

STUDY SESSION

1

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). The Code and Standards 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.

READING ASSIGNMENTS

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| Reading 1 | Code of Ethics and Standards of Professional Conduct <i>Standards of Practice Handbook</i> , Eleventh Edition |
| Reading 2 | Guidance for Standards I–VII <i>Standards of Practice Handbook</i> , Eleventh Edition |
| Reading 3 | Application of the Code and Standards: Level II |

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 CFA Institute 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. APPLICATION OF THE CODE AND STANDARDS:
LEVEL II**

The candidate should be able to:

- a** evaluate practices, policies, and conduct relative to the CFA Institute Code of Ethics and Standards of Professional Conduct;
- b** explain how the practices, policies, and conduct do or do not violate the CFA Institute Code of Ethics and Standards of Professional Conduct.