

# CFA INSTITUTE RESEARCH CHALLENGE

## Rules Reminders

*Below are rules that have not changed, but we noticed they are not being followed by many Local Hosts. In order to ensure consistency and fairness globally we will be paying closer attention to these rules*

### Rule 2.6.a

Teams may utilize their Industry Mentor and/or Faculty Adviser as resources, but may not enlist the help of any other professionals in preparing or evaluating the Presentation, including conducting practice presentations in front of one or more professionals (e.g., mock judging panels).

### Rule 3.1.a

Each Team will be provided one (1) Faculty Adviser.

## Overview of 2014-2015 Rules Changes

*\*Highlighted rows represent more significant changes*

Old Rule	New Rule	Why the Change?	What this Means for Hosts
<b>Rule 2.1</b> Only one (1) Team may represent a University.	<b>Rule 2.1</b> Up to <i>two (2) Teams</i> may represent a University. <i>Local Hosts have the sole discretion to allow more than one (1) team.</i>	Based on local host feedback we decided to allow up to two teams to represent universities. The composition of students within each team is still at the sole discretion of the university and can include both teams of undergraduates, post graduates, one (1) team of undergraduates and one (1) team of post graduates, or a mix.	It is the sole discretion of the Local Host to decide whether or not they have the desire and capacity to make this change. This means more faculty advisers, industry mentors, graders, and, possibly, judges. If a Local Host decides to allow two teams, all universities in that local challenge must have the opportunity to send two teams, but is not required to.

Old Rule	New Rule	Why the Change?	What this Means for Hosts
<p><b>Rule 2.1 (footnote)</b> A University is defined as an institution that primarily delivers teaching to students in a traditional educational setting such as a classroom, as opposed to solely through electronic media.</p>	<p><b>Rule 2.1 (footnote)</b> A University is defined as a <i>degree-granting</i> institution that primarily delivers teaching to students in a traditional educational setting such as a classroom, as opposed to solely through electronic media.</p>	<p>This was an accidental omission that is being added back. This is consistent with our requirements for CFA Institute affiliated university programs.</p>	<p>This should have no impact unless a Local Host has a non-degree granting institution participating. This will be a very rare circumstance.</p>
<p><b>Rule 2.1.d</b> Teams that are selected to participate at the Regional and Global levels must consist of the same Team Members who participated at the Local level, except to the extent that if a Team Member is unable to participate in the Regional or Global levels.</p>	<p><b>Section Removed</b></p>	<p>This section is redundant and explained by Rule 2.1.c.</p>	<p>No impact.</p>
<p><b>Rule 2.2.e</b> Complete the official registration form on the CFA Institute Research Challenge website no later than two (2) weeks prior to the submission of the Written Report to the Local level Host.</p>	<p><b>Rule 2.2.e</b> Complete the official registration form on the CFA Institute Research Challenge website no later than two (2) weeks prior to the submission of the Written Report to the Local level Host. <i>Timely completion of the official registration entitles each student to receive a participation certificate from CFA Institute.</i></p>	<p>The cost to send late registrants their certificates is prohibitively high. This addition includes increased transparency regarding the participation certificate process.</p>	<p>No impact. Our procedures are not changing.</p>

Old Rule	New Rule	Why the Change?	What this Means for Hosts
<p><b>Rule 2.3.b</b> Has, or is, employed in a role whose primary duty involves fundamental company analysis, unless the Team Member was an intern and the cumulative time the primary duty involved fundamental company analysis was less than 500 hours (at the time of the Local final)</p>	<p><b>Rule 2.3.b</b> Has been, or is, employed in a role whose primary duty involves fundamental company analysis; unless the Team member qualifies as an intern, and is permitted to participate as a Team Member, under Local competition rules.</p>	<p>The Research Challenge team has been receiving more and more requests for C.V./resume reviews based on student's internship experience. The following reasons make these reviews extremely difficult: students have the tendency to inflate their responsibilities, internships are not uniform in time commitment, and internships are meant to serve as learning activities rather than true, professional experience.</p>	<p>CFA Institute will no longer provide C.V./resume review for internship experience. We will continue to do so for full-time, professional experience. Local Hosts may make their own constraints regarding internships, but CFA Institute will not be able to assist with this screening.</p> <p>This change will not take away from this being a student initiative because it in no way alters ineligibility due to professional experience.</p>
<p><b>2.3. b (footnote)</b> Fundamental company analysis is defined as the examination of publicly available information and the formulation of forecasts to estimate the intrinsic value of assets. Examples include estimating an asset's value using company data, such as earnings and sales forecasts, and risk estimates as well as industry and economic data, such as economic growth, inflation, and interest rates.</p>	<p><b>2.3. b (footnote)</b> Fundamental company analysis is defined as the examination of publicly available information and the formulation of forecasts to estimate the intrinsic value of an <i>equity security</i>. Examples include estimating an <i>equity security's</i> value using company data, such as earnings and sales forecasts, and risk estimates as well as industry and economic data, such as economic growth, inflation, and interest rates.</p>	<p>Confusion related to what type of experience we are trying to prohibit.</p>	<p>Little impact.</p>

Old Rule	New Rule	Why the Change?	What this Means for Hosts
<p><b>2.4. c</b> Teams can read existing research on the Subject Company, but all analysis should be their own; they may not copy analysis (i.e., plagiarize) from another source into their Written Reports or Presentations.</p>	<p><b>2.4.c</b> Teams can read existing research on the Subject Company, but all analysis should be their own; they may not copy analysis (i.e., plagiarize) from another source into their Written Reports or Presentations. <i>Sourced information should be properly cited using a generally accepted citation system.</i></p>	<p>Teams often use outside data sources in their presentations and reports. It is necessary to ensure reports are complying with a generally accepted citation system.</p>	<p>Teams should be reminded to properly cite information they are using. Not using a proper citation system may be deemed as plagiarism and may impact their eligibility to continue in the competition.</p>
<p><b>5.3</b> The winning Team from each Regional competition will advance to the Global Final.</p>	<p><b>5.3</b> The winning Team from each Regional competition will advance to the Global Final. <i>If the Regional level competition has at least 40 Universities competing, then the top two (2) Universities will advance to a Global level competition.</i></p>	<p>The New York Region was absorbed into the Americas Region in the 2013-2014 season leaving three teams competing in the Global Final. Based on feedback from our Local Hosts, the decision was to increase the number of teams in the Global Final based on the number of universities at the Regional level.</p>	<p>No impact.</p>