

## CFA® SAMPLE QUESTION – LEVEL I

### Ethical and Professional Standards

**Q:** Regarding the definition of the firm, the GIPS Standards require all of the following except:

#### CORRECT ANSWER:

**(b) a firm's organization alters historical composite results.**

A reorganization of a firm does not permit any alteration of historical composite results.

A firm is defined as a distinct business entity and does not include fund sponsors or consultants.

Total firm assets must be the aggregate of the market value of all discretionary and nondiscretionary assets under management within the defined firm. This includes both fee-paying and non-fee-paying assets.



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