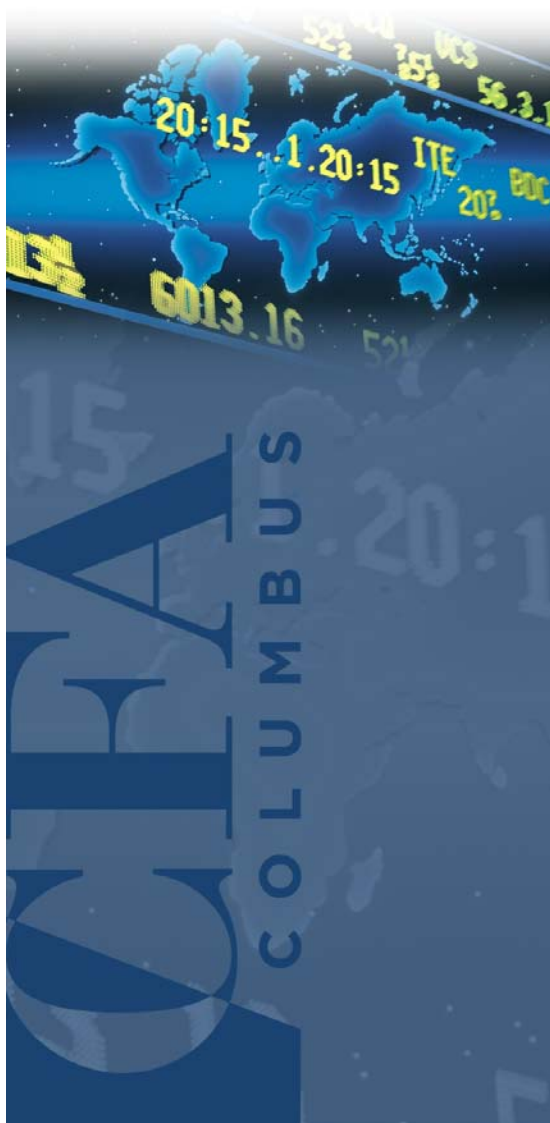




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Columbus investment community



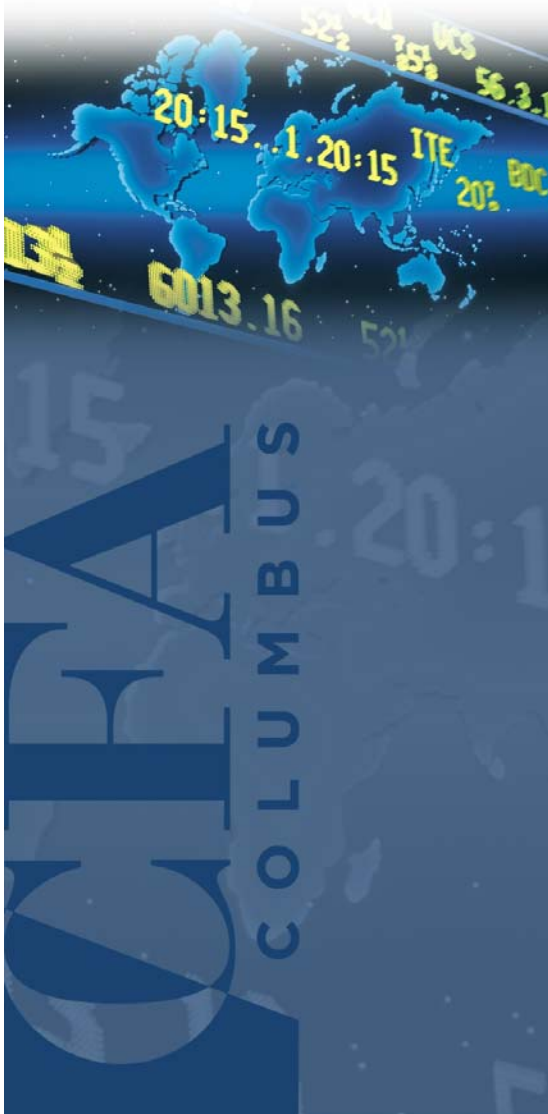
CFA Candidate Information Event

January 18, 2007

Richard Clemens, CFA and
Barbara MacLeod, CFA



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Agenda

CFA Charter

- The value of the CFA Charter

CFA Program

- Curriculum
- Exam Format

Candidate Resources

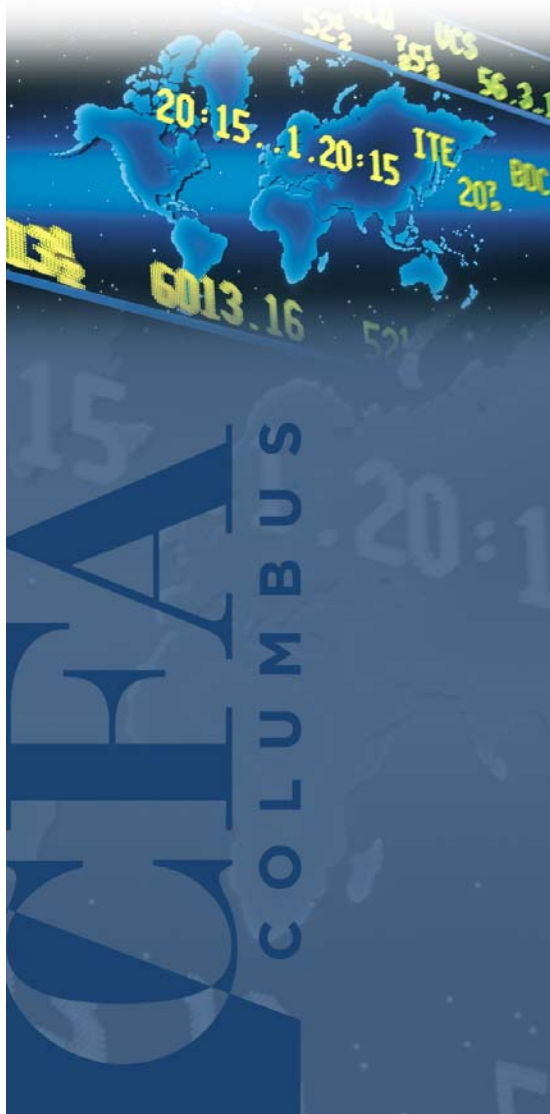
- Comparing Study Approaches
- Review Course Providers
- Society Resources

Beyond the Charter

- CFA Institute
- CFA Society of Columbus



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What We Say

The CFA Charter Represents

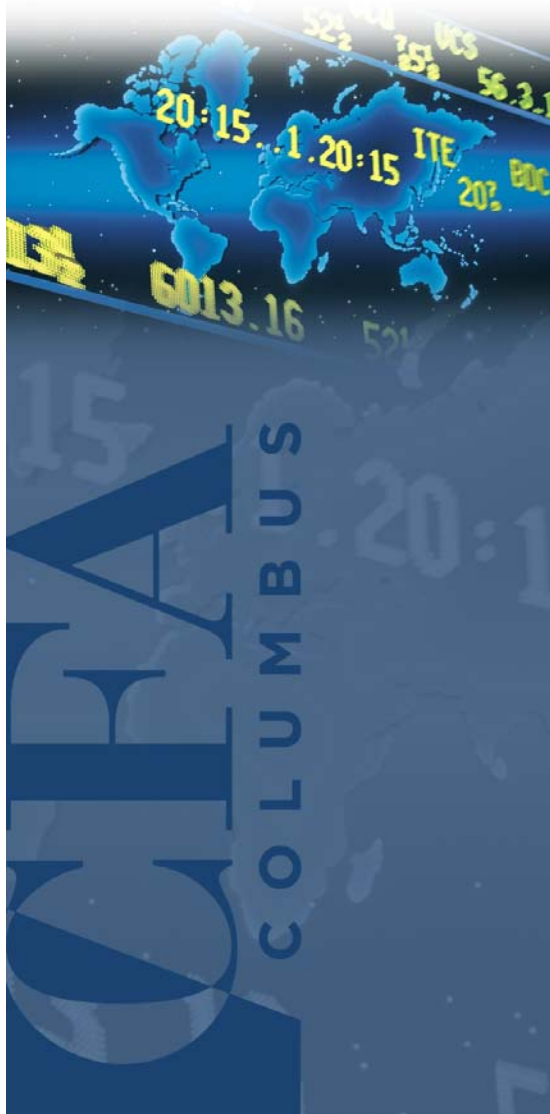
- Competence
- Integrity
- Professional Excellence
- Passion

The Gold Standard

- Globally recognized mark of distinction
- Definitive standard by which to measure serious investment professionals



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What Media Says

Financial Times

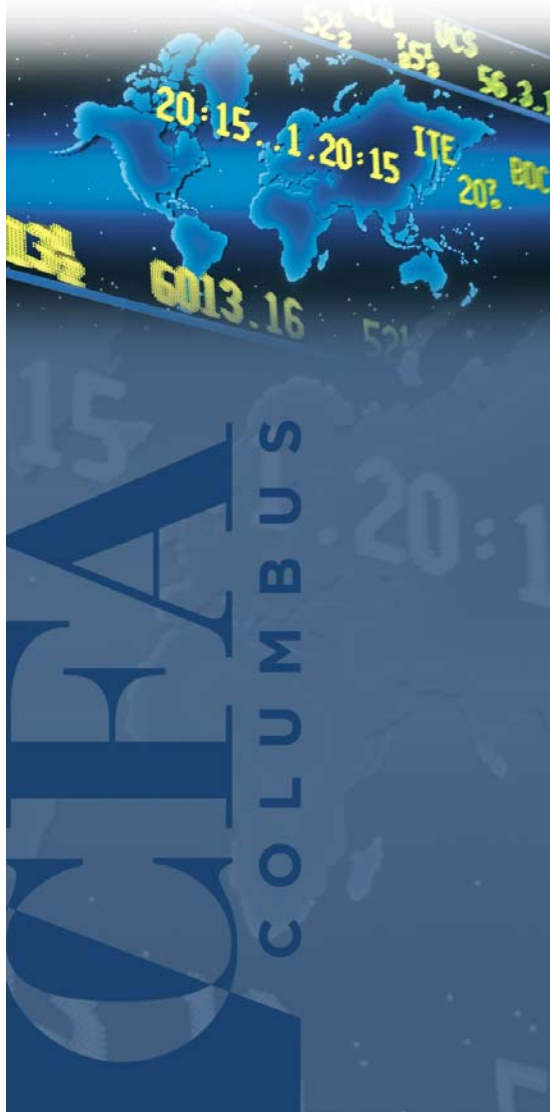
–“Becoming a CFA is now a passport for excellence and international mobility.” – 21 June 2004

The Economist

–“ Whereas there are tens of thousands of finance degrees available around the world, ranging from excellent to the worthless, there is only one CFA . . . It used to be just an American qualification. But explosive growth has made it, in effect, global currency.” – February 26–March 4, 2005



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What Employers Say

National City—Cleveland, Ohio

-We are currently looking for an Equity Research Analyst to perform fundamental research on mid-to-large cap companies in the Technology sector . . . CFA designation is desirable

Kenyon College—Gambier, Ohio

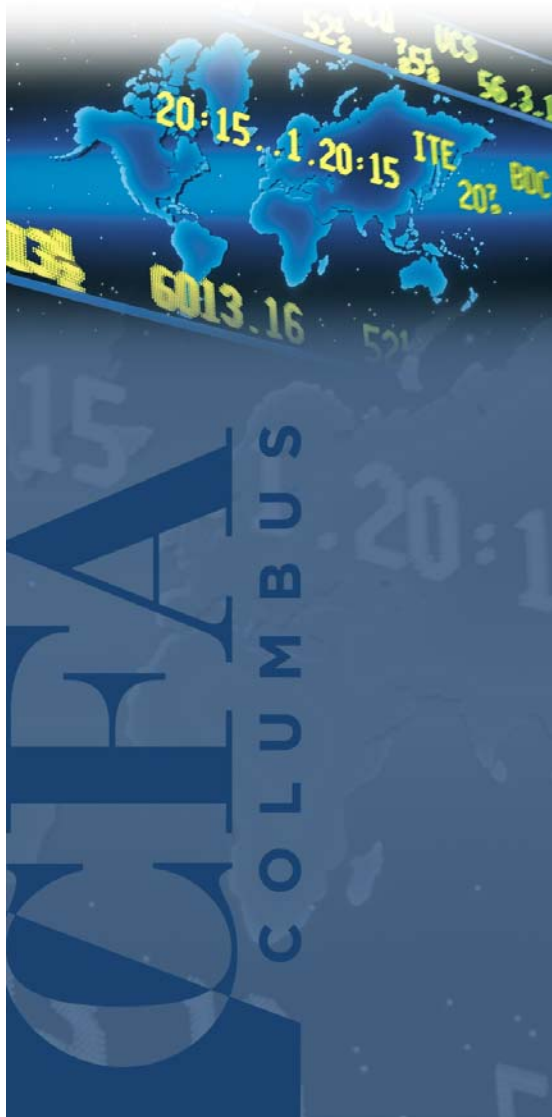
-Kenyon College is seeking a candidate to fill the new position of Investment Analyst . . . A CFA or CFA candidate is preferred.

Ohio Bureau of Workers' Compensation—Columbus, Ohio

-BWC, a progressive organization and one of the largest single-line insurance organizations in the world, is seeking an Investment Administration Manager for the Investment Division . . .
Qualifications are . . . completion of one level of the Chartered Financial Analyst (CFA) credential.



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What Employers Pay

Results of 2005 Compensation Survey *

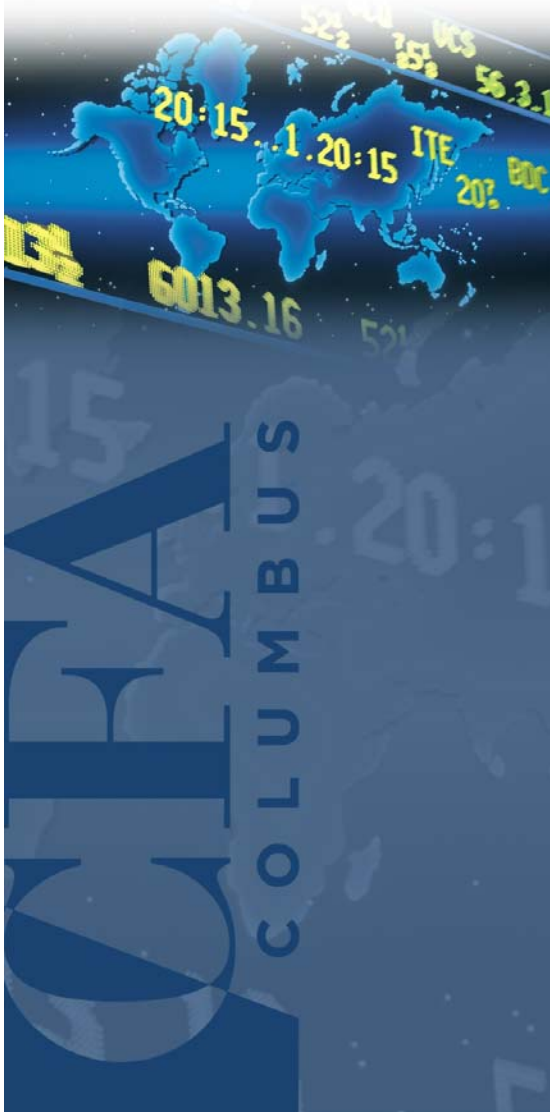
- **All respondents (regardless of experience):**
 - Charterholders paid 54% more than those without CFA charter
 - \$180,000 median vs. \$116,850
- **With 10+ years experience:**
 - Charterholders paid 24% more than those without CFA charter
 - \$248,000 median vs. \$200,000
- **With 10+ years experience and MBA:**
 - Charterholders paid 18% more than those with MBA only
 - \$236,510 median vs. \$200,000
 - Combined CFA charter and MBA most lucrative
 - \$255,000 median

"Employers recognize the value of the CFA charter because it's a measure of both competence and integrity," said Bob Johnson, PhD, CFA, managing director at CFA Institute. "... when investment professionals have voluntarily subjected themselves to the profession's most rigorous examination process, and succeeded, that obviously sends an important message to employers."

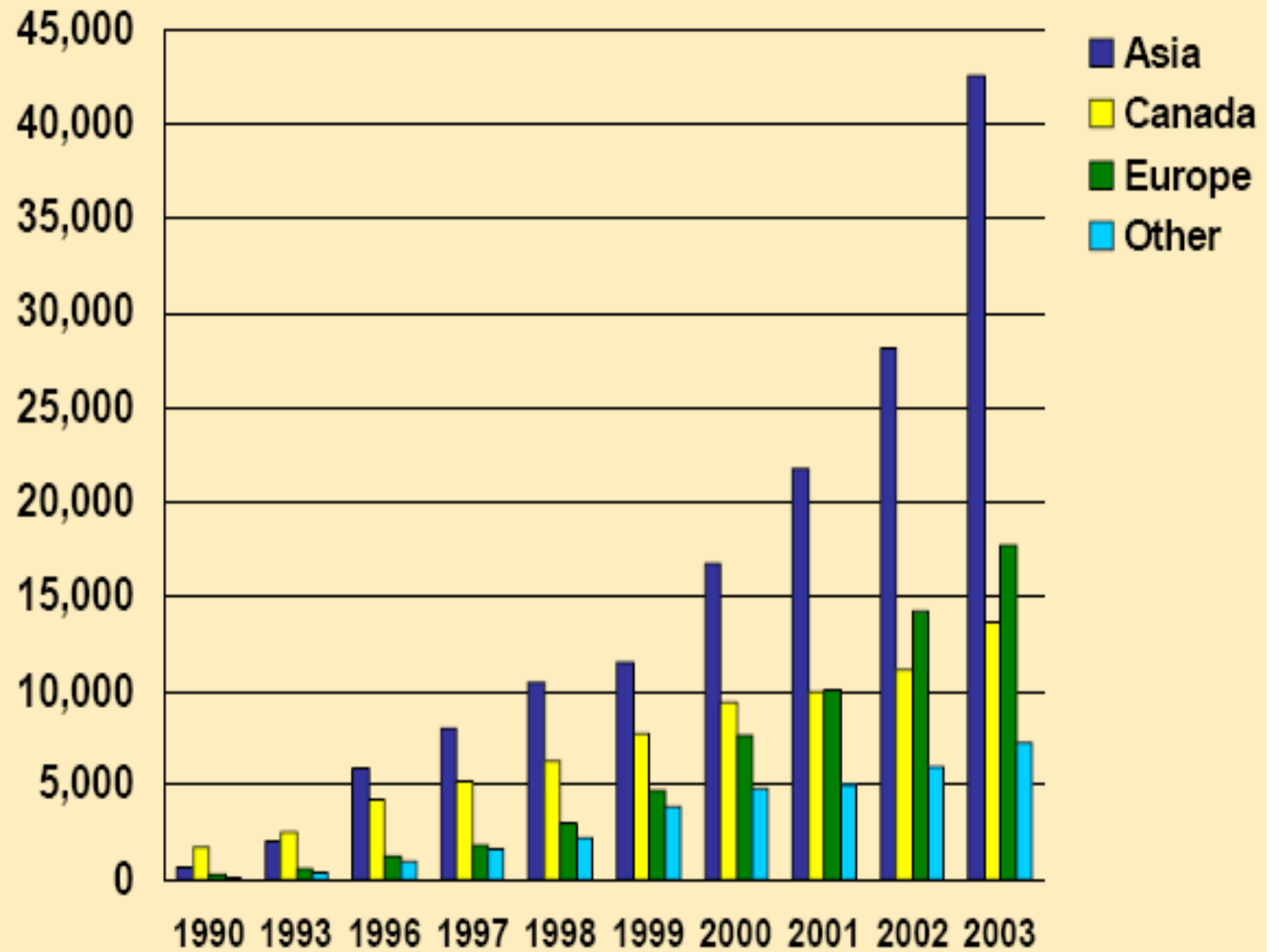
* Conducted by Russell Reynolds Associates for CFA Institute



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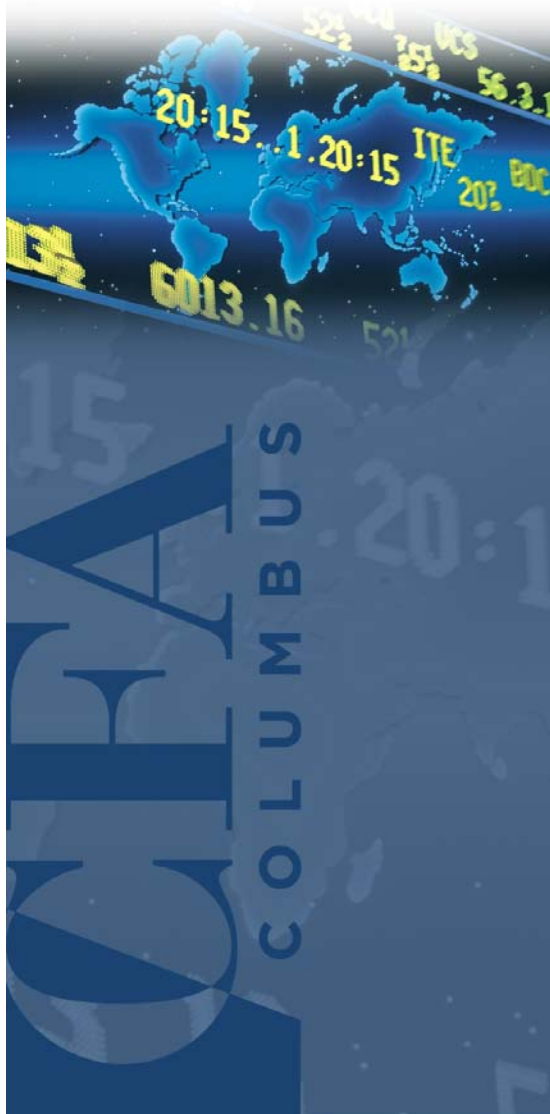
Non-US Growth



Source: CFA Institute



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Requirements

Charterholder

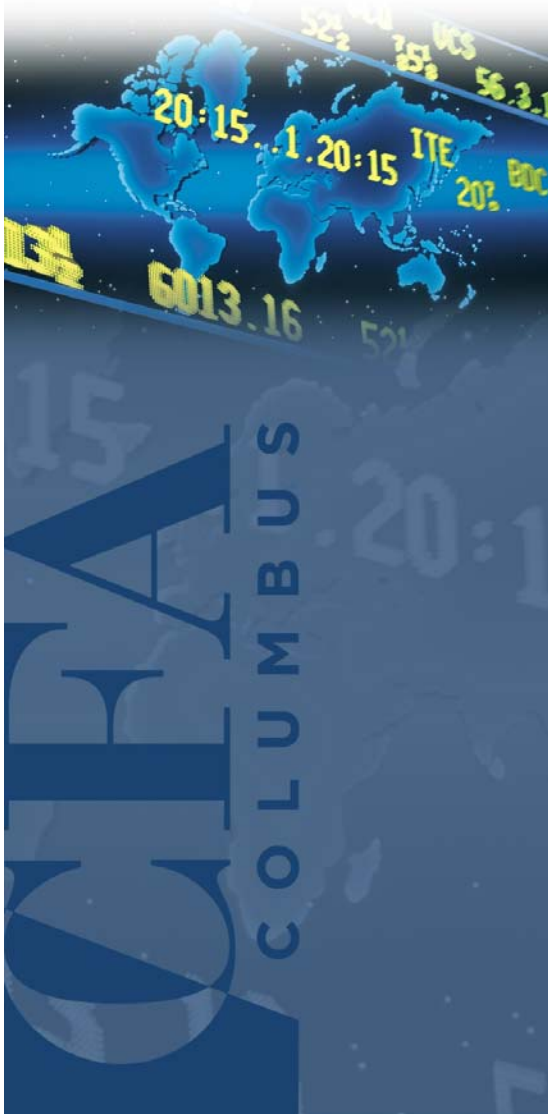
- Sequentially pass each CFA Exam Level
- 4 years qualified work experience
- Receive your Charter from CFA Institute
- CFA Institute membership -AND-
- Comply with code of ethics and standards of professional conduct

Candidate

- Undergraduate degree by end of calendar year -OR-
- 4 years qualified work experience -OR-
- Combination of work and college totaling 4 years
- Meet professional conduct admission criteria



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Agenda

CFA Charter

- The value of the CFA Charter



CFA Program

- Curriculum
- Exam Format

Candidate Resources

- Comparing Study Approaches
- Review Course Providers
- Society Resources

Beyond the Charter

- CFA Institute
- CFA Society of Columbus



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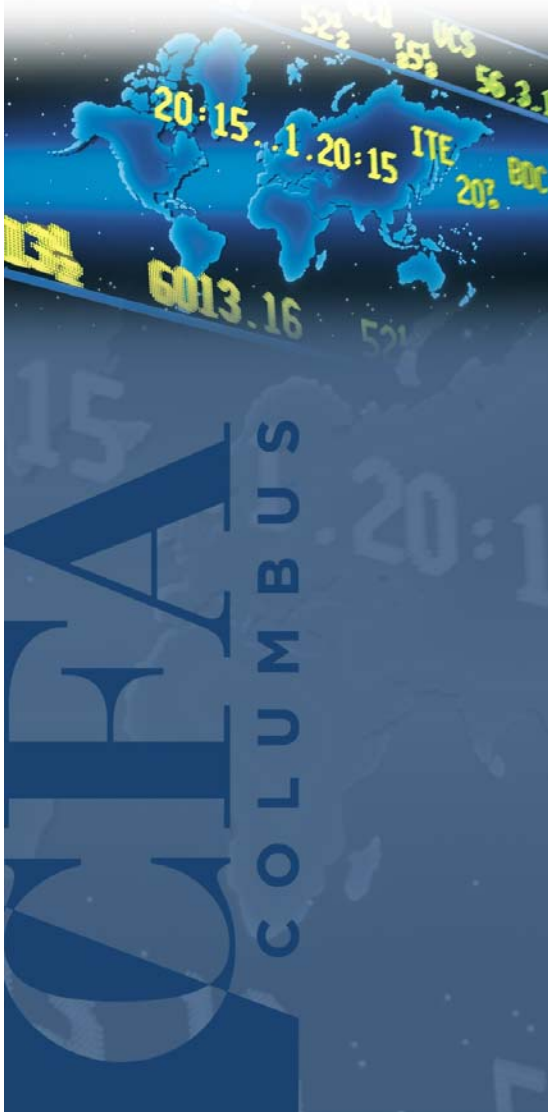
CFA Candidate Curriculum

Practical and Academic

- Annual Changes
 - For June Exam
 - December same as June
- Candidate Curriculum Committee
- Practice Analysis Survey (5 years)
- Applied Knowledge
- Self Study Approach

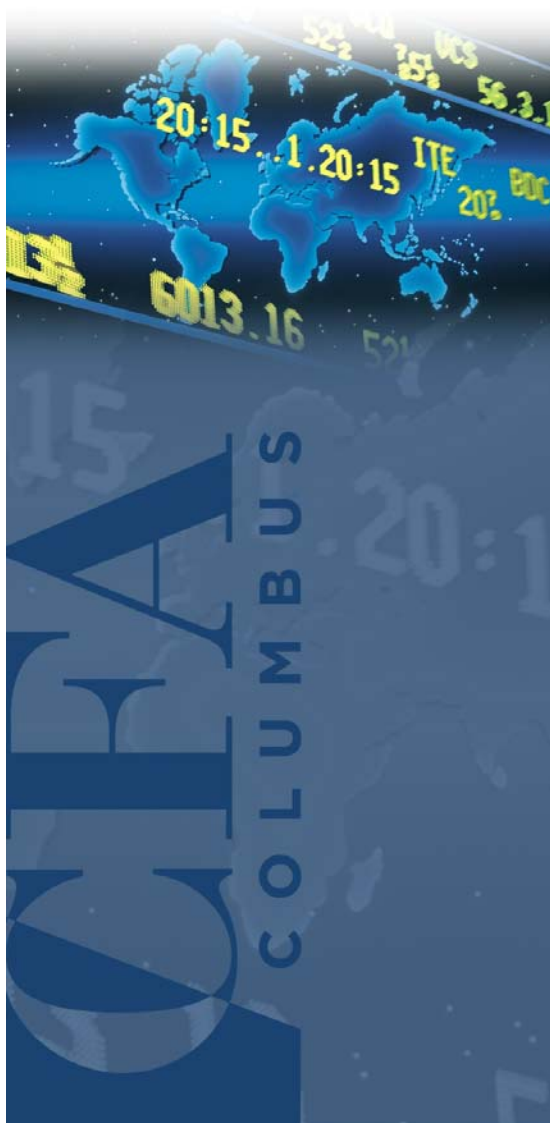
Comprehensive Generalist Curriculum

- Candidate Body of Knowledge (CBOK)
- Topic area weights
- Study Sessions
- Learning Outcome Statements (LOS)





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CFA Exam Levels

LEVEL III

Synthesis and
Evaluation of Client Needs
and Portfolio Management

LEVEL II

Application and Analysis
Focused on Asset Valuation

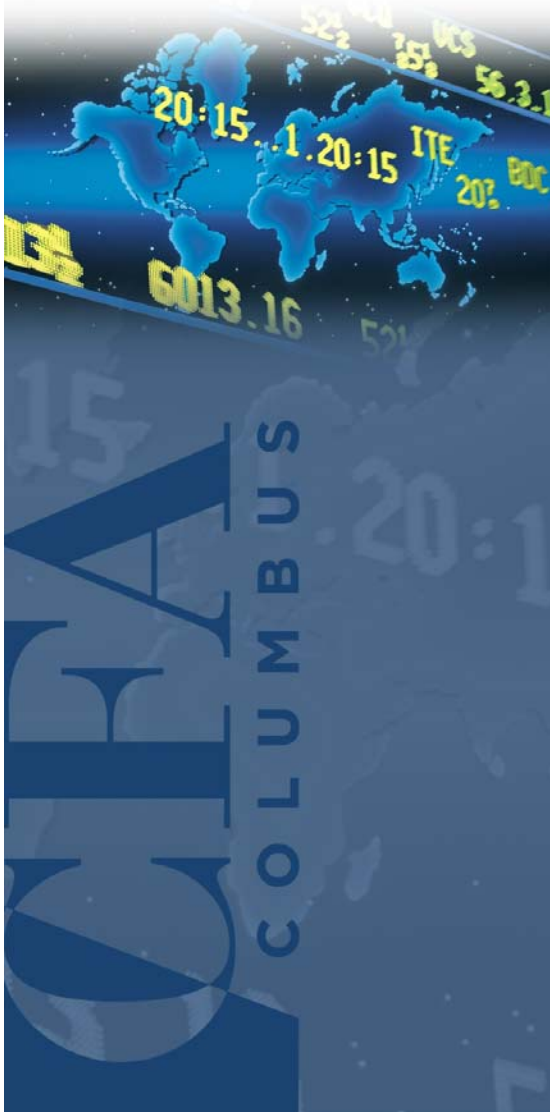
LEVEL I

Knowledge and Comprehension of
Fundamental Investment Tools and Concepts

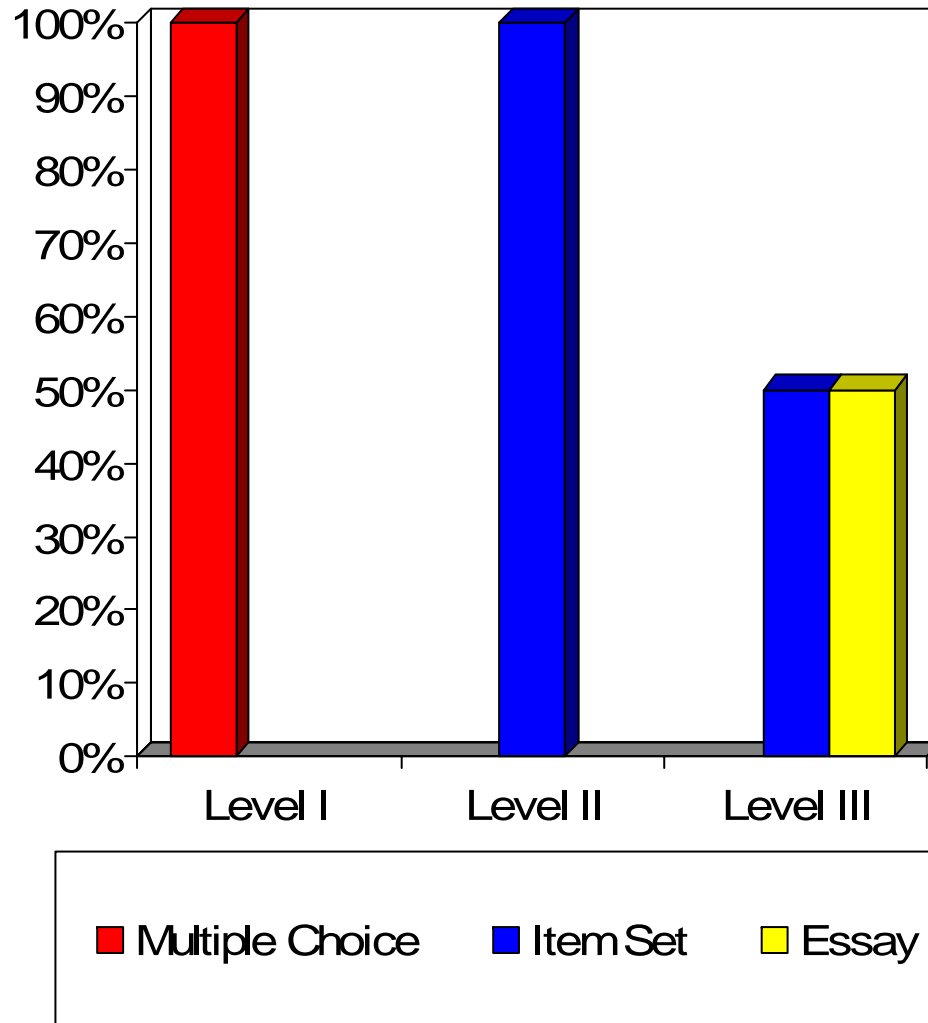
Ethical and professional standards emphasized at every Level



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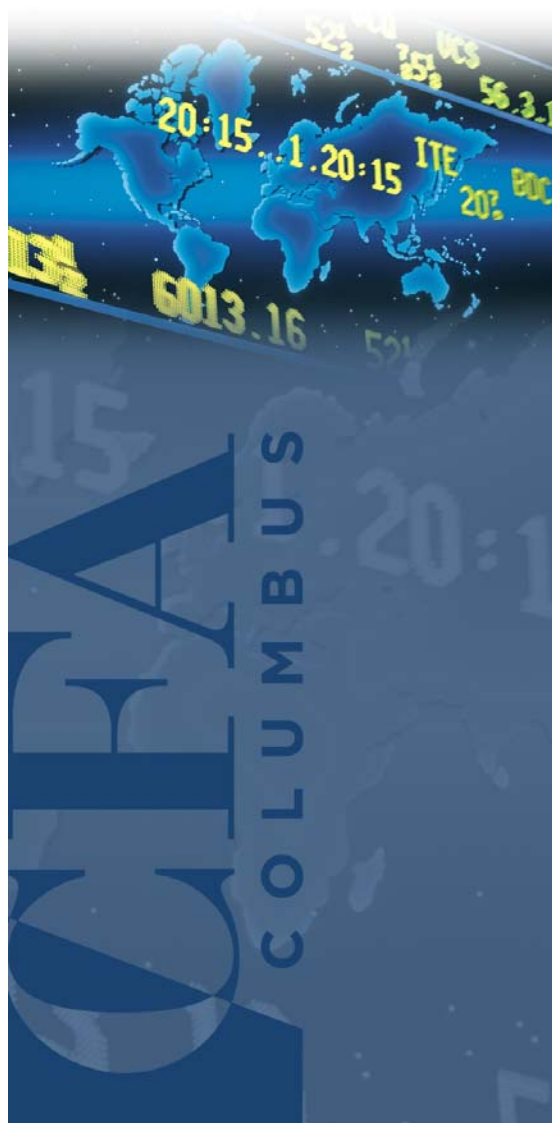


Three Exams





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Estimated Topical Weights

TOPIC AREA	LEVEL I	LEVEL II	LEVEL III
<i>Ethical and Professional Standards (total)</i>	10-20	5-15	5-15
<i>Quantitative Methods</i>	7-17	0-10	0-10
<i>Economics</i>	5-15	0-10	0-10
<i>Financial Statement Analysis</i>	15-25	15-25	0
<i>Corporate Finance</i>	3-13	5-15	0
<i>Investment Tools (total)</i>	45-55	35-45	0-10
<i>Analysis of Equity Investments</i>	5-15	20-30	5-15
<i>Analysis of Fixed Income Investments</i>	5-15	5-15	10-20
<i>Analysis of Derivatives</i>	0-10	0-10	5-15
<i>Analysis of Alternative Investments</i>	0-10	0	5-15
<i>Asset Valuation (total)</i>	25-35	35-45	40-50
<i>Portfolio Management (total)</i>	0-10	5-15	35-45
TOTAL	100	100	100

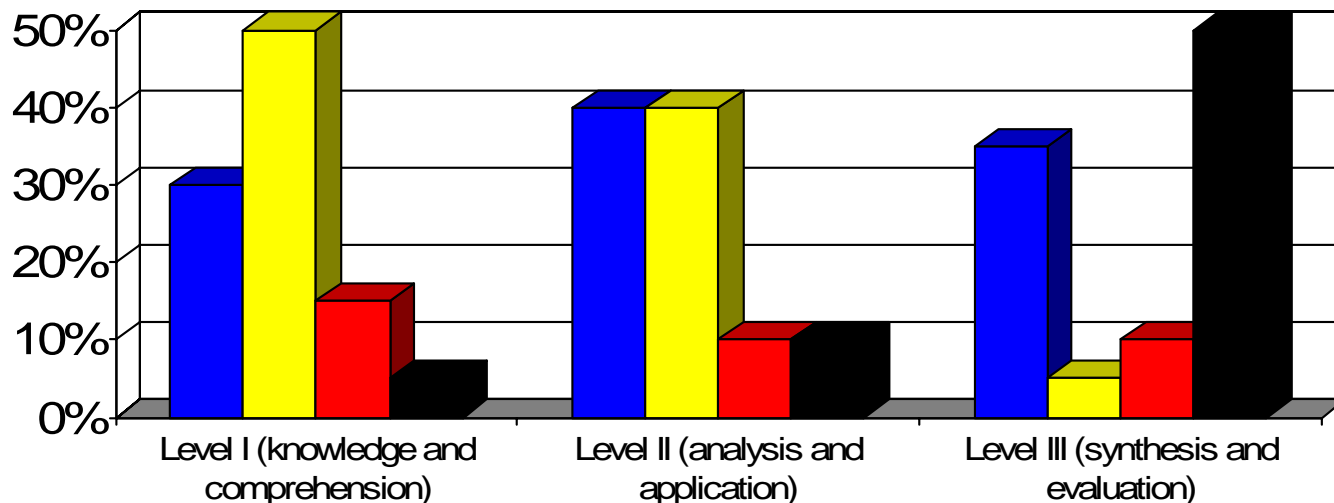
Note: These weights are intended to guide the curriculum and examination development processes. Actual exam weights may vary slightly from year to year. Please note that some topics are combined for testing purposes.

Source: CFA Institute



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Estimated Topical Weights



■ Asset Valuation

■ Investment Tools

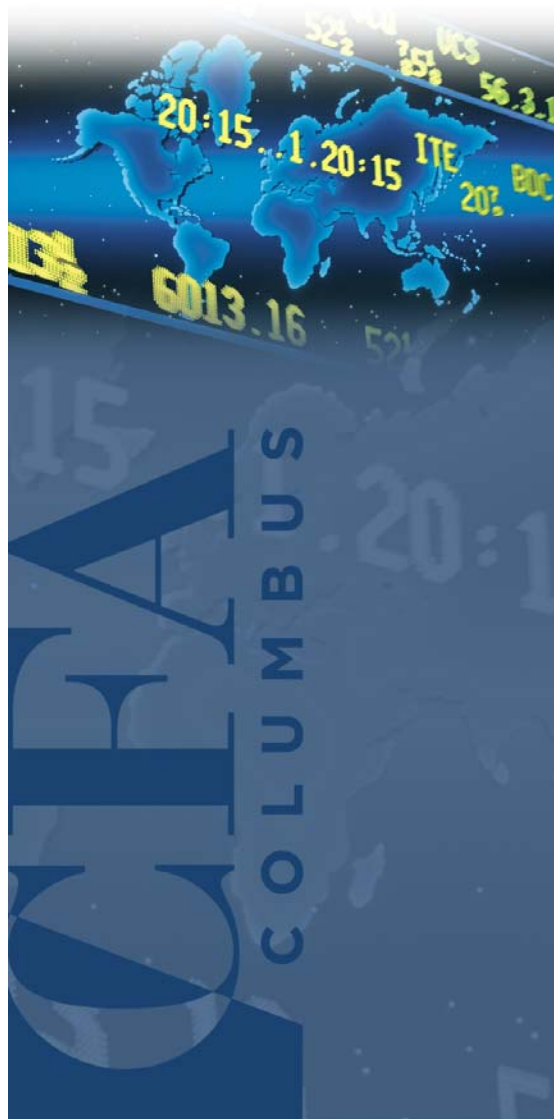
■ Ethical and Professional Standards

■ Portfolio Management

Source: CFA Institute



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Exam Conditions

Level I – June and December

- Columbus test center in June only
- 240 multiple choice questions

Level II – June ONLY

- Unknown number of item sets

Level III – June ONLY

- Unknown number of item sets
- Unknown number of essays

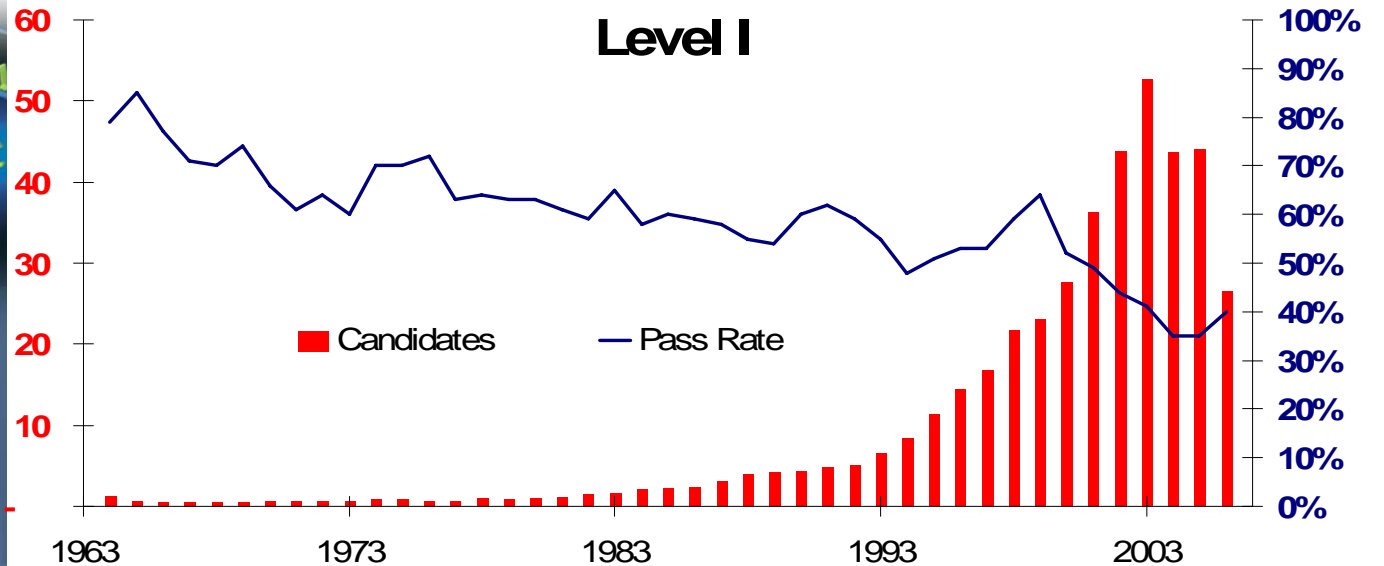
Strictly Controlled

- Know and Abide by Candidate Rules!
 - What to bring, where/when to arrive
- Exam Proctors
- Two timed 3-hour sessions (AM and PM)
- Globally administered simultaneously



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Historical Pass Rates

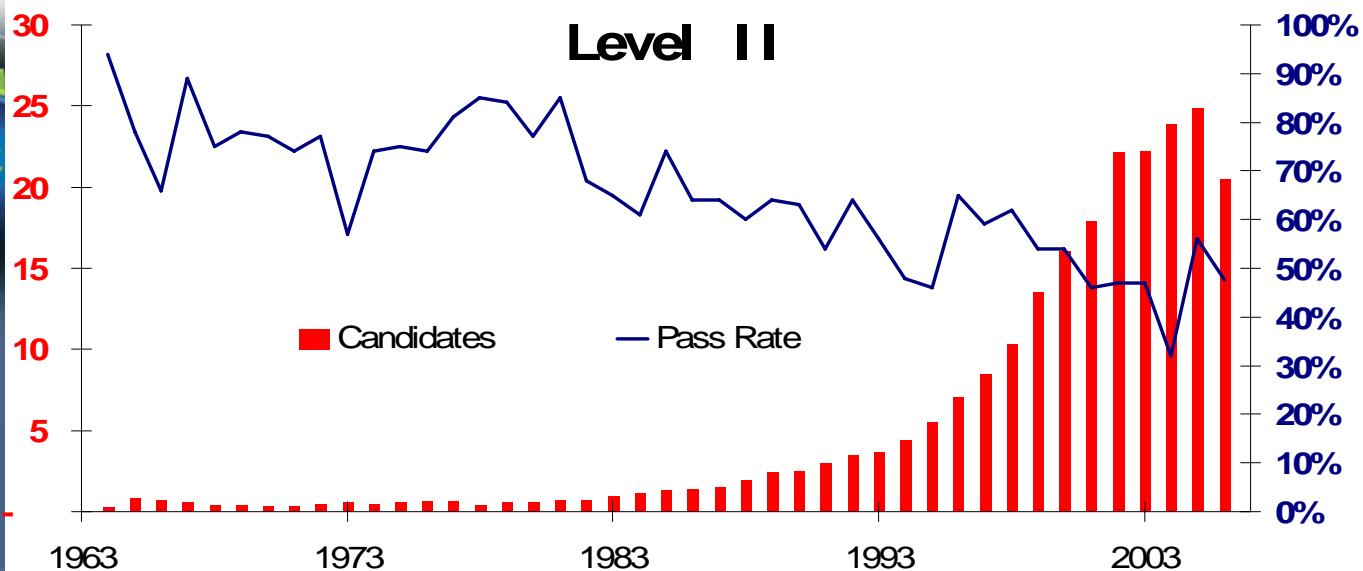


Source: CFA Institute
2003, 2004 and 2005 reflect June and December
2006 reflects June only



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Historical Pass Rates

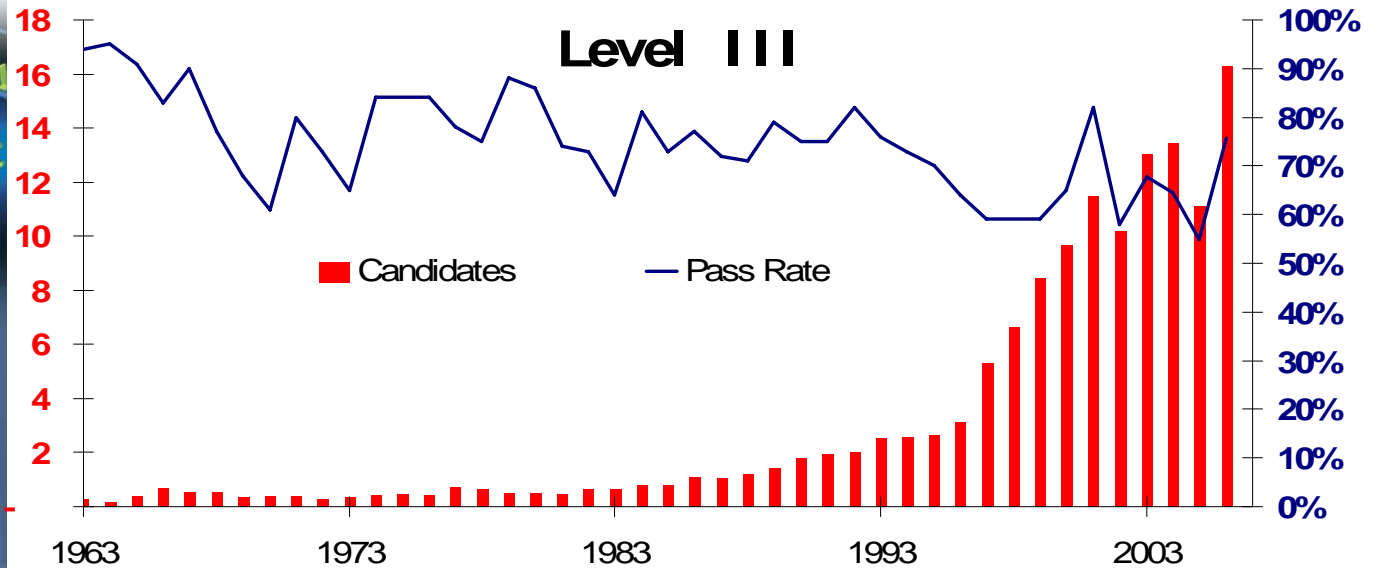


Source: CFA Institute
2003, 2004 and 2005 reflect June and December
2006 reflects June only



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Historical Pass Rates

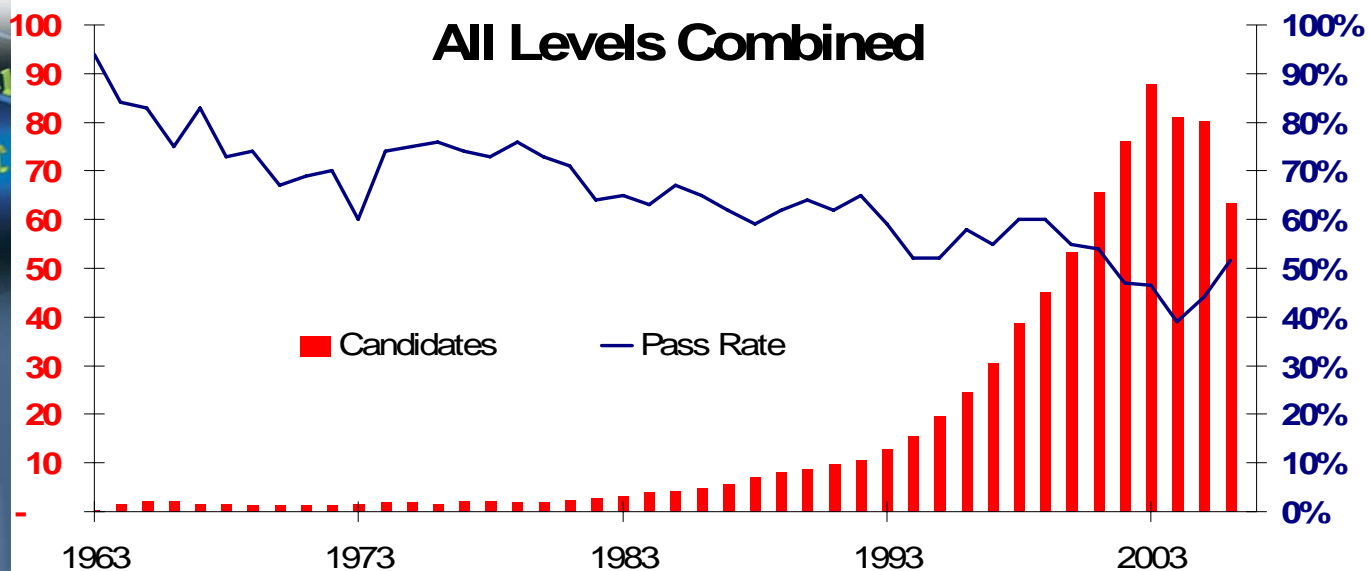


Source: CFA Institute
2003, 2004 and 2005 reflect June and December
2006 reflects June only



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Historical Pass Rates



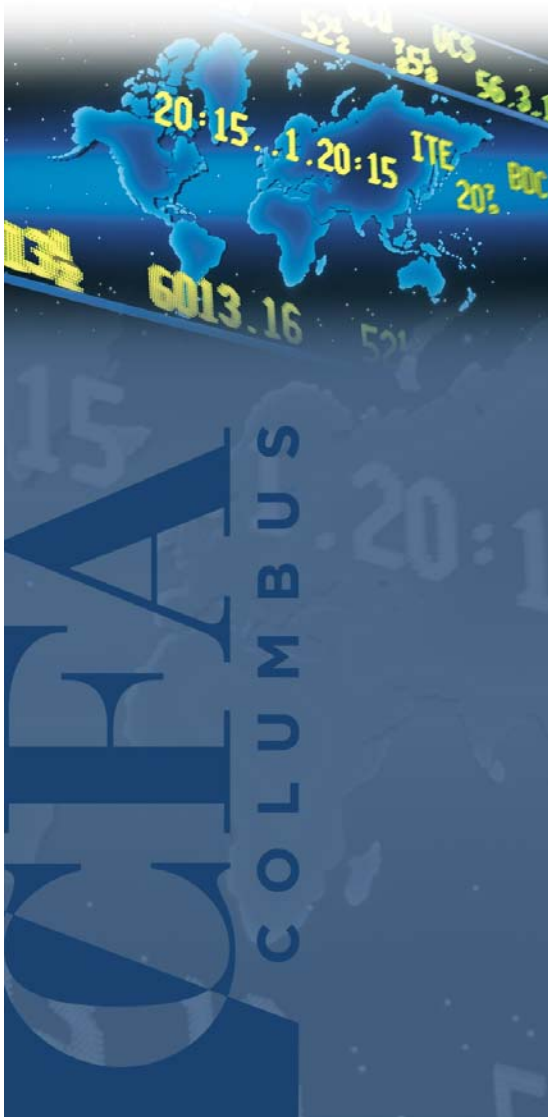
Source: CFA Institute
2003, 2004 and 2005 reflect June and December
2006 reflects June only



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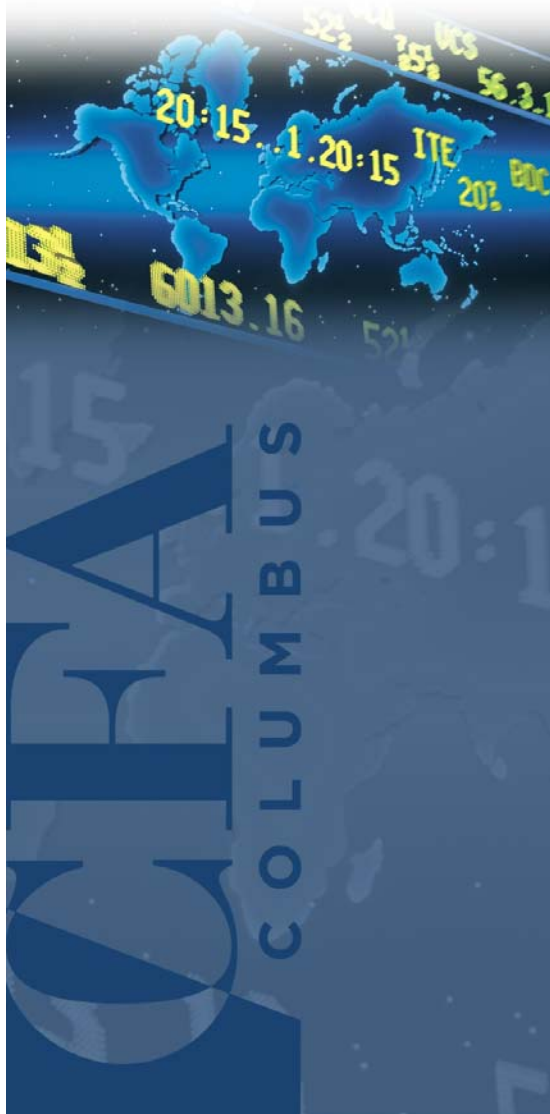
Why Declining Pass Rates

- ✓ Insufficient preparation
- ✓ Inadequate discipline and structure
- ~~Curriculum difficulty~~
- ✓ Lack of support system
- ~~Less experienced candidates~~
- ~~English as a second language~~
- ✓ Excessive reliance on study notes as source of preparation





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Agenda

CFA Charter

- The value of the CFA Charter



CFA Program

- Curriculum
- Exam Format



Candidate Resources

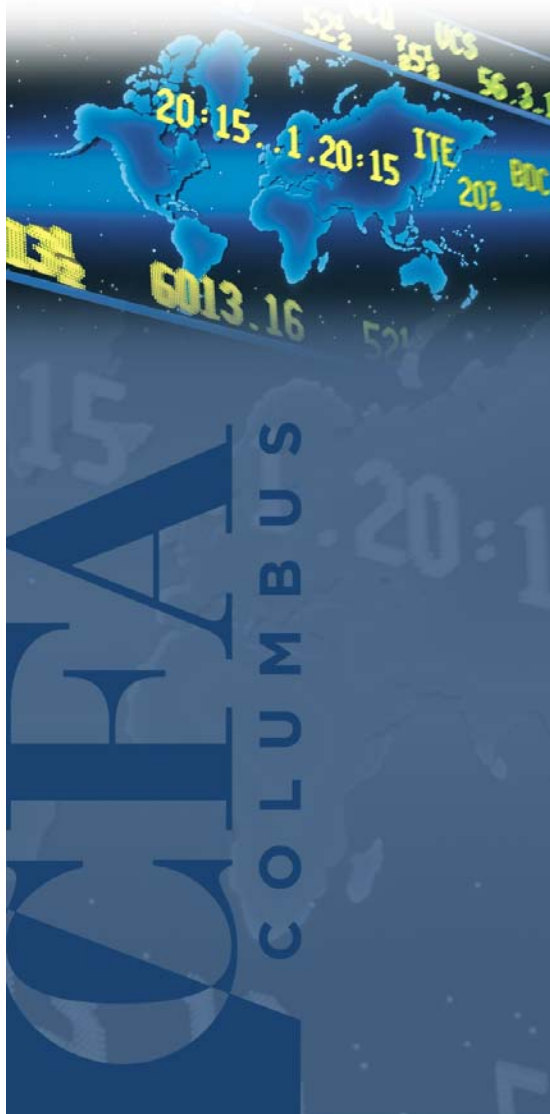
- Comparing Study Approaches
- Review Course Providers
- Society Resources

Beyond the Charter

- CFA Institute
- CFA Society of Columbus



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Candidate Online Preparation Toolkit

Enrolled candidates may access online toolkit providing guideline information for preparing for the examination

Get in-depth CFA program information

- Curriculum and reading assignments as foundation of study
- Learning outcome statements (LOS) provide candidates a gauge of their exam preparation
- Study sessions organize exam preparation around LOS
- Online sample exams further measure candidate readiness

Access study support

- Organize study groups
- Prep Provider Guidelines Program

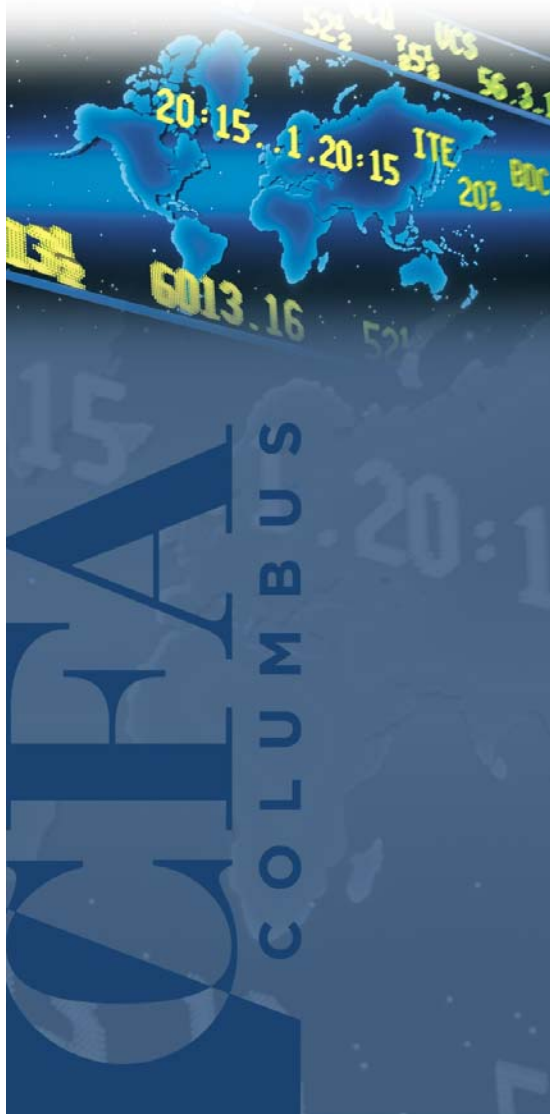
Create Strategy for Success

- Understand your needs
- Create study plan
- Adhere to the plan
- Measure and evaluate your performance
- Rebalance and revise your study plan

cfainstitute.org/cfaprogram/resources/



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Diligent Strategy for Success

Dedication

- 300 hours (average) study time
- January through April
- Candidate Body of Knowledge

Determination

- Practice and Review
- May
- Focus on the Exam

Domination

- Pass the CFA Exam!
- June 2, 2007



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Comparing Strategies

Self Study

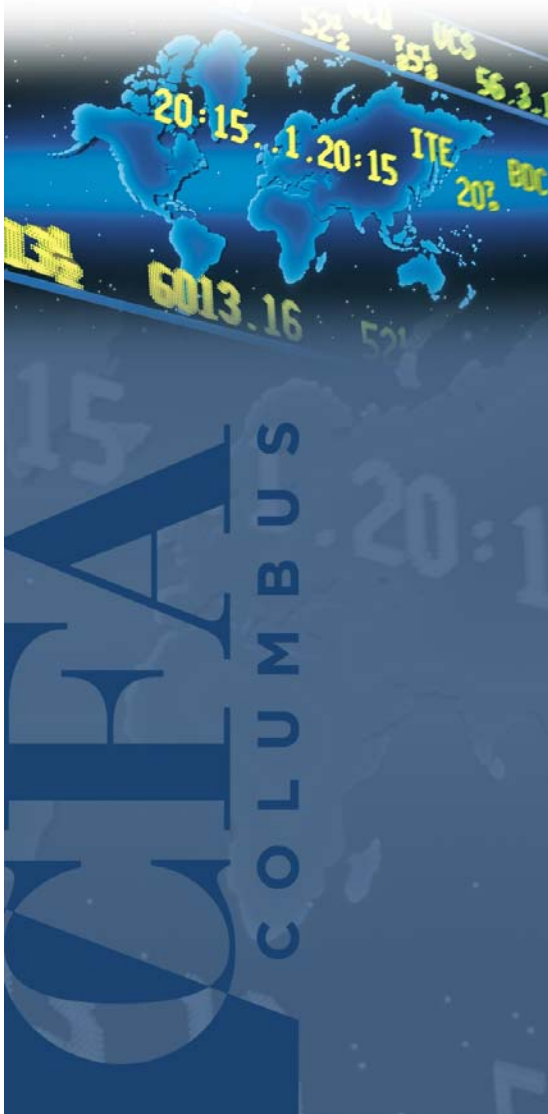
- Purchase and read CFA curriculum
- Curriculum included in cost of enrollment beginning 2008
- Take notes

Supplemental Material

- Practice question databases
- Sample practice exams (May/Nov)
- Prep provider texts

Review Course Providers

- Prep Provider Guidelines Program
- Stalla Review for the CFA Exam





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Prep Provider Guidelines

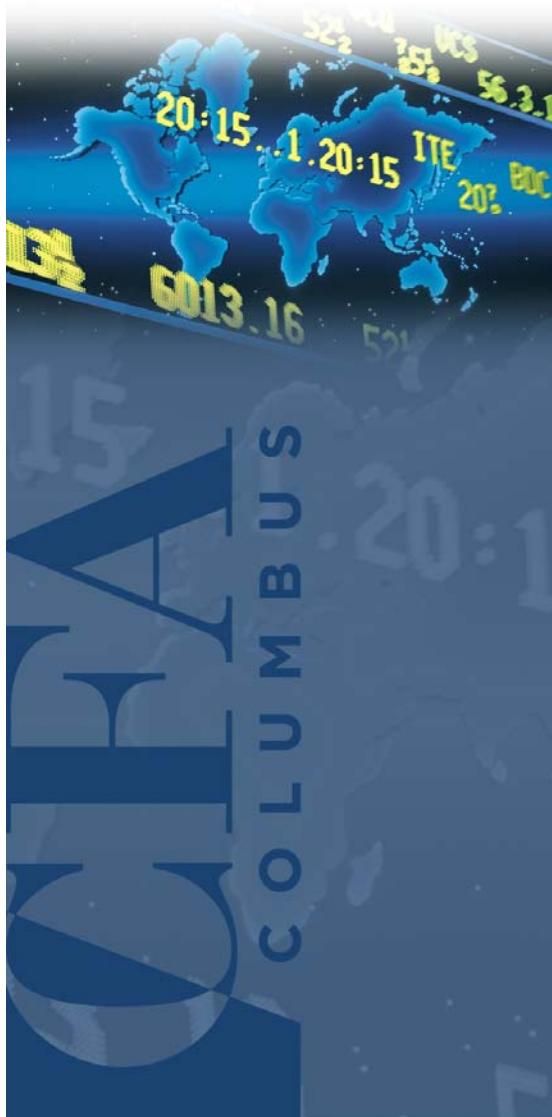
Used to Supplement, not Substitute, Studies

-CFA Institute does not partner with any preparatory course and does not endorse, promote, review, or warrant the accuracy of the products or services offered by preparatory organizations

-Many preparatory programs employ former CFA exam graders, question writers, and other individuals formerly affiliated with CFA Institute, but they are contractually bound not to advertise that affiliation

-CFA Institute makes available pass rate analysis reporting to member societies and prep providers who participate in the Prep Provider Guidelines Program, but providers and societies are contractually bound not to advertise those pass/fail rates

-Preparatory courses are not necessarily the most cost effective way to prepare for the exam





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Participating Providers

[The Boston Security Analysts Society, Inc.](#)

[BPP Professional Education](#)

[CFA Denmark](#)

[CFA Spain](#)

[CFA Society of Los Angeles, Inc.](#)

[CfBS Center for Business Studies](#)

[Creighton University](#)

[Financial Accounting Workshops](#)

[Financial Analysts Review \(FAR\)](#)

[FQ Coaching Limited](#)

[FTC Kaplan Asia](#)

[FTC Kaplan Limited](#)

[Johannesburg School of Finance](#)

[Keir Educational Resources](#)

[Koppel & Wiley Seminars](#)

[New York Institute of Finance](#)

[PASS PRO](#)

[Pegasus Learning](#)

[RG Quintero & Co.](#)

[Schweser](#)

[7city Learning](#)

[Sharp Seminars](#)

[Stalla Review](#)

Source: CFA Institute



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The Ideal Prep Provider

Created by CFA charterholders

**Helps you master the CFA curriculum truly
learning and applying concepts**

Based on the most updated CFA curriculum

Assures the accuracy of its materials

Stands behind its program

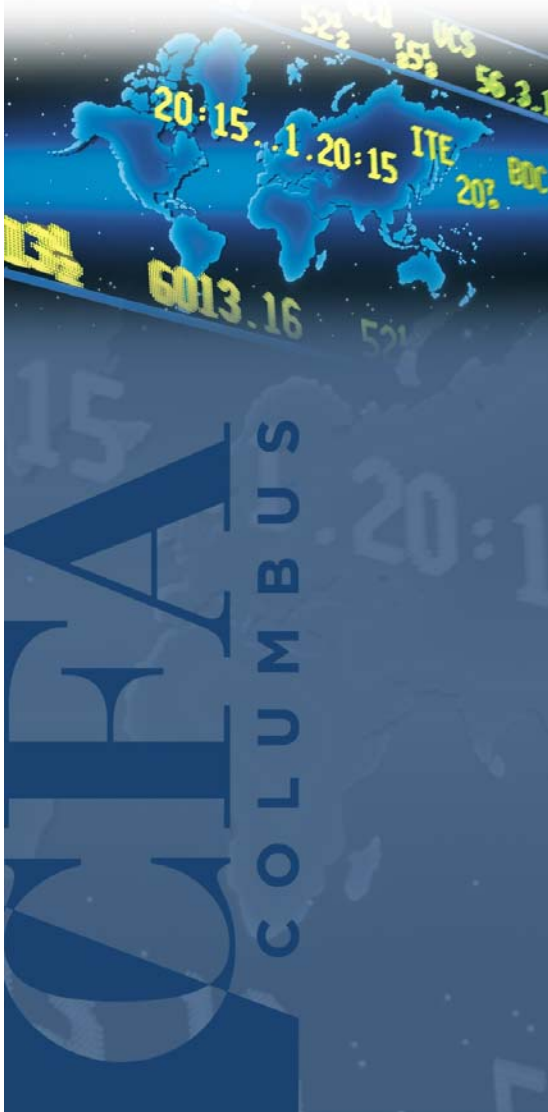
**Accommodates your unique learning style and
schedule demands**

Supports you when you need it

Instructors who are specialists in the areas taught

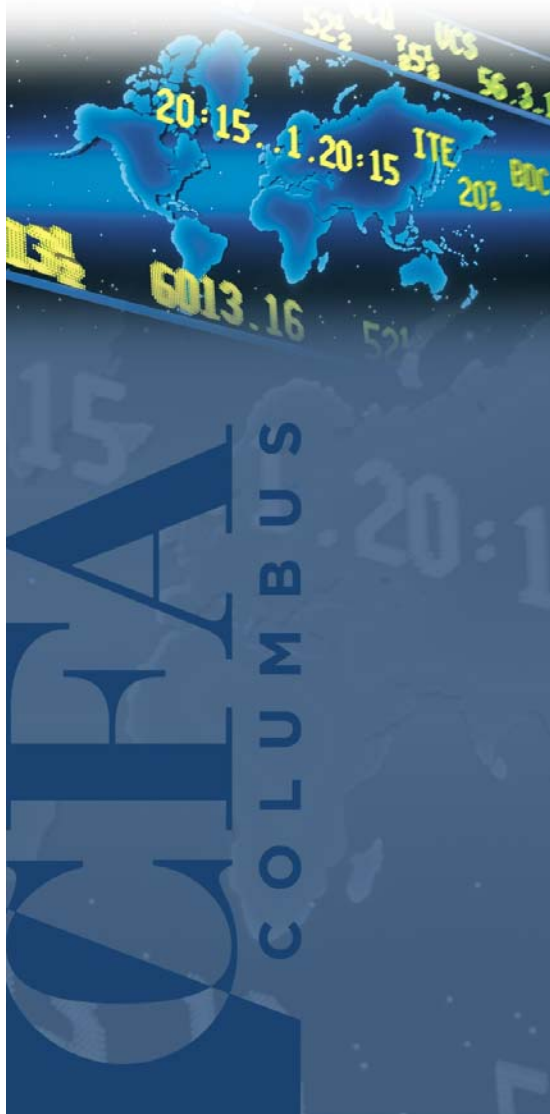
Instructors who are effective teachers

Provides you lots of practice





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The Stalla System

The Stalla System™

Comprehensive Instruction

Expert Teachers

18 Study Sessions; 16 Classes

In-class Problem Solving

Unlimited Lecture Make-ups

Exam Tips & Tactics

Personal Tutor

Integrated Learning Tools

Lecture Notes

PassMaster™ Software

Study Guides

Practice Questions

Practice Exams

Flashcards (Optional)



CD-ROM



Online



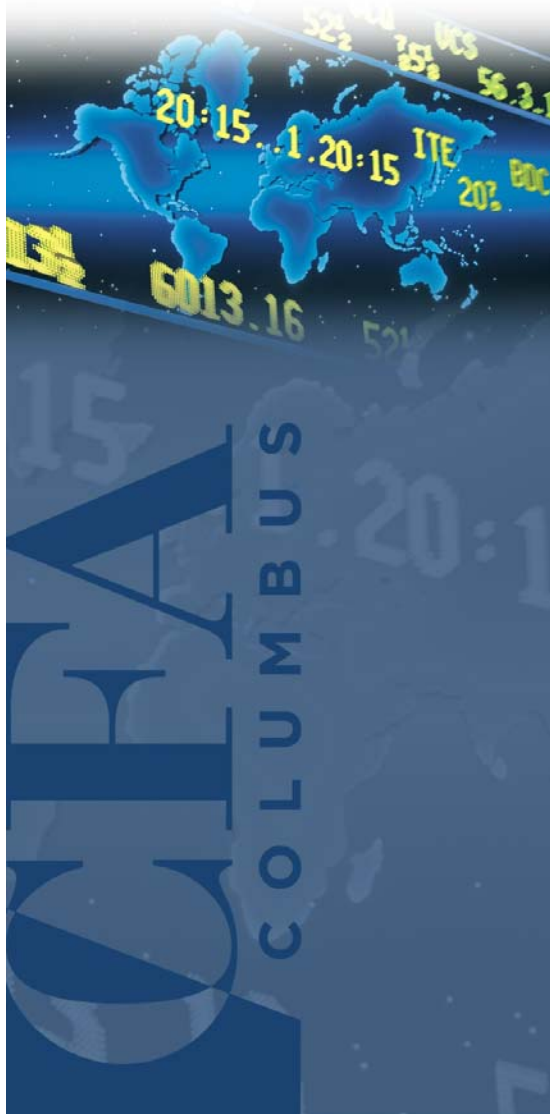
Live

CFA Institute Textbooks*

*Purchased separately, these textbooks are the foundation of Stalla's content.



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The Stalla System

Flexible Preparation Tools

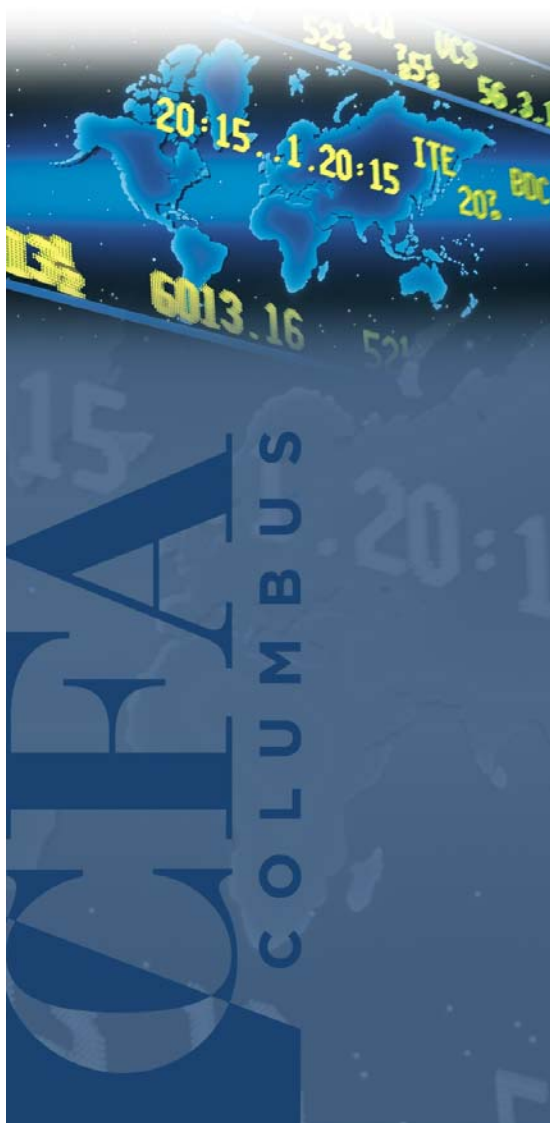
- Instructor-led classes
 - Live, online, or CD-rom
- Lecture notes
- Stalla textbooks
- Practice exams
- PassMaster software
- Personal tutor

Optional Tools

- Flashcards
- Review seminar and mock exam



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The Stalla System

Theory

- Stalla study guides clarify every LOS in CFA curriculum

Application

- Core concept lecture notes
- Problem oriented classes

Retention

- PassMaster and homework

Practice

- Review seminars, progress tests, mock and practice exams

Support

- Instructor and tutor



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Columbus investment community

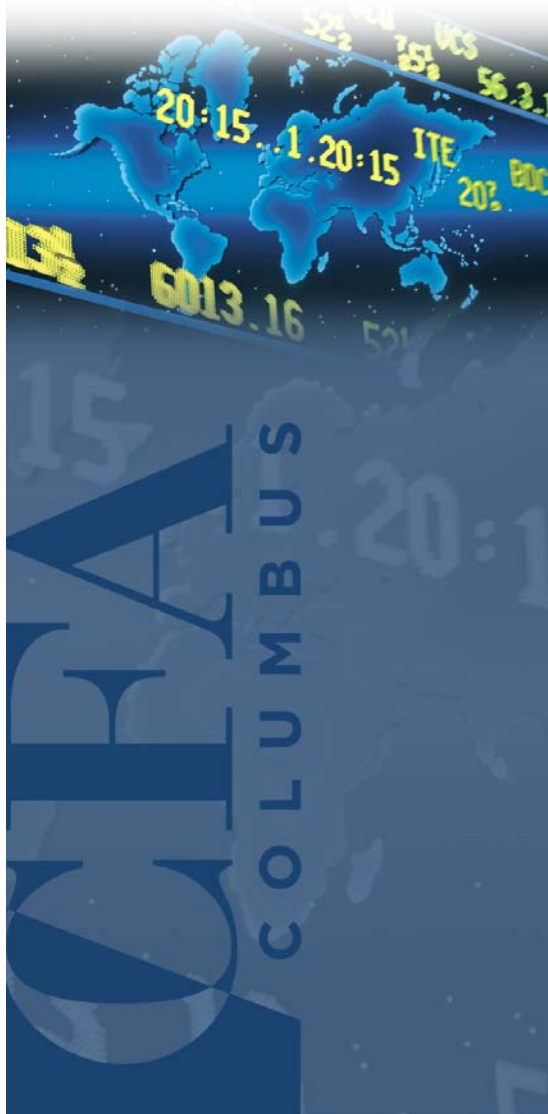
Level I Course Schedule

Thursday Evenings, 6—9:30PM
Pfahl Hall – Room TBA

Feb-1	Introduction and Ethical and Professional Standards	SS01
Feb-8	Quantitative Methods: Basic Concepts	SS02
Feb-10 **	Quantitative Methods: Application	SS03
Feb-15	FSA (Financial Statement Analysis): Basic Concepts, Cash Flow and IASB GAAP	SS07
Feb-22	FSA: Ratios and Earnings Per Share	SS08
Mar-1	FSA: Inventories and Long-Term Assets	SS09
Mar-8	FSA: Deferred Taxes and Debt	SS10
Mar-15	Corporate Finance	SS11
Mar-22	Economics: Microeconomic Analysis	SS04
Mar-29	Economics: Macroeconomic Analysis	SS05
Apr-5	Economics: Global Economic Analysis	SS06
Apr-12	Analysis of Equity Investments	SS13 & SS14
Apr-19	Analysis of Fixed Income Investments: Basic Concepts	SS15
Apr-26	Analysis of Fixed Income Investments: Analysis and Valuation	SS16
May-3	Derivative Investments	SS17
May-10	Portfolio Management and Alternative Investments	SS12 & SS18

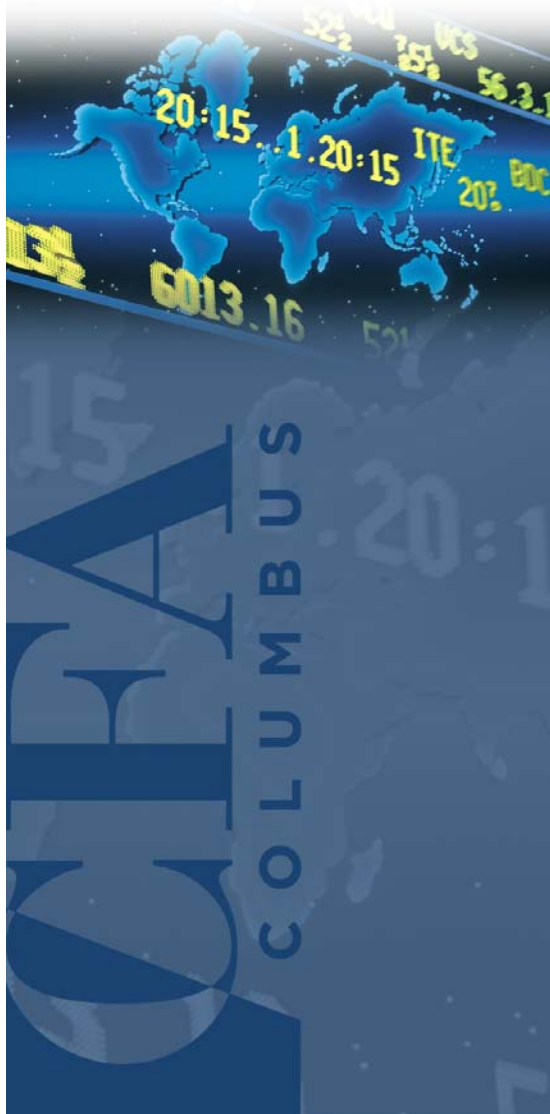
** Feb-10 9:00AM – 12:30PM, Saturday

Schedule available online at Stalla.com





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The Stalla System

The Only CFA Review Course Offering Live Classes in Columbus, Ohio

- CFA Society of Columbus contract with Stalla
- Stalla provides CFA review course and prep material to Columbus candidates
- Stalla pays Society \$1000 annually to support promotional costs
- Society promotes the Stalla System with Columbus candidates
- Society provides course instructors

Among prep providers evaluated by CFA Society of Columbus, The Stalla System appears to offer the most comprehensive supplemental preparation for the CFA exam.



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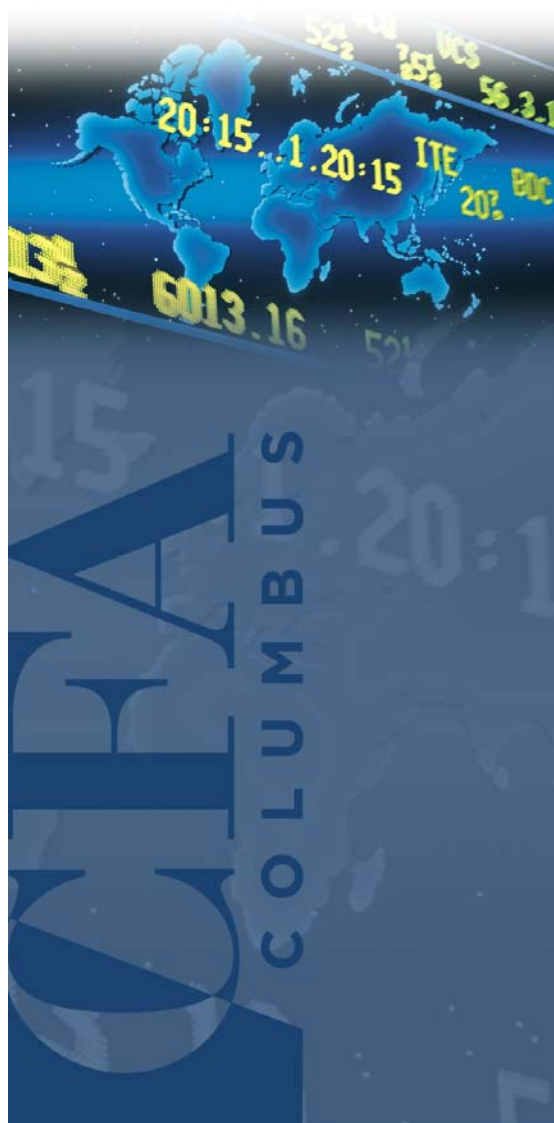
2007 CFA Program Costs

	J – 9/27/06 D – 3/15/07	J – 2/15/07 D – 8/15/07	J – 3/15/07 D – 9/17/07
Registration (one time)	\$ 390	\$ 390	\$ 465
Enrollment *	370	455	690
Curriculum Texts (L1) *	395	395	395
Sample Exams (each)	50	50	50
Total CFA Institute Cost	\$ 1,205	\$ 1,290	\$ 1,600
Stalla Resource Components	\$ 1,880		
Stalla Course Discount	(390)		
The Stalla System Course *	\$ 1,490		
Total Annual Cost	\$ 2,305	\$ 2,390	\$ 2,625
Total Gross Cost	\$ 2,695	\$ 2,780	\$ 3,090

* Discounts available to CFA Society of Columbus members



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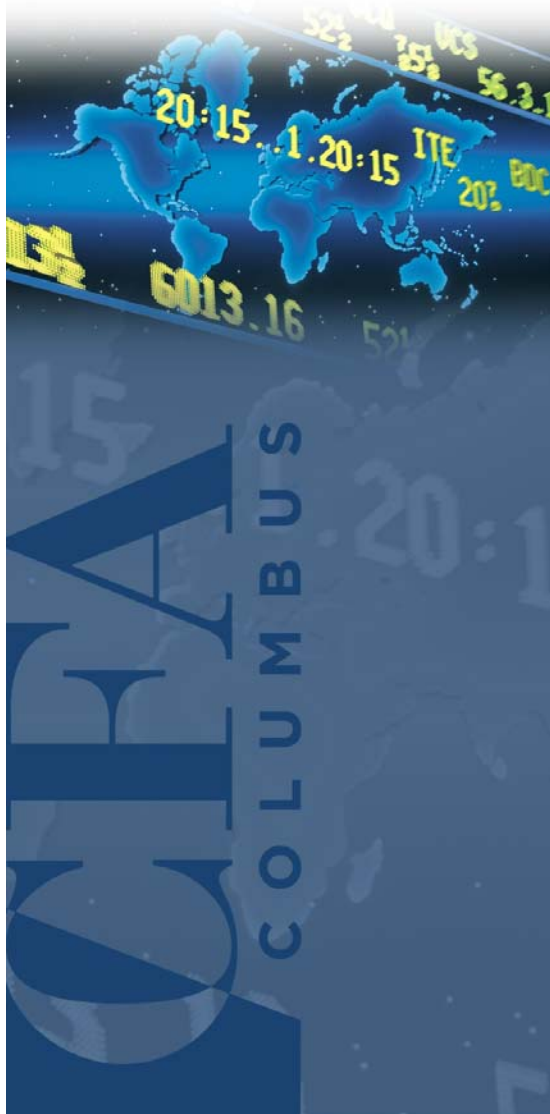


Cost with Society Discounts

	J – 9/27/06 D – 3/15/07	J – 2/15/07 D – 8/15/07	J – 3/15/07 D – 9/17/07
Registration (one time)	\$ 390	\$ 390	\$ NA
Enrollment	150	150	NA
Curriculum Texts	---	---	---
Sample Exams (each)	50	50	NA
Total CFA Institute Cost	\$ 590	\$ 590	\$ NA
Stalla Resource Components	\$ 1,880		
Stalla Course Discount	(390)		
Society Member Discount	(300)		
Society Course Scholarship	(595)		
Stalla Society Discounted Price	\$ 595		
Total Annual Cost	\$ 795	\$ 795	\$ NA
Total Net Cost	\$ 1,185	\$ 1,185	\$ NA
Potential Society Benefit	\$ 1,510	\$ 1,595	\$ NA



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Society Resources

CFA Society Scholarship

- Ten scholarships awarded by Society
- Levels I, II, and III available
- Exam registration fee waived
- \$150 enrollment fee
- Must be Society member
- cfainstitute.org/cfaprogram/university/pdf/SocietyApplicationFiscalYear2006.pdf
- Contact: Royce West (westr@strsoh.org)

Stalla Review for the CFA Exam

- \$300 discount to enrollment cost
- Two 50% scholarships for review course

CFA Curriculum Texts and Readings

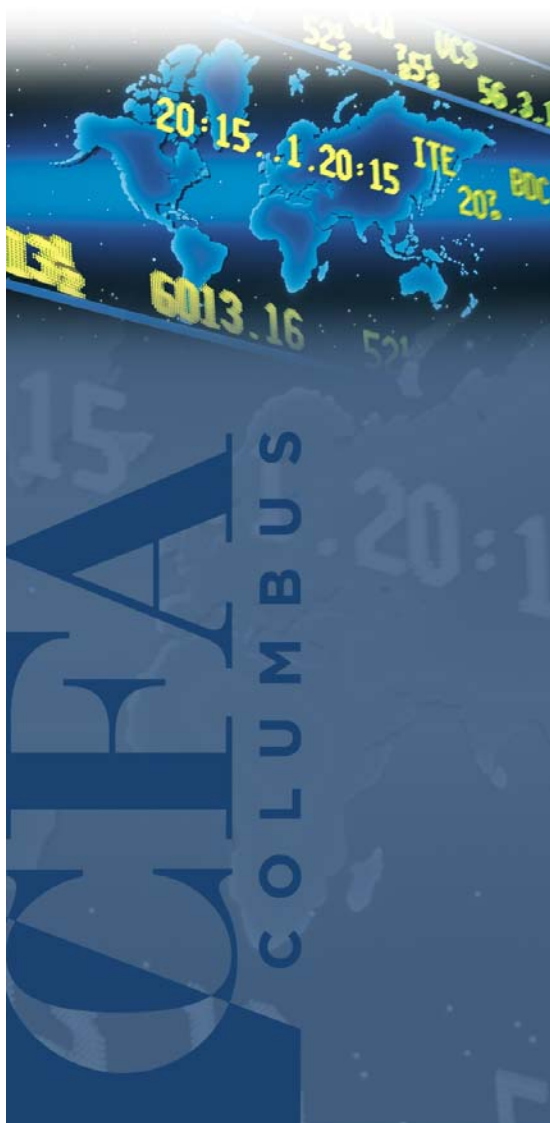
- Complimentary set of texts for each level

Society Events

- “CFA Exam Party” immediately after June exam
- CFA Charter Award Ceremony in November



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Society Awards

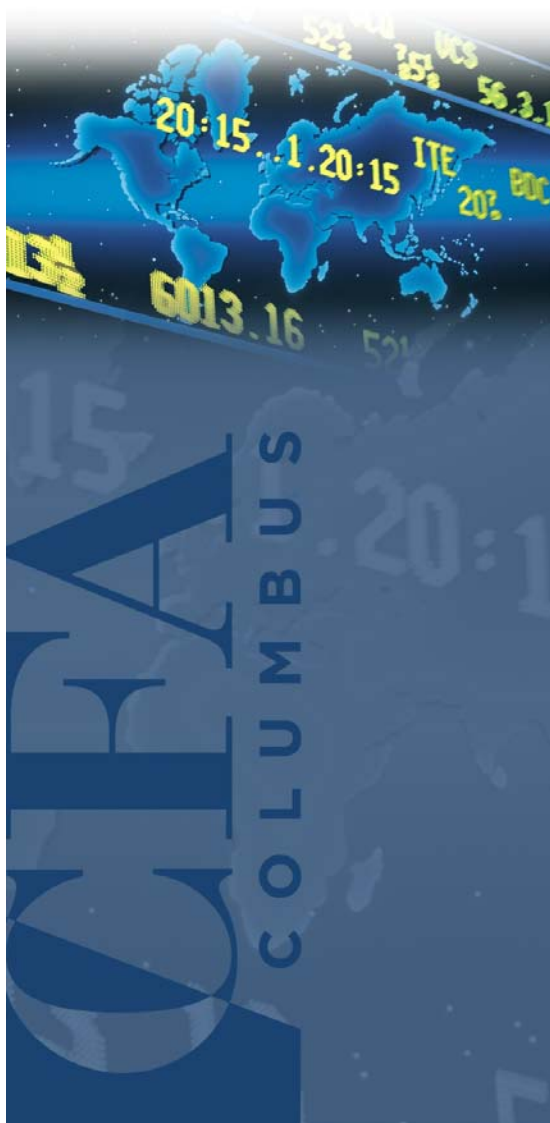
CFA Society Scholarship

- Winners to be announced at a later date
- Submit your application today

**Stalla Review for the CFA
Exam 50% scholarship**



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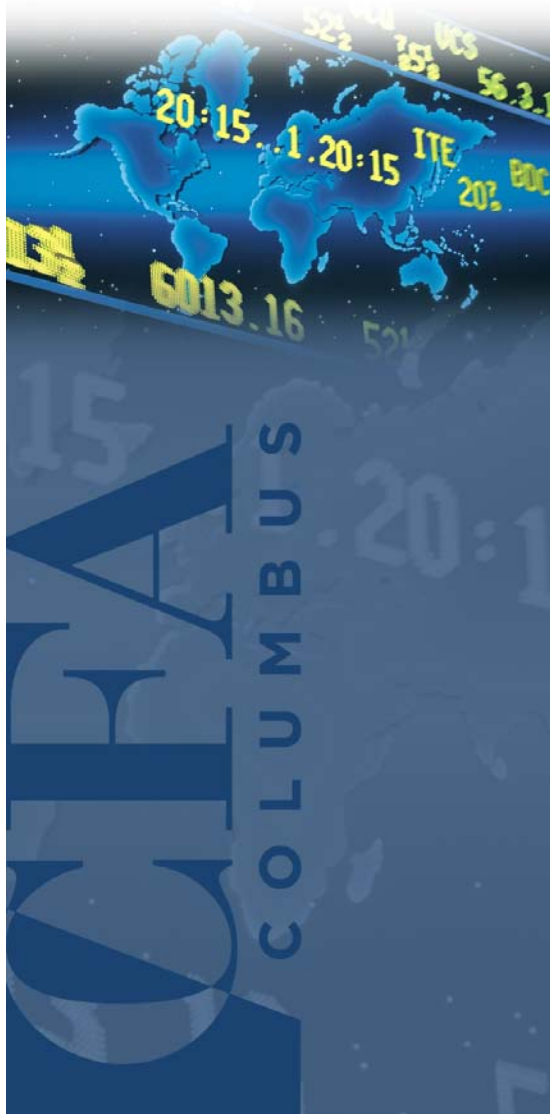


CFA Class of 2006

- Trent Lee Black, CFA
- Daniel F. German, CFA
- Nicholas J. Kern, CFA
- Hongyuan Li, CFA
- Sheng-De Liu, CFA
- John Michael Loesch, CFA
- Bor-Rong Pan, CFA
- Frank Sokolowsky, CFA
- Gregory Allen Stought, CFA
- Raja Sundararajan, CFA
- Todd M. Wanner, CFA
- Luying Wei, CFA
- Brian Harold Wright, CFA



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Agenda

CFA Charter

- The value of the CFA Charter



CFA Program

- Curriculum
- Exam Format



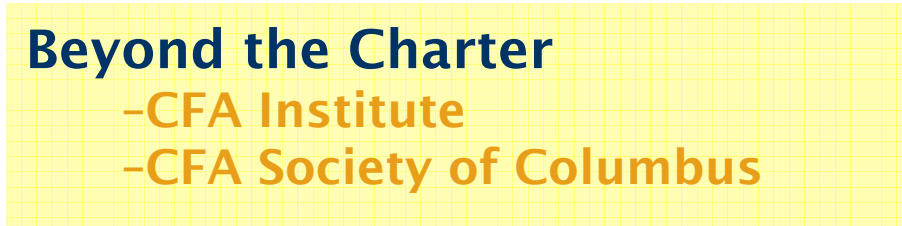
Candidate Resources

- Comparing Study Approaches
- Review Course Providers
- Society Resources



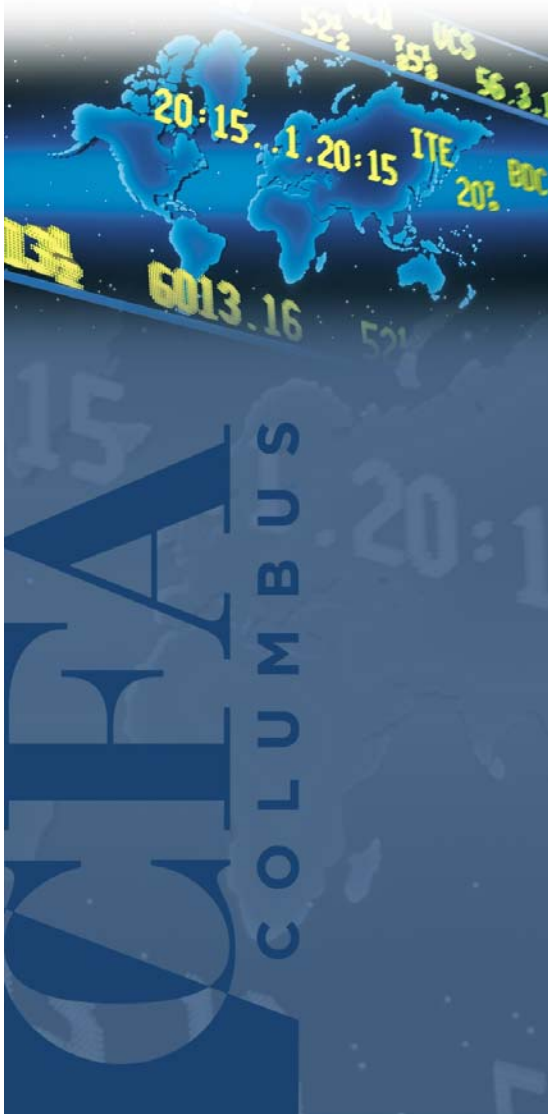
Beyond the Charter

- CFA Institute
- CFA Society of Columbus





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CFA Institute

CFA Institute

- Charlottesville, VA headquarters
- Centre for Financial Market Integrity
- Advocate on matters of relevancy
- Ethical and professional standard setter

Professional Development

- Reciprocity arrangements
- Publications and periodicals
- Voluntary PD Program

Global Network

- 134 Societies in 55 Nations
- 88,000 members in 132 nations

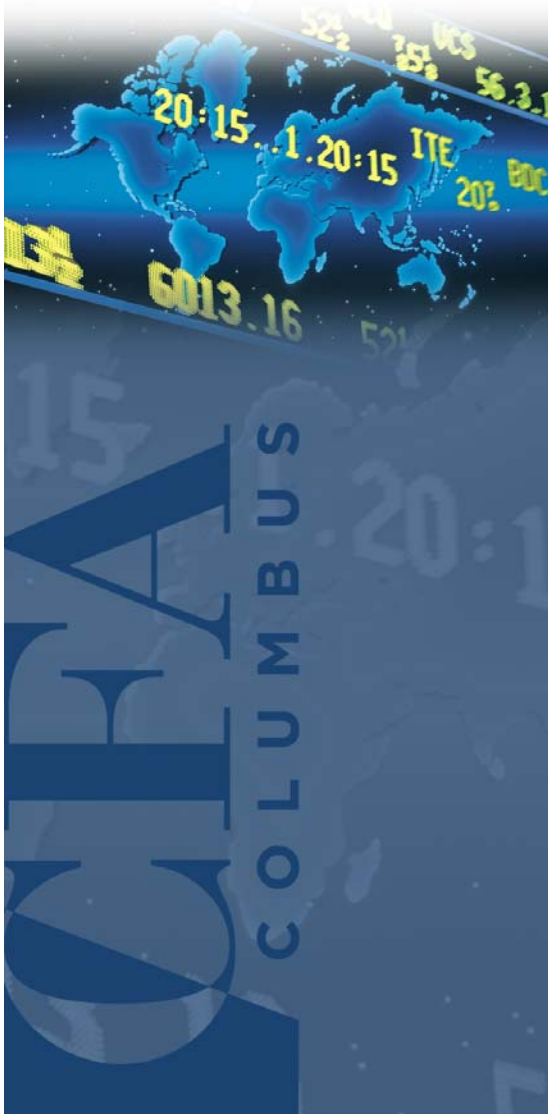
Maintain Your CFA Charter



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CFA Institute Mission

**To lead the
investment profession
globally
by setting the
highest standards of
ethics,
education, and
professional excellence.**





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CFA Society of Columbus

Local Member Society of CFA Institute

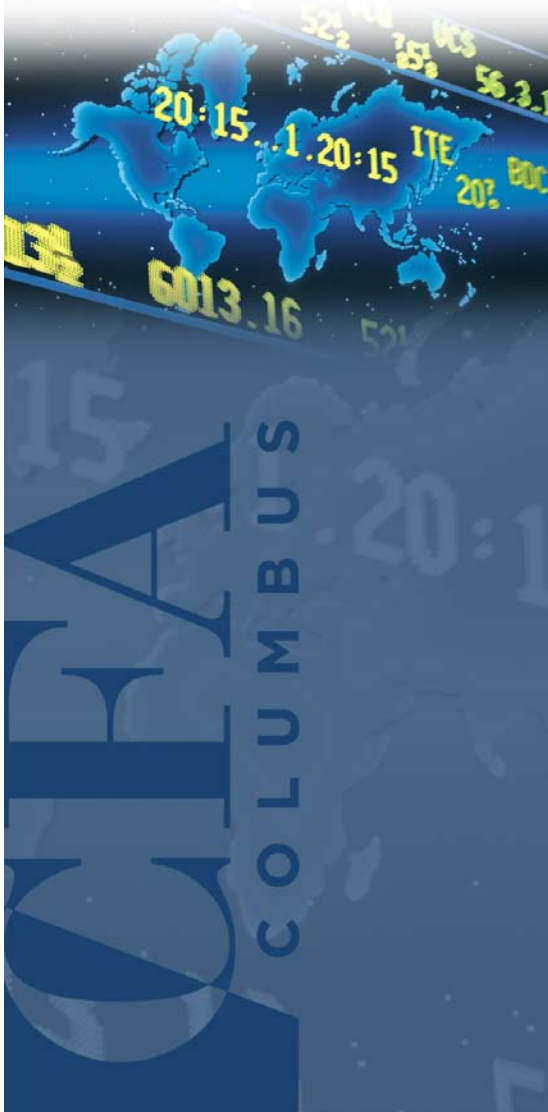
Purpose

Provide a forum for local investment management professionals to gather on a regular basis to

- attend investment related presentations
- share ideas and
- develop their knowledge of the securities markets

Mission

Promote the continuing education of our members by providing a forum for the presentation of topics relevant to the decision making process and to promote adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.





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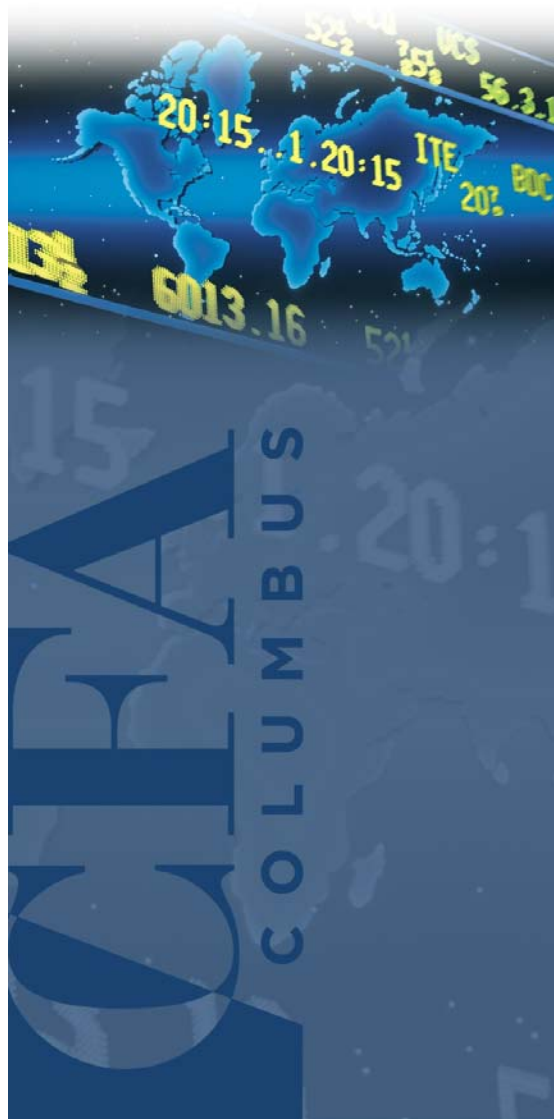
CFA Society of Columbus

Membership Overview

- Local Member Society of CFA Institute
- 340 Members
- 84% CFA Charter holders
- CFAColumbus.org

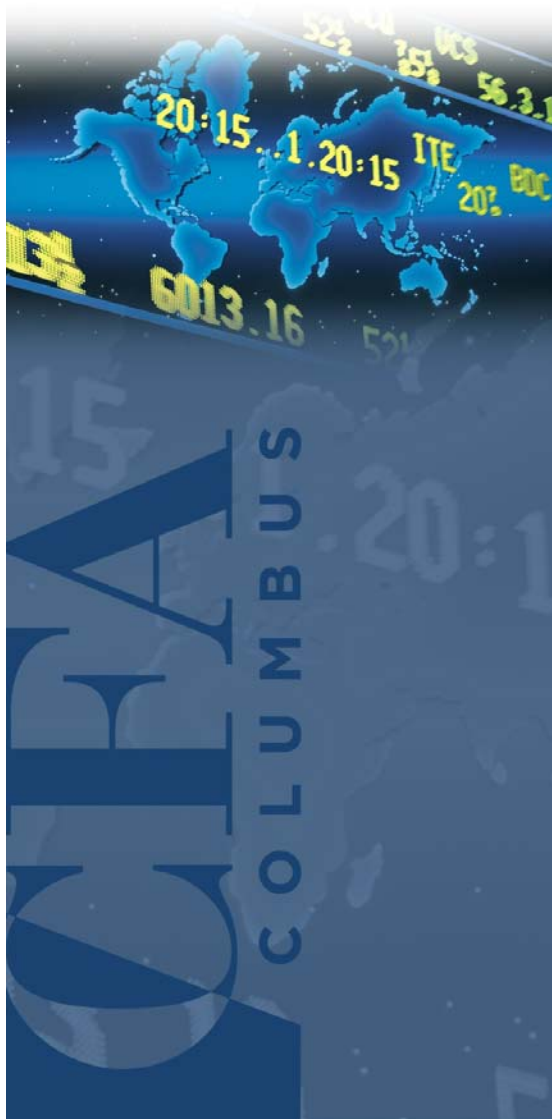
Membership Options

- Regular Member
- Affiliate Member
- Student Member
- Candidate versus Member
- CFAINstitute.org/memberservices/join



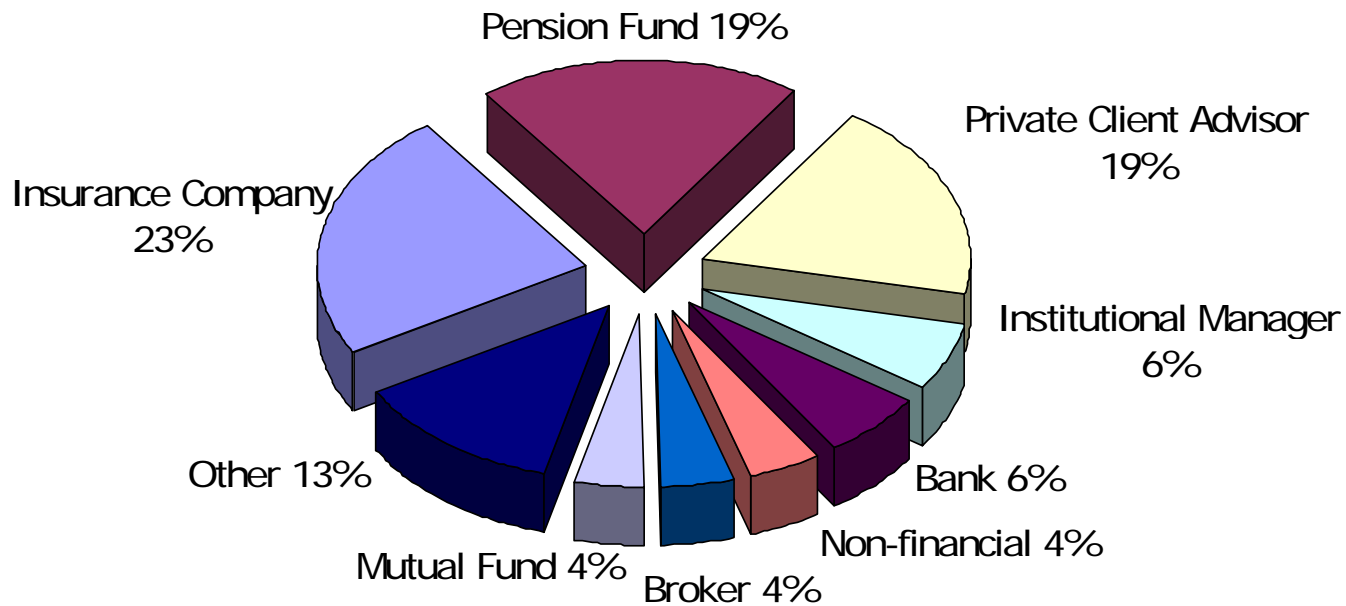


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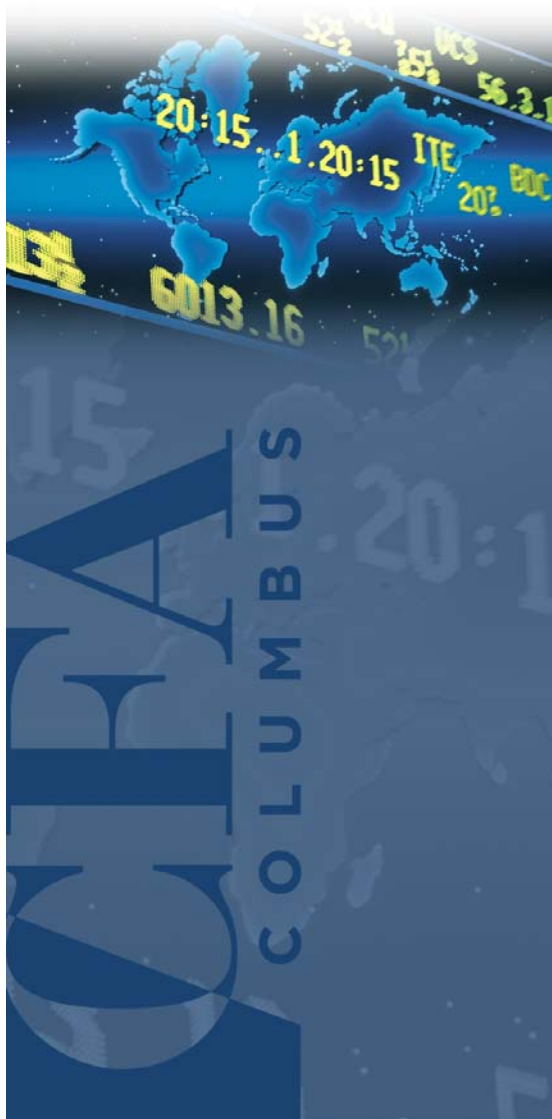
Society Membership

Employer Classification



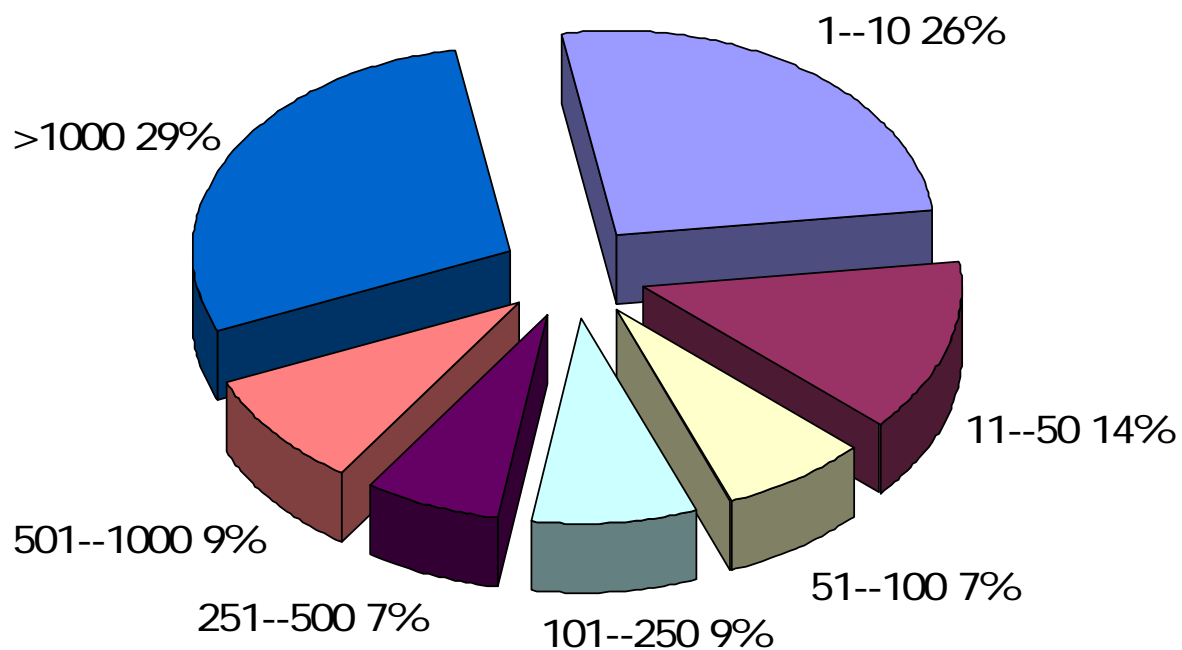


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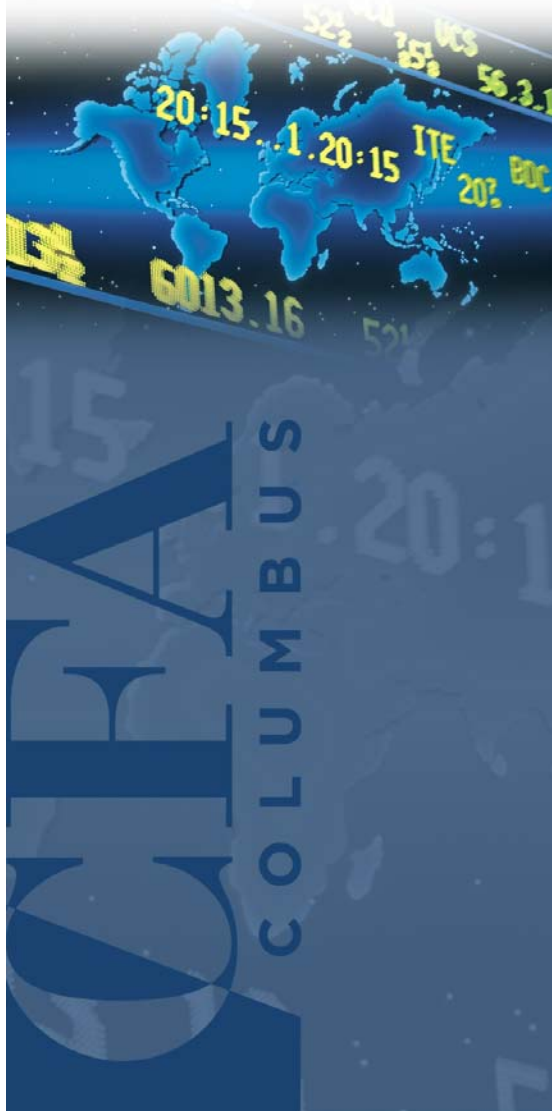
Society Membership

Number of Employees



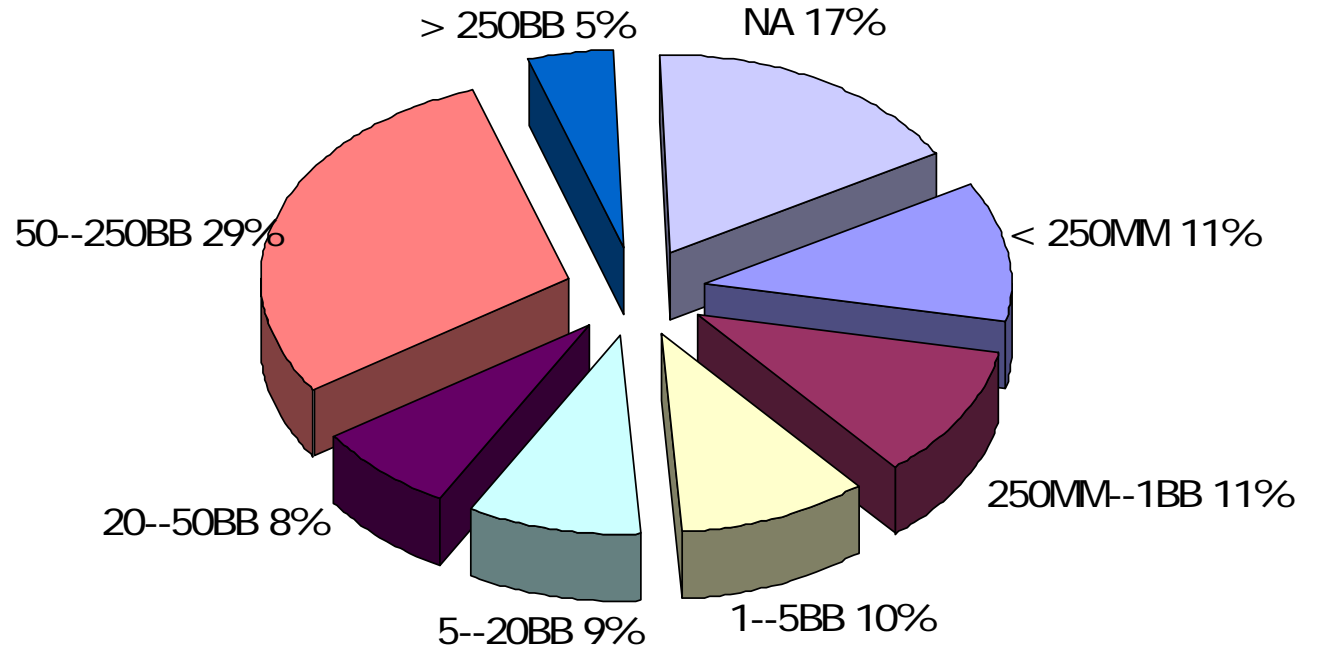


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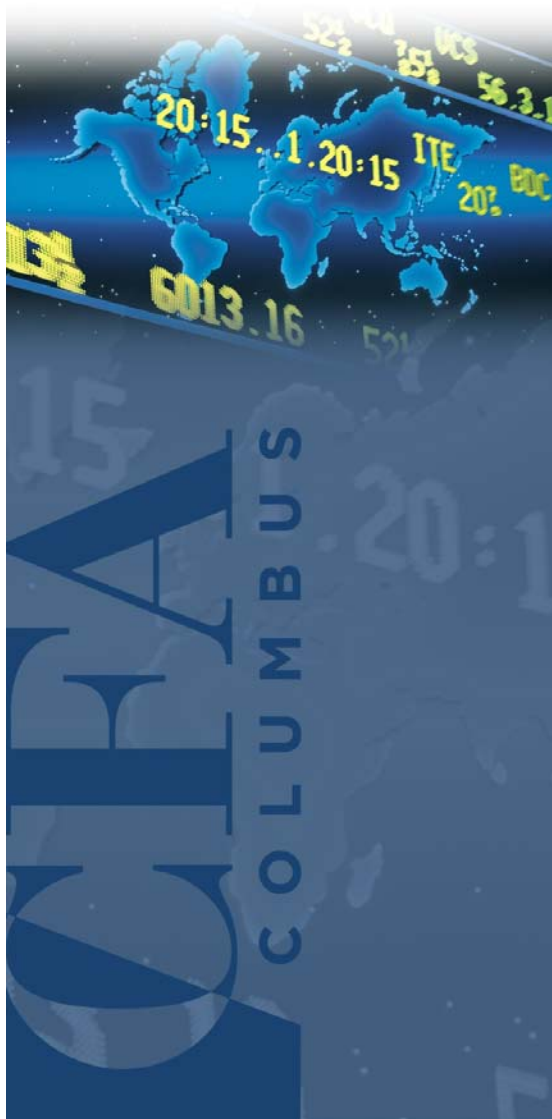
Society Membership

Assets Under Management





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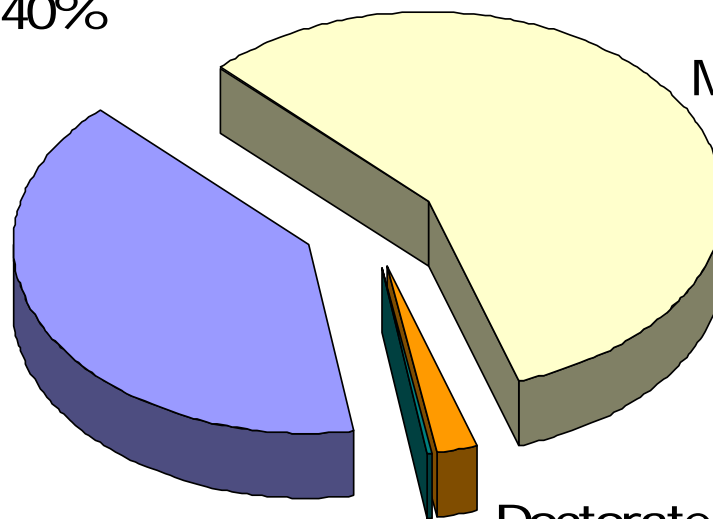


Society Membership

Highest Academic Degree Earned

Bachelors 40%

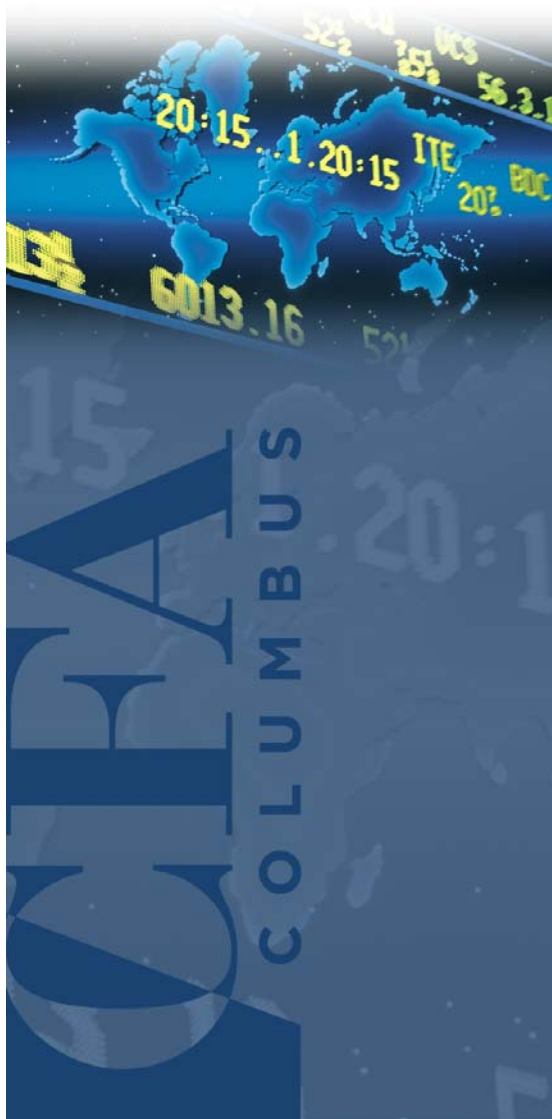
Masters 57%



No Degree 0% Doctorate 2%

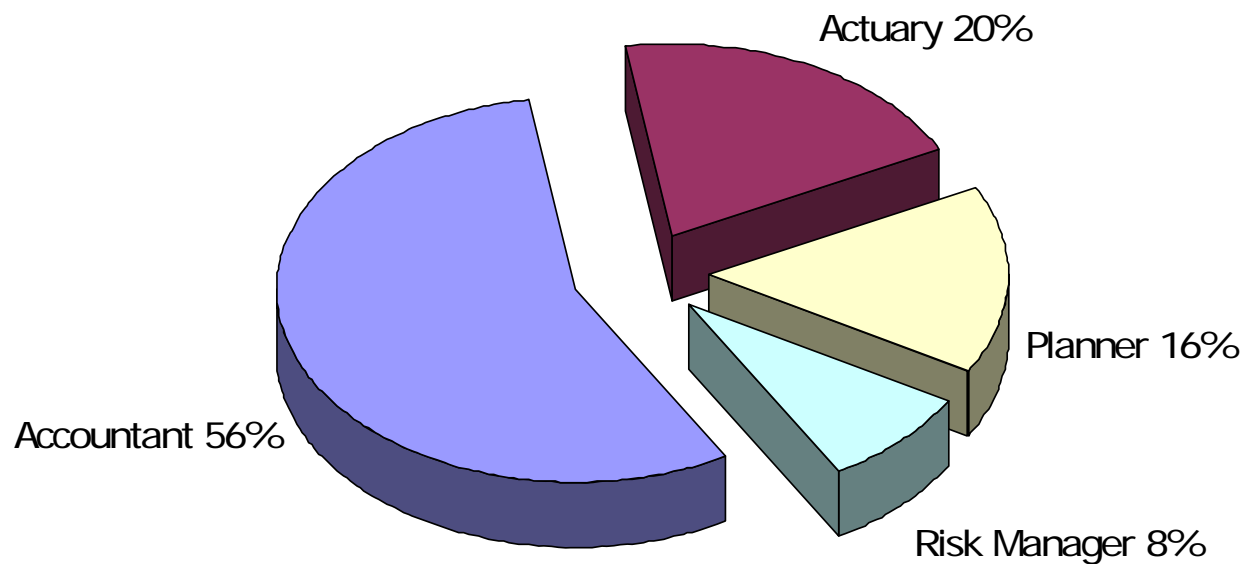


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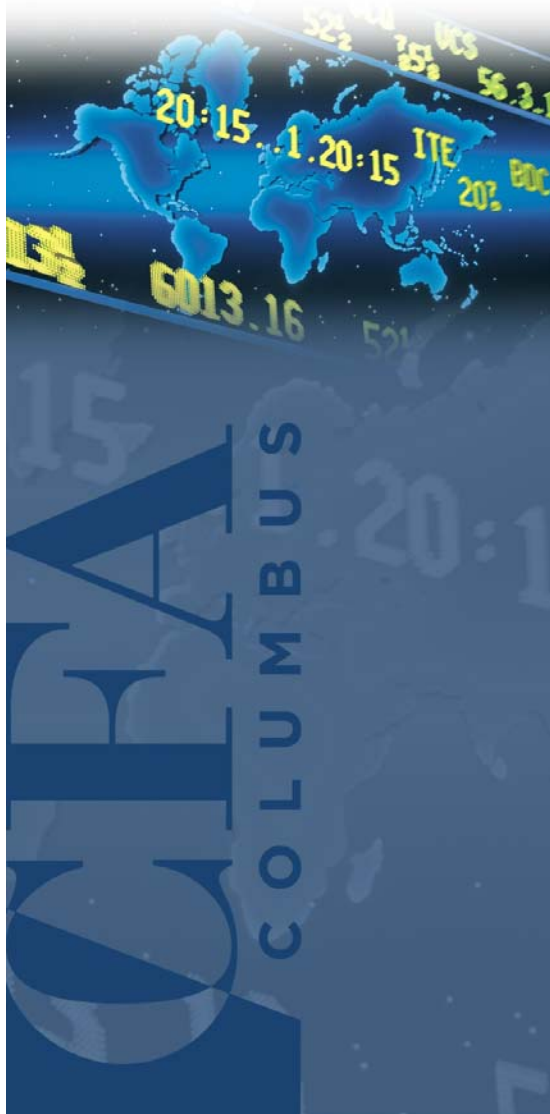
Society Membership

Other Professional Designations





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Current Society Leadership

President

Richard Clemens, CFA

Vice President

Timothy Viezer, PhD CFA

Treasurer

Barbara MacLeod, CFA

Secretary

Damon Buckwalter, CFA

Membership

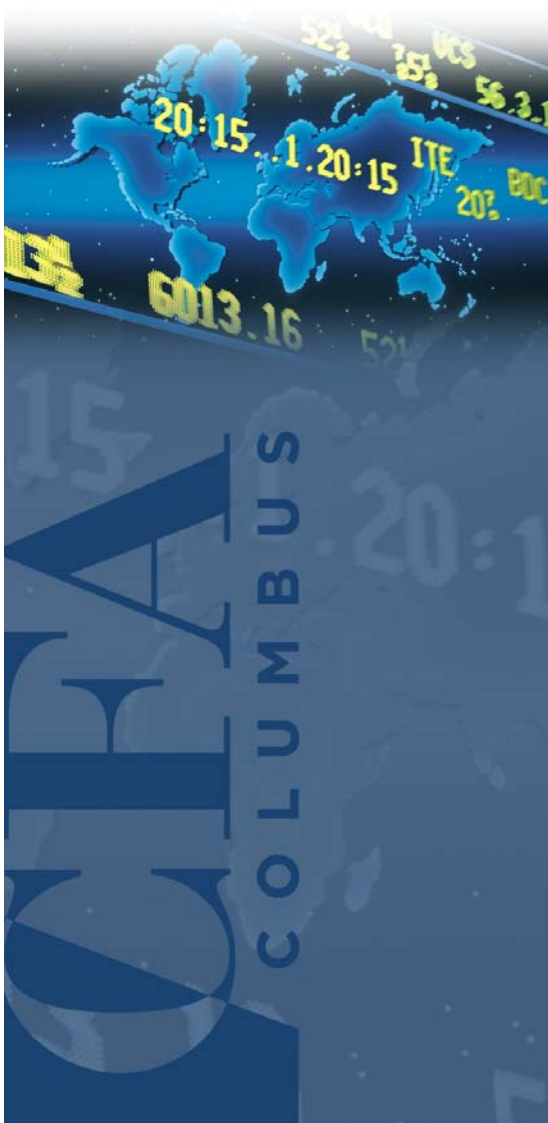
Douglas Gilmore, CFA

Past President

Douglas Walouke, CFA



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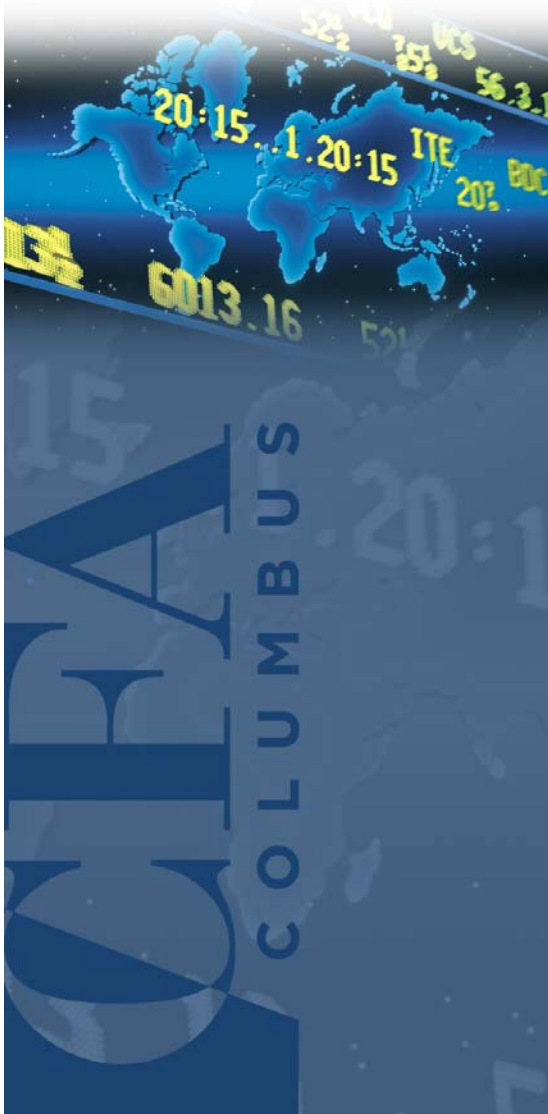
Society Awards

Complimentary CFA Curriculum Texts and Readings

- Level I
- Level II
- Level III



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Next Steps

Register as Candidate

-[CFAInstitute.org/CFAprog](https://www.cfainstitute.org/CFAprog)

Draft Study Plan

-[CFAInstitute.org/CFAprog/resources/](https://www.cfainstitute.org/CFAprog/resources/)

Consider Provider Resources

-[CFA Society of Columbus and Stalla review course](#)

-[Stalla.com](https://www.stalla.com)

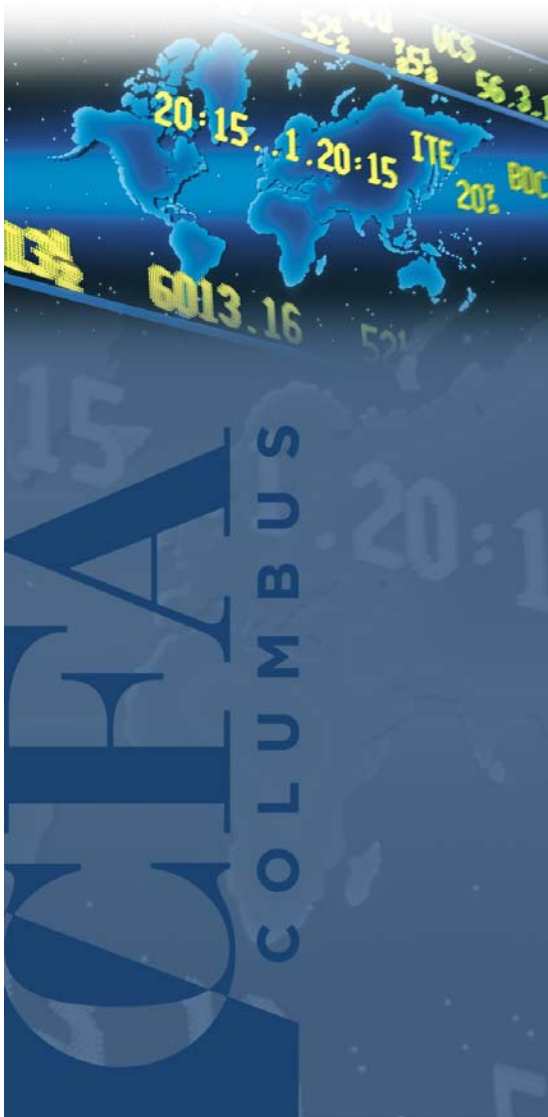
Join Society Membership

-[CFAInstitute.org/memberservices/join](https://www.cfainstitute.org/memberservices/join)

Prepare and Pass the CFA Program



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Summary

CFA program is rigorous

Success requires diligence

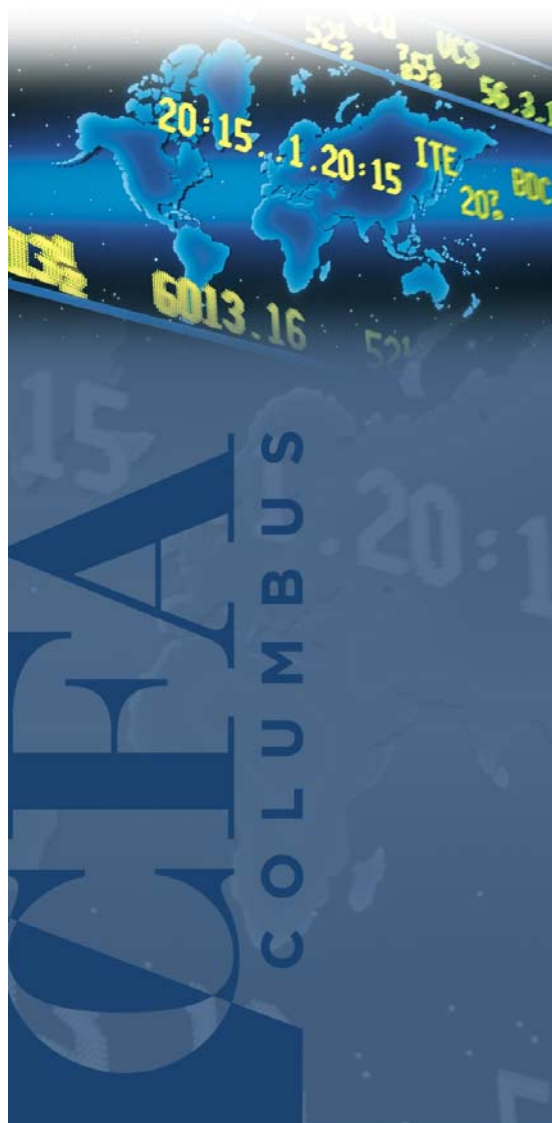
Invest in available resources

- Curriculum content
- Review course
- Society membership

CFA Charter is valuable



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**A Symbol of Integrity and
Professional Excellence**