2026

CFA Institute®
CFA Program

CFA LEVEL I

Premium Mock - 1

CFA Level 1 - 2026 Mock - 1

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Mock Exam 1 Session 1 Questions

Question 1

Jolene Campbell, CFA, a well-known analyst, is working on a report about XLK Autos (XLK). XLK is developing a fuel-efficient car about which no public information is yet available. Campbell uses financial data and information gathered from automobile experts not connected to XLK about the commercial viability of XLK's project. She then issues a "buy" recommendation on the stock. Campbell sends her report exclusively to her firm's clients even though she expects her report to impact XLK's stock price. Has Campbell most likely violated the Standard relating to material nonpublic information?

A. No

B. Yes, because she uses information that is not yet public

C. Yes, because she fails to make her recommendation public

Question 2

Rex Leopold, CFA, is a financial advisor. Leopold plans to leave his current employer to start his own competing business. During non-business hours, and before giving notice of termination to his current employer, Leopold undertakes preparations to start his own firm, including procuring the appropriate regulatory approvals, leasing office space, and hiring an office manager. Has Leopold most likely violated the Standards?

A. No.

B. Yes, the Standard relating to loyalty.

C. Yes, the Standard relating to misconduct.

Question 3

A member holds a supervisory position in an investment firm. Which of the following Standards recommends that the member regularly engages in informal continuing education so that professional responsibilities are fulfilled? The Standard relating to:

A. suitability.

B. competence.

C. responsibilities of supervisors.

Question 4

The Standard relating to conduct as participants in CFA Institute programs prohibits candidates from:

A. discussing curriculum material with others.

B. expressing their disagreement with CFA Institute on its policies and procedures.

C. disclosing broad topical areas and formulas not tested on the CFA Level I exam.

Question 5

A 12-year old investment firm adopts the GIPS standards. To claim compliance with the GIPS standards, the firm is initially required to present GIPS-compliant performance history:

A. for at least five years.

B. for at least ten years.

C. since the firm's inception date.

Question 6

Toshi Hoda, CFA, is an analyst at a brokerage firm. Hoda holds shares in a company that he begins to cover. According to the Standard relating to avoid or disclose conflicts, Hoda is required to disclose his personal holdings to:

A. his employer only.

B. his employer and his firm's clients only.

C. his employer, his firm's clients, and prospective clients.

Question 7

A firm claiming compliance with the GIPS standards:

A. can claim compliance on specific composites.

B. is responsible for maintaining that compliance.

C. must be verified by an independent third party.

Question 8

In the absence of regulatory guidance, CFA Institute recommends that members maintain their investment research records for at least:

A. 3 years.

B. 5 years.

C. 7 years.

Question 9

Based on his superior return history, Vijay Gupta, CFA, is interviewed by the First Faithful Church to manage the church's voluntary retirement plan's equity portfolio. Each church staff member chooses whether to opt in or out of the retirement plan according to his or her own investment objectives. The plan trustees tell Gupta that stocks of companies involved in the sale of alcohol, tobacco, gambling, or firearms are not acceptable investments given the objectives and constraints of the portfolio. Gupta tells the trustees he cannot reasonably execute the strategy he applies for his other clients with these restrictions and that all his other accounts hold shares of companies involved in these businesses because he believes they have the highest alpha. By agreeing to manage the account according to the trustees' wishes, does Gupta violate the CFA Institute Standards of Professional Conduct?

A. No
B. Yes, because the manager was hired based upon his previous investment strategy
C. Yes, because the restrictions provided by the Trustees are not in the best interest of the members

Question 10

According to the recommended procedures for compliance with the Standard relating to additional compensation arrangements, a member receiving additional compensation must disclose to his employer in writing:

A. the nature of the compensation only.
B. the approximate amount of the compensation only.
C. both the nature of the compensation and the approximate amount of the compensation.

Question 11

Which of the following is a key concept relating to the GIPS standards? The GIPS standards:

A. address every aspect of performance measurement.
B. require firms to adhere to certain calculation methodologies to allow for comparability across firms.
C. require the inclusion of all discretionary and non-discretionary segregated accounts in at least one composite.

Question 12

Joy Nash, CFA, resides in Country 1, where applicable law is less strict than the Standards. Nash does business in Country 2, where applicable law is less strict than in Country 1. According to the Standards, when doing business in Country 2, Nash must follow:

A. the Code and Standards.
B. applicable law of Country 1.
C. applicable law of Country 2.

Question 13

Agnes Trimbach, CFA, works at an investment firm that serves individual investors. Trimbach recommends the purchase of German government bonds to a client. She tells the client: "The government guarantees that you will receive the promised principal and interest on the bonds. In addition, interest rate fluctuations could add to your gains or cause losses." Has Trimbach most likely violated the Standards?

A. No
B. Yes, the Standard relating to misrepresentation
C. Yes, the Standard relating to communication with clients and prospective clients