

## **CFA INSTITUTE**

## **ETHICS IN PRACTICE:**

## Using Erasable Ink Is Fine, Right?

## **CASE STUDY**

Huang is a newly hired client account representative for GWC Asset Management, an investment adviser for high-net-worth clients. Part of Huang's responsibility is to assist each new client complete the extensive documentation needed to open an account. These documents give GWC access to client assets and the discretion to trade on behalf of the client. Because Huang is new to GWC, he is not completely familiar with firm procedures and is afraid of making mistakes with the documents. He uses erasable ink in completing the documentation so he can easily fix any mistakes without having to go back to the client for additional signatures. Huang's actions are

- A. unacceptable under any circumstances.
- B. unacceptable unless disclosed to the clients.
- C. acceptable because he is providing efficient client service.
- D. acceptable if GWC is aware of this practice.

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