

## Important Notes from the Chat

4/25/26

### 6 Components of the code of Ethics

1. (S)ubdue personal interest.
2. (P)romote Capital Market integrity.
3. (A)ct with integrity
4. (M)aintain and improve professional competence.
5. (E)xercise Reasonable care and independent judgement.
6. (D)emonstrate Ethical Practice

### Code and Standards; 7 P I D D I C R

#### Code and Standards:

1. Professionalism.
2. Integrity of Capital Markets.
3. Duties to Clients.
4. Duties to Employers.
5. Investment analysis, recommendation, and action.
6. Conflicts of interest.
7. Responsibility as a CFA Institute member / candidate.

Professionalism: KIMM = Knowledge of applicable Law, Independence and Objectivity, Misrepresentation, Misconduct.

A GP's rate of return when there is no catch-up clause is calculated as

$$r_{GP} = \text{Max} [0, p(r - r_h)]$$

where

Symbol Stands for

$r_{GP}$ : GP's rate of return

P: GP's performance fee

r: Single-period fund rate of return

$r_h$ : Hard hurdle rate