



INSTITUTE OF BANKING AND FINANCE  
OF TRINIDAD AND TOBAGO



PROFESSIONAL CERTIFICATE  
FOR FINANCIAL ADVISORS



**FINANCE ETHICS  
PROSPECTUS**



ACCREDITED BY THE ACCREDITATION COUNCIL  
OF TRINIDAD AND TOBAGO



## Table of Contents

About Us.....	3
Our Mission .....	3
Our Vision .....	3
Course Rationale .....	4
Course Description .....	5
Course Objectives .....	6
Syllabus .....	7
Teaching Methodology .....	9
Required Text .....	10
Recommended Readings.....	10
Assessment.....	11
Grading Description.....	11
Examination Period.....	12
Registration Information.....	12
Boot Camp .....	12
Study Tips .....	13
Contact Information.....	16

## ABOUT US

The Institute of Banking and Finance of Trinidad and Tobago (IBF) is a not-for-profit awarding body, established in 1984, to assist the advancement of the banking and finance professions through its offerings of professional education programmes and corporate training services.

The Institute is managed by a Council of representatives from Citibank (Trinidad and Tobago) Limited, First Citizens Bank Limited, JMMB Bank Trinidad and Tobago Limited, RBC Royal Bank (Trinidad and Tobago) Limited, Republic Bank Limited, Scotiabank Trinidad and Tobago Limited, CIBC First Caribbean International Bank (Trinidad and Tobago) Limited, Trinidad and Tobago Unit Trust Corporation, and the University of the West Indies. The operations of the Institute are headed by Chief Executive Officer Ms. Marsha John with the support of a full-time Secretariat.



## OUR MISSION

“To facilitate the continuous development of banking and finance professionals and to promote high standards of knowledge, skills and conduct to meet the demands of a changing financial industry.”

## VISION

“To be the preferred learning Institution for financial services professionals.”

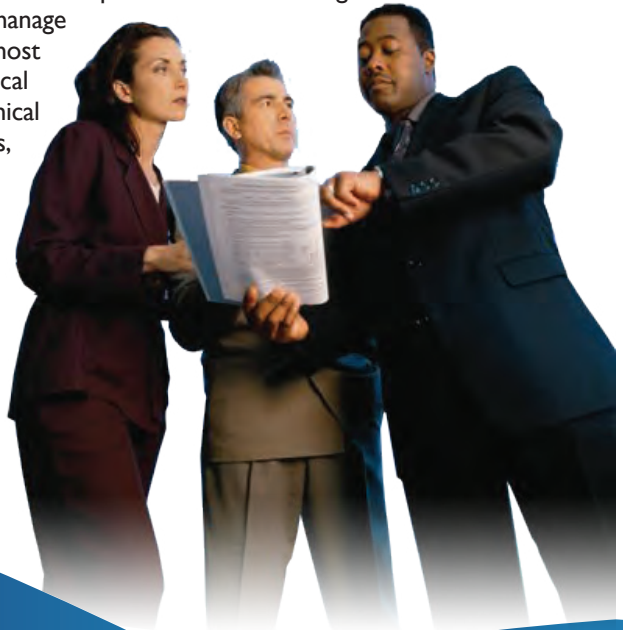
# PROFESSIONAL CERTIFICATE FOR FINANCIAL ADVISORS EXAMINABLE ETHICS MODULE

## COURSE TITLE: FINANCE ETHICS

### COURSE RATIONALE

The current business environment has seen an increasing demand for ethically-sensitive professionals as we continue to witness lack of professional and personality integrity resulting in abuses of authority and power, frequent engagement in conflicts of interest, loss of public confidence in institutions, etc. The thrust of this demand comes from employers who require that their potential and current employees have some formal training in ethics. It is important to recognize how one does one's job is of greater relevance than what one actually does as a job. In this dynamic climate, there is a great call for professionals who have not only acquired technical competence, but also those who possess moral intelligence, moral skills and moral leadership. It is debatable whether or not everyone who works has a concern for morality, but it is certainly the case that the marketplace and society requires moral sensitivity and sensibility.

Trust is essential in finance, but finance ethics is about far more than trust. Finance consists of an array of activities that involves handling of financial assets – usually those of other people – and the welfare of everyone depends on the safeguarding and deployment of these assets. There are ample opportunities for financial professionals for illicit gains so that they have an obligation to manage financial assets with the utmost attention to ethics. It is critical therefore to understand ethical obligations and duties, rights, and fairness. Many scandals do not result from deliberate misconduct, but from rational actors following incentives in situations with complex interactions.





## COURSE DESCRIPTION

This new course in Ethics is mandatory for those seeking the Professional Certificate for Financial Advisors. The course is geared to infuse professional competence and personal integrity so that one would see the value in acting with fairness and compassion in order to earn trust and respect for the various stakeholders. Ethics attempt to set boundaries for behaviour and decision-making. For example, is it ethical to borrow short and lend long thereby compromising liquidity or to risk major long term losses to depositors or pension holders for the sake of short-term gains? The course focuses on ethical issues relating to finance, retail customers, investment, financial markets, and financial management.

## COURSE OBJECTIVES

At the end of this course, participants would be able to:

- Recognize the values fundamental to the experience of being a professional
- Analyse one's actions and take responsibility for them
- Develop skills for moral reasoning
- Apply the theoretical framework and principles in dealing with ethical issues
- Identify ethical dilemmas
- Demonstrate a positive shift in moral reasoning
- Contribute to the development of an ethical organizational culture through moral leadership

### **Topic #1 - Finance: An Overview**

#### **Learning Outcomes**

At the end of this module, participants should understand the ethical issues as it relates to:

- the need for ethics in finance
- types of financial scandals
- causes of wrong-doing
- pros & cons of financial innovation
- the distinction between law and ethics

### **Topic #2 – Fundamentals of Finance Ethics**

#### **Learning Outcomes**

At the end of this module, participants should understand the ethical issues as it relates to:

- the identification of ethical issues
- ethical aspects of market ethics including fraud and market failures
- roles and fiduciary relationships among agents, and clients
- conflicts of interest

### **Topic #3 - Ethics and Retail Customers**

#### **Learning Outcomes**

At the end of this module, participants should understand the ethical issues as it relates to:

- deception and concealment in sales practices
- churning, twisting, and flipping
- credit cards and mortgage lending
- role of arbitration

## **Topic #4 - Ethics in Investment**

### **Learning Outcomes**

At the end of this module, participants should understand the ethical issues as it relates to:

- mutual funds and microfinance
- relationship investing and fiduciary duties
- socially responsible investing

## **Topic # 5 – Ethics in Financial Markets**

### **Learning Outcomes**

At the end of this module, participants should understand the ethical issues as it relates to:

- fairness, fraud and manipulation in financial markets
- insider trading
- hostile takeovers
- fiduciary duties
- financial engineering



## **Topic #6 – Ethics in Financial Management**

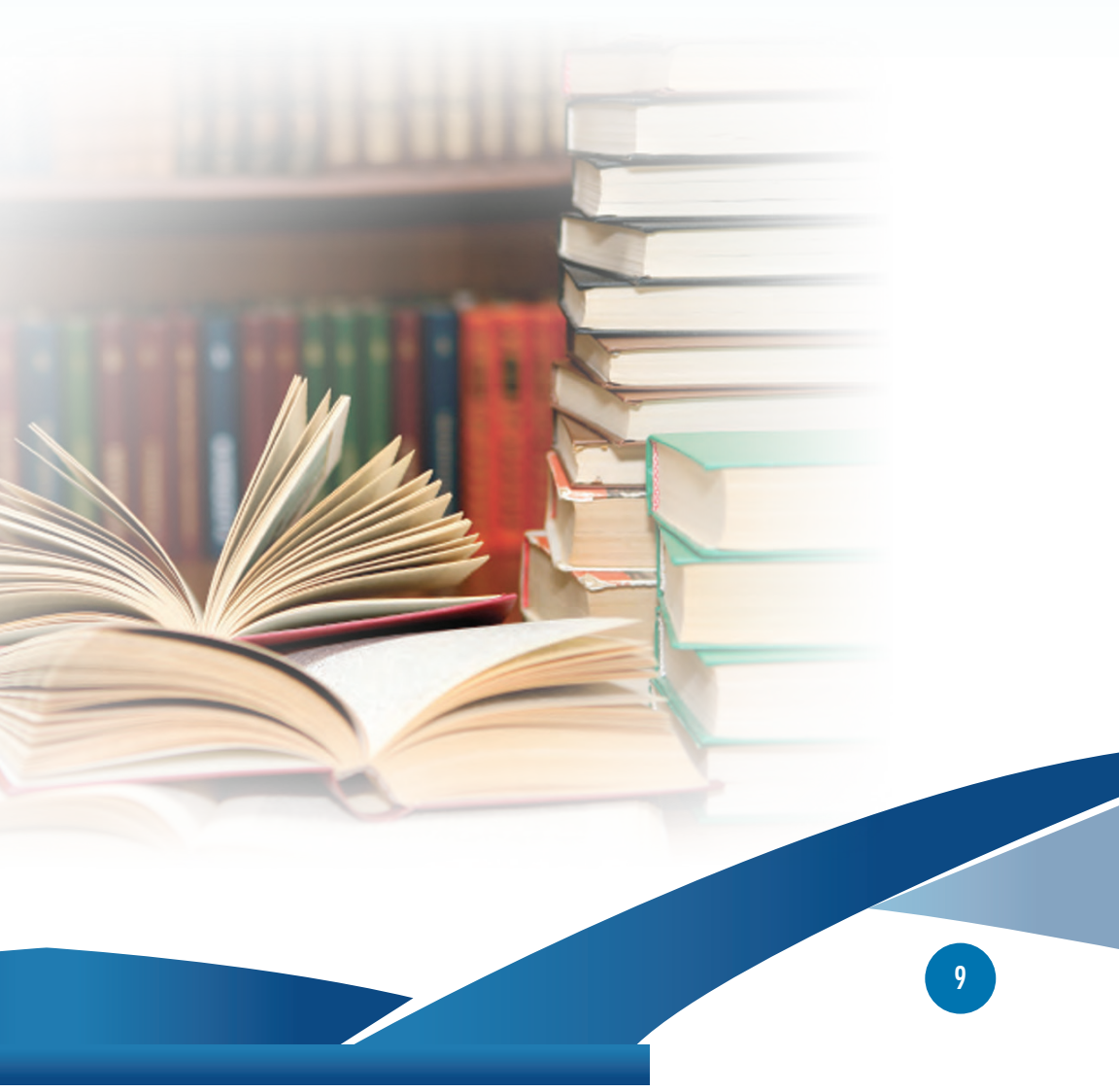
### **Learning Outcomes**

At the end of this module, participants should understand the ethical issues as it relates to:

- the corporate objective
- risk management
- bankruptcy
- corporate governance

### **TEACHING METHODOLOGY**

Self-study and two (2) half day Boot Camps



## REQUIRED TEXT

- Boatwright, J. 2014. Ethics in Finance. John Wiley & Sons, Inc.

## RECOMMENDED READING

- Bankers Association of Trinidad & Tobago. 2017. Code of Banking Practice.
- Integrity at Work in Financial Services: A Practical Guide to Trust and Integrity Dilemmas. Chartered Institute for Securities & Investment: 2013.
- Kravatzky, A. 2011. Corporate Governance Disclosure in Trinidad and Tobago. Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting.
- Peck, S. 2011. Investment Ethics. John Wiley & Sons, Inc.
- Overall, Wayne 2012. CLICO's Collapse: Poor Corporate Governance. American International Journal of Contemporary Research, 2(2): 166-178.
- Richardson, C & M. Williams 2012. The Causes and Consequences of Failures of Financial Institutions in Antigua and Barbuda. Financial Service Regulatory Commission.
- Sookram, Ron 2016. Corporate Governance in the Emerging Economics of the Caribbean: Peculiarities, Challenges, and a Future Pathway. The Journal of Values-Based Leadership, 9 (1).
- Schoen, Edward J. 2017. The 2007–2009 Financial Crisis: An Erosion of Ethics: A Case Study. J Bus Ethics.

## ASSESSMENT

The assessment format consists of two (2) elements:

**Project:** 40% of overall grade

Students are required to prepare a case study and analysis based on work exposure (guidelines will be provided upon registration).

**Examination:** 60% of overall grade

The final examination is two (2)-hours and comprises of two (2) sections. Section A has two (2) case study questions each worth 20 marks for a sub-total of 40 marks. Section B has one (1) essay type question worth 20 marks.

**N.B: Students must pass both the project and the final exam to pass the entire course.**

## GRADE DESCRIPTION

<b>Pass mark - 50%</b>	A+	80 - 100%
	A	75 - 79%
	A-	70 - 74%
	B+	67 - 69%
	B	63 - 66%
	B-	60 - 62%
	C+	57 - 59%
	C	53 - 56%
	C-	50 - 52%
	F	Under 50%

## EXAMINATION PERIOD

Examinations for Cert. FA will be held on the 3rd Saturday of March and September of each year and the Ethics Examinable Module is available at each of these examination sittings.

## REGISTRATION INFORMATION

To register for the Cert. FA Programme, candidates must meet the following requirements:

- A minimum of two CAPE/GCE Advanced Level passes and five CXC/GCE Ordinary Level passes, including English Language, Mathematics or a Mathematics-related subject. CXC Grade III accepted from 1998.  
OR
- An appropriate mix of work experience and training in the financial services sector. Candidates may be considered on the basis of their work experience, training and educational background, as deemed relevant by the Institute to be equivalent to the above for the purpose of study.

Candidates must become members of the Institute and maintain an up-to-date membership subscription throughout the course of study.

## BOOT CAMP

IBF will be hosting two (2) Ethics 'Boot Camps', for registered students.

- 1st Boot Camp – 3 weeks prior to examination date
- 2nd Boot Camp – 2 weeks prior to examination date

The boot camp will cover a review of the syllabus, course material as well as the knowledge and skills required for completion of project and required reading. The first boot camp will be in the form of a lecture, whereas the second will be tutorial style.

The Boot Camp will be facilitated by a subject expert.

## STUDY TIPS

### LEARNING TO LEARN

“The first and most important ability you can develop in a flat world is the ability to “learn how to learn”- to constantly absorb and teach yourself new ways of doing old things or new ways of doing new things.”The World is Flat by Thomas L. Friedman

### HOW TO STUDY

As a student you will be required to make time for your studies, in a routine already crowded with other responsibilities like work, family commitments and other activities. For the most part you will also be studying alone. This brief study guide provides a number of suggestions to help you make the best use of your time. It should be noted that all of the suggested techniques may not work for everyone and it is important for you to discover which are most relevant to you.

## PREPARING YOURSELF

### Are you fit to study?

To study successfully, you will need to take care of your physical and emotional well-being.

- Good eating habits, as well as, regular exercise, complemented with rest periods so a tons way in promoting a sense of well-being
- Assess how much sleep you need and ensure that you have the right amount
- Take time to learn stress relief and relaxation techniques
- Determine the time of day you work best and arrange study sessions accordingly.

## THE EXAMINATION

### Approaching the Examination

Examinations are a source of stress for most people but this can be minimised by proper planning and preparation. If you are well prepared, then you will be less susceptible to last minute panicking that could have an impact on your performance.

With proper planning and revision, it is hardly likely that you would have to do any last minute cramming. Examination performance is most likely improved by a good night's sleep rather than by burning the midnight oil.

The following points may seem obvious, but as calls to IBF near to exam dates reveal, they are often neglected by candidates:

**Be certain that you are aware of:**

- The exam date(s)
- The time of the exam
- The exam venue
- Check traffic conditions to allow sufficient time to reach the exam centre
- Make sure that you are familiar with the format of the exam paper i.e.the time allowed, the number of questions and marks to be allocated and whether calculators etc. are permitted
- Make sure you have all of your stationery e.g. pens, pencils, eraser etc.
- Remember to take your examination letter and picture identification to the exam centre





*TO REGISTER FOR THE CERT.FA PROGRAMME, PLEASE CONTACT US AT:*  
**THE INSTITUTE OF BANKING AND FINANCE OF TRINIDAD AND TOBAGO**  
Level 1 Invader's Bay Towers, Invader's Bay, Off Audrey Jeffers Highway,  
Port of Spain, P.O. Box 1259  
Tel: 235-6291 Email: [info@ibf.org.tt](mailto:info@ibf.org.tt)  
[www.ibf.org.tt](http://www.ibf.org.tt)