ETHICS IN PRACTICE:
Side Job in a Comedy Club is Fine, Right?

CASE STUDY
Gary Stansfield, CFA, works as a portfolio manager at Pitt Asset Management (PAM) based in New York. He has been actively involved with theatre since his college days and performs occasionally as a stand-up comedian at a comedy club after work hours. He is not compensated for his performances, but he is hoping to leave his job to launch an entertainment career. Audience members often show their appreciation for Stansfield's act by giving him nominal tips. One night, Elaine Bennet, a broker at Newman Brokers, a firm that PAM often trades with and in sizeable volumes, stops at the comedy club with a group of friends while Stansfield is performing. Bennet and her friends thoroughly enjoy Stansfield's comic routine and, as a token of appreciation, the group tips him $5,000. Stansfield should

A. accept the money and thank Bennet and her friends for their generosity.
B. accept the money but disclose it to his supervisor at PAM.
C. accept the money but seek approval from his supervisor before continuing to perform at the club if he anticipates further additional compensation.
D. not accept the money but thank Bennet and her friends for their compliments on his performance.