

Syllabus

1. Course Description

- a. Title of a Course: **ETHICAL CODE AND STANDARD OF PROFESSIONAL CONDUCTS ON FINANCIAL MARKETS**
- b. Pre-requisites: Financial Reporting and Analysis, Financial Instruments Market: Fixed Income and Equity
- c. Course Type: Compulsory
- d. Abstract: This course is targeted on a developing of practical knowledge and recognition of standards of professional conduct that is conventional in financial industry.

2. Learning Objectives

The students should be able to:

- explain ethics;
- describe the role of a code of ethics in defining a profession;
- identify challenges to ethical behavior;
- describe the need for high ethical standards in the investment industry;
- distinguish between ethical and legal standards;
- describe and apply a framework for ethical decision-making.

3. Learning Outcomes

The successful students should be able to:

- evaluate policies and practices for a firm and an individual in relation to the Code of Ethics and Standards of Professional Conduct;
- explain the appropriate action to take in response to conduct that violates the Code of Ethics and Standards of Professional Conduct.

4. Course Plan

Topics	Hours
CFA Institute Professional Conduct Program	1
The Code of Ethics	1
The Standards I-VII overview	1
Standard I – Professionalism	2
Standard II – Integrity of Capital Markets	1
Standard III – Duties to Client	2
Standard IV – Duties to Employer	1
Standard V – Investment Analysis, Recommendations, and Actions	2
Standard VI – Conflict of Interest	1
Standard VII – Responsibilities as CFA Institute Members and Candidates	3
Standards I-VII Case Studies	1
Final test	4

5. Reading List

a. Required

- CFA Institute Standards of Practice Handbook. Eleventh Edition. 2014.

b. Optional

- CFA Institute Guidance for Standards I–VII.

6. Grading system

Students' performance is evaluated on a 10-point mark scale as follows:

Points	Description
10	Distinguished performance
8-9	Excellent performance
6-7	Good performance
4-5	Satisfactory performance
0-3	Fail

The rounding of the definitive performance grade is conducted in accordance with the standard mathematical rounding rules. The rounding of the intermediate grades is not conducted to avoid the rounding bias.

7. Guidelines for Knowledge Assessment

The process of control consists of two stages: interim and final. Interim stage includes the solution of three practical cases executed individually and optional short presentation in the class (one presentation adds 0.5 points to interim grade). The final evaluation is provided in the form of multiple-choice test. Final grade is calculated as weighted average of interim and final grade.

Following weights are applied: Final test – 100%.

8. Methods of instruction

The instructors use traditional methods of instruction by providing well-structured reading during contact hours with a lot of illustrations, problems and real case studies and discussing the materials.

9. Special equipment and software support

It is recommended for students to use their personal laptops during contact hours to follow presented models.