ETHICS IN PRACTICE:
Designation Is Like a Degree, Right?

CASE STUDY
Bilal Ahmed recently earned his CFA designation and joined a medium-sized hedge fund as a senior analyst. His supervisor, Elizabeth Bennett, the founder of the firm, earned her CFA designation 10 years ago. But she has not paid her CFA Institute membership dues for the past four years and no longer participates in the organization's continuing education program. Bennett uses the CFA designation on her business card and on all the marketing materials for the fund. When Ahmed asks Bennett about her using the designation, Bennett tells him that since she passed the exam and earned the charter, the credential is similar to a degree from university that cannot be taken away. Later, during a marketing pitch by Ahmed and Bennett to a potential investor, the investor notes that he has narrowed his manager search to firms that only employ CFA charterholders in senior positions. He asks Bennett if everyone in the firm on the investment side is a CFA charterholder. Bennett responds "Yes, that is correct." Ahmed does not respond. Did either Ahmed or Bennett violate the CFA Institute Standards of Professional Conduct?

A. Ahmed violated the CFA Institute Standards of Professional Conduct.
B. Ahmed did not violate the CFA Institute Standards of Professional Conduct.
C. Bennett violated the CFA Institute Standards of Professional Conduct.
D. Bennett did not violate the CFA Institute Standards of Professional Conduct.