

NACM's Canons of Business Credit Ethics

The extension of commercial credit is the cornerstone of the global business economy. As such, business credit executives, as the guardians of commercial receivables, play the vital and critical role of ensuring the flow of commercial goods and services that support world commerce.

In fulfilling their professional duties, business credit professionals pledge to conduct their duties within the constraints of law and to not maliciously injure the reputation of others. Further, business credit professionals pledge themselves to the highest professional standards and principles and to guarding and securing, in confidence, information obtained for the sole purpose of analyzing and extending commercial credit.

Credit professionals pledge to do the following:

- Adhere to the highest standards of integrity, trust, fairness, and personal and professional behavior in all business dealings.
- Negotiate verbal or written credit agreements, contracts, assignments and/or transfers with honesty, fairness and due diligence to and for the benefit of all parties.
- Render reasonable assistance, cooperating with impartiality and without bias or prejudice, to debtors, third parties and other credit professionals.
- Exchange appropriate, historical and current factual information to support the process of independent credit decision-making.
- Exercise due diligence as required to prevent unlawful or improper disclosure to third parties.
- Disclose any potential conflict in all business dealings.

Further, credit professionals acknowledge the importance of and shall promote the benefits of continued improvement of their knowledge, skills and expertise in business credit. The pursuit of knowledge will support the strategic advancement of the commercial credit function, as it leads businesses to profitability and growth.

NACM's principles govern the activities of business credit grantors. Credit is based upon trust. The credit occupation mandates the application of high ethical standards. The attitude and conduct of credit practitioners is what distinguishes individual credit managers as professionals.