.

2. It is the duty of the land professional to protect the members of the public with whom he deals against fraud, misrepresentation and unethical practices. He shall eliminate any practices which could be damaging to the public or bring discredit to the petroleum mining or environmental industries.

3. In accepting employment, the land professional pledges himself to protect and promote the interests of his employer or client. This obligation of absolute fidelity to the employer's or client's interest is primary but it does not relieve the land professional of his obligation to treat fairly all parties to any transaction, or act in an ethical manner (A, B).

4. The land professional shall not accept compensation from more than one principal for providing the same service, nor accept compensation from one party to a transaction, without the full knowledge of all principals or parties to the transaction (B, C).

5. The land professional shall not deny equal professional services to any person for reasons of race, creed, sex or country of national origin. The land professional 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.

6. A land professional shall provide a level of competent service in keeping with the standards of practice in those fields in which a land professional customarily engages. The land professional shall not represent himself to be skilled in nor shall he engage in professional areas in which he is not qualified such as the practice of law, geology, engineering or other disciplines (D).

7. The land professional shall not undertake to provide professional services concerning a property or a transaction where he has a present or contemplated interest, unless such interest is specifically disclosed to all affected parties (C).
8. The land professional shall not acquire for himself or others an interest in property which he is called upon to purchase for his principal, employer or client. He shall disclose his interest in the area which might be in conflict with his principal, employer or client. In leasing any property or negotiating for the sale of any block of leases, including lands owned by himself or in which he has any interest, a land professional shall reveal the facts of his ownership or interest to the potential buyer (C).
9. If a land professional is charged with unethical practice or is asked to present evidence in any disciplinary proceeding or investigation, or has direct knowledge of apparent unethical misconduct of another member, he shall place all pertinent facts before the proper authority of the American Association of Professional Landmen (E).
10. The land professional shall not accept any commission, rebate, interest, overriding royalty or other profit on transactions made for an employer or client without the employer's or client's knowledge and consent (B).
11. The land professional shall assure that monies coming into his possession in trust for other persons, such as escrows, advances for expenses, fee advances and other like items, are properly accounted for and administered in a manner approved by the employer or client (B).
12. The land professional shall avoid business activity which may conflict with the interest of his employer or client or result in the unauthorized disclosure or misuse of confidential information.
13. The land professional shall at all times present an accurate representation in his advertising and disclosures to the public (A).
14. The land professional shall not aid or abet the unauthorized use of the title "Certified Professional Landman," (CPL), "Registered Land Professional" (RLP), "P.Land" and "CPL/ESA."
15. The land professional shall not participate in conduct which causes him to be convicted, adjudged or otherwise recorded as guilty by any court of competent jurisdiction of any felony, any offense involving fraud as an essential element or any other serious crime.