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Ethical and Professional Standards

The readings in this study session address the CFA Institute Code of Ethics and Standards of Professional Conduct (Code and Standards) and the CFA Institute Research Objectivity Standards. Together they provide guidance to help identify and resolve ethical conflicts present in everyday activities in the investment profession. "Guidance" in the *Standards of Practice Handbook* addresses the practical application of the Code and Standards by reviewing the purpose and scope of each Standard, presenting recommended procedures for compliance, and providing examples of the Standard in practice.

The CFA Institute Research Objectivity Standards address issues that CFA Institute believes merit more specific guidance. They are consistent with and a complement to the Code and Standards.

READING ASSIGNMENTS

Reading 1	Code of Ethics and Standards of Professional Conduct *Standards of Practice Handbook*, Eleventh Edition
Reading 2	Guidance for Standards I–VII *Standards of Practice Handbook*, Eleventh Edition
Reading 3	CFA Institute Research Objectivity Standards

LEARNING OUTCOMES

READING 1. CODE OF ETHICS AND STANDARDS OF PROFESSIONAL CONDUCT

The candidate should be able to:

a describe the six components of the Code of Ethics and the seven Standards of Professional Conduct;

b explain the ethical responsibilities required of CFA Institute members and candidates in the CFA Program by the Code and Standards.

READING 2. GUIDANCE FOR STANDARDS I–VII

The candidate should be able to:

a demonstrate a thorough knowledge of the Code of Ethics and Standards of Professional Conduct by applying the Code and Standards to specific situations;

b recommend practices and procedures designed to prevent violations of the Code of Ethics and Standards of Professional Conduct.

READING 3. CFA INSTITUTE RESEARCH OBJECTIVITY STANDARDS

The candidate should be able to:

a explain the objectives of the Research Objectivity Standards;

b evaluate company policies and practices related to research objectivity, and distinguish between changes required and changes recommended for compliance with the Research Objectivity Standards.