Code of Ethics and Standards of Professional Management

[Adapted from the CFA Institute's Code of Ethics and Standards of Professional Conduct]

Preamble:

The Code of Ethics drafted by the Boston University Undergraduate Finance & Investment Club ("the Club") reflects the ambitions of the club towards becoming a professional and successful vehicle for Boston University's endowment to comfortably bestow funds to the Club. As the premier foundation for aspiring students in the finance industry the club is set to not only focus on developmental curriculum but also in providing practical existential application of these skills through an actively-run student managed investment fund ("the Fund").

The Club has been student-run since its founding, with a fixation that high ethical standards is not only reflective in Boston University's classroom but also critical to maintaining trust in the investments industry. Holding to these standards is essential to the Club's mission in providing itself as a model of successful application and running of a student managed investment fund in a post-secondary educational institution.

These standards are applicable to all stakeholders within the Club, including members of any ranking or involvement, alumni along with the operations of the faculty advisors. All stakeholders must abide by the code herein as violations may result in disciplinary sanctions.

The Code of Ethics:

Stakeholders in the Boston University Undergraduate Finance & Investment Club must:

- Act with integrity, competence, diligence, respect and in an ethical manner with the public, university faculty & staff, students, alumni, employers, colleagues in the investment process and other participants in the global capital markets.
- Place the integrity of the investment profession and the interests of both the endowment and other applicable outside investors above their own personal interests.
- Use reasonable care and exercise independent judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on themselves and the club.
- Promote the integrity of and uphold the rules governing the University's endowment and the larger capital markets.
- Maintain and improve professional competence and strive to maintain and improve the competence of other stakeholders and investment professionals.

All members of the Investment Management team must certify that they know and will abide by the Code of Ethics.

Standards of Professional Management:

I. **PROFESSIONALISM**

A. ***Knowledge of the Law****:* All stakeholders must understand and comply with all applicable laws, rules, and regulations (including the club's Code of Ethics and Standards of Professional Management") of any government, regulatory organization, licensing agency, or professional association governing their professional activities. In the event of conflict, the stakeholder must comply with the more strict law, rule, or regulation. Stakeholders must not knowingly participate or assist in and must disassociate from any violation of such laws, rules or regulations.

B. ***Independence and Objectivity****:* Stakeholders must use reasonable care and judgment to achieve and maintain independence, and objectivity in all activities related to the club and fund. Stakeholders must not offer, solicit, or accept any gift, benefit, compensation, or consideration that reasonably could be expected to compromise their own or another's independence and objectivity.

C. ***Misrepresentation****:* Stakeholders must not knowingly make any misrepresentations relating to investment analysis, recommendations, actions, or other activities related to the club and fund.

D. ***Misconduct****:* Stakeholders must not engage in any professional conduct involving dishonesty, fraud, or deceit or commit any act that reflects adversely on their reputation, integrity or competence.

II. **INTEGRITY OF CAPITAL MARKETS**

A. ***Material Nonpublic Information****:* Stakeholders who possess material nonpublic information that could affect the value of an investment must not act or cause others to act on the information.

B. ***Market Manipulation****:* Stakeholders must not engage in practices that distort prices or artificially inflate trading volume with the intent to mislead market participants.

III. **DUTIES TO INVESTORS**

A. ***Loyalty, Prudence, and Care****:* Stakeholders have a duty of loyalty to their investors and must act with reasonable care and exercise prudent judgment. Stakeholders must act for the benefit of their investors and place the investors' (including the endowment) interests before their own.

B. ***Fair Dealing****:* Stakeholders must deal fairly and objectively with all clients when providing investment analysis, making investment recommendations, taking investment action, or engaging in other professional activities.

C. ***Suitability****:* When stakeholders are in an advisory relationship, they must:

1. Make a reasonable inquiry into an investors or prospective investor's investment profile, risk and return objectives and financial or regulatory constraints prior to making any investment recommendation or taking investment action and must reassess and update this information regularly.
2. Determine that an investment is suitable to the financial situation and consistent with the written objectives, mandate and constraints of the club's investment policy statement before making any investment recommendation or taking investment action.
3. Judge the suitability of investments in the context of the investor's total portfolio.

D. ***Performance Presentation****:* When communicating investment performance information, stakeholders must make reasonable and complete efforts to ensure that it is fair, accurate and complete.

E. ***Preservation of Confidentiality****:* Stakeholders must keep information about current, former, and prospective investors and members confidential unless:

1. The information concerns illegal activities on the part of the client or prospective investors,

2. Disclosure is required by law or
3. The investor permits disclosure of the information.

IV. DUTIES TO BOSTON UNIVERSITY ("the University")

A. ***Loyalty****:* In matters related to their education, stakeholders must act for the benefit of the University and not deprive the University if the advantage of their skills and abilities, divulge confidential information, or otherwise cause harm to their University.

B. ***Compensation Arrangements****:* Stakeholders must not accept gifts, benefits, compensation or consideration that competes with or might reasonably be expected to create a conflict of interest with their employer's interest unless they obtain written consent from all parties involved.

C. ***Responsibilities of Advisors****:* Faculty advisors, technical advisors, and alumni board advisors must make reasonable efforts to detect and prevent violations of applicable laws, rules, regulations, and the Code and Standards by anyone subject to their supervision, authority or advising relationship.

V. INVESTMENT ANALYSIS, RECOMMENDATIONS, AND ACTIONS

A. ***Diligence and Reasonable Basis****:* Stakeholders must:
1. Exercise diligence, independence, and thoroughness in analyzing investments, making investment recommendations, and taking investment actions.
2. Have a reasonable and adequate basis, supported by appropriate research and investigation, for any investment analysis, recommendation, or action.

B. ***Communication with Investors and Prospective Investors****:* Stakeholders must:
1. Disclose to investors and prospective investors the basic format and general principles of the investment processes they use to analyze investments, select securities, and construct portfolios and must promptly disclose any changes that might materially affect those processes.
2. Use reasonable judgment in identifying which factors are important to their investment analyses, recommendations, or actions and include those factors in communications with investors and prospective investors.
3. Distinguish between fact and opinion in the presentation of investment analysis and recommendations.

C. ***Record Retention****:* Stakeholders must develop and maintain appropriate records to support their investment analyses, recommendations, actions, and other investment-related communications with investors and prospective investors.

VI. CONFLICTS OF INTEREST

A. ***Disclosure of Conflicts****:* Stakeholders must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with respective duties to their investors, prospective investors, and University. Stakeholders must ensure that such disclosures are prominent, are delivered in plain language, and communicate the relevant information effectively.

B. ***Priority of Transactions****:* Investment transactions for the fund must have priority over investment transactions in which a stakeholder is the beneficial owner.