CFA INSTITUTE

ETHICS IN PRACTICE:
Do What I Do for Investment Success!

CASE STUDY
Svetlana works for a publishing company writing an online financial newsletter that describes her investment philosophy and identifies intriguing investment opportunities. She is paid a salary plus incentive bonuses for every new subscriber. Svetlana routinely states that she makes $5,000 in investment returns every week, and that if readers followed her advice, they could too. Svetlana often includes success stories from readers, including the story of a reader who turned $200 into $1 million in six months using Svetlana’s investment techniques. Svetlana’s actions are

A. acceptable because subscribers to her newsletter are not clients.
B. acceptable because she is not guaranteeing investment success.
C. unacceptable unless she includes stories of readers who followed her investing philosophy and were not successful.
D. unacceptable if the investments are unsuitable for her subscribers.