



Up-to-date Practice Test with Latest Questions and Answers covering latest syllabus and topics of the exam. Makes you ready to face actual exam.



- AFE Practice Questions
- AFE Practice Test
- AFE Practice Exam
- AFE Exam Questions
- AFE Study Guide



killexams.com

SOFE

AFE

Accredited Financial Examiner

ORDER FULL VERSION

<https://killexams.com/pass4sure/exam-detail/AFE>



Answer: A

QUESTION: 270

The options for securities that insurance entities own and can deliver if the options are exercised by the option buyers are called:

- A. concealed transactions
- B. covered-call options
- C. financial servicing
- D. safekeeping

Answer: B

QUESTION: 271

Insurance entities usually write covered-call options because they consider the premium received for writing the options to be either:

- A. an economic hedge between a decline in market price and security
- B. a decrease in yield on the underlying risk security
- C. Both A & B
- D. Neither A nor B

Answer: D

QUESTION: 272

What encompasses investment income and gains and losses, as well as custody of investment and recordkeeping?

- A. Valuation data
- B. Verification note
- C. Transaction cycle
- D. Investment evaluation

Answer: C

QUESTION: 273

The evaluation and subsequent purchase or sale of investments is based on the judgment of the entity's investment and finance committees.

- A. True

B. False

Answer: A

QUESTION: 274

The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date is called:

- A. face value
- B. fair value
- C. market value
- D. transaction value

Answer: B

QUESTION: 275

_____ is the price in a hypothetical transaction at the measurement date in the market in which the reporting entity would transact for the asset or liability

- A. Feasible financial price
- B. Asset/Liability price
- C. Principal price
- D. Exchange price

Answer: D

QUESTION: 276

The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as:

- A. Transfer market
- B. Transport market
- C. Principal market
- D. Turn-around market

Answer: C

QUESTION: 277

The highest and best use of the asset is _____, if the asset would provide maximum value to market participants principally on the standalone basis.

- A. in-exchange
- B. in-use
- C. in-market
- D. in-sale

Answer: A

QUESTION: 278

The risk that the obligation will not be fulfilled and affects the value at which the liability is transferred is known as:

- A. performance risk
- B. nonperformance risk
- C. hypothetical risk
- D. relocation risk

Answer: B

QUESTION: 279

Valuation technique should be used to measure fair value and is consistent with:

- A. market, income and risk approach
- B. market, performance and cost approach
- C. security, income and risk approach
- D. market, income and cost approach

Answer: D

QUESTION: 280

What uses valuation techniques to convert future amounts to a single present amount?

- A. Risk approach
- B. Market approach
- C. Income approach
- D. Cost approach

Answer: C

QUESTION: 281

The amount that currently would be required to replace the service capacity of an asset is called:

- A. Risk approach
- B. Market approach
- C. Income approach
- D. Cost approach

Answer: D

QUESTION: 282

A change in _____ or its application is appropriate if the change results in a measurement that is equally or more representative of fair value in the circumstances.

- A. Valuation technique
- B. Value technique
- C. Investment approach
- D. Accounting corrections

Answer: A

QUESTION: 283

To avoid double counting or omitting the effects of risks factors what should reflect assumptions that are consistent with those inherent in the cash flows?

- A. Economic flow
- B. Nominal flows
- C. Discount rates
- D. Inflation effect

Answer: C

QUESTION: 284

What technique uses a risk-adjusted discount rate and contractual, promised, or most likely cash flows?

- A. Asset/Liability weighted
- B. Fair value
- C. Present value
- D. Discount rate adjustment

Answer: D

QUESTION: 285

Fair quoted techniques used to measure fair value should maximize the use of observable inputs and minimize the use of unobservable inputs.

- A. True
- B. False

Answer: B

QUESTION: 286

What is made on an instrument-by-instrument basis, generally when an instrument is initially recognized in the financial statements?

- A. Election
- B. Disclosure
- C. Eligibility
- D. Discount

Answer: A

Killexams.com is a leading online platform specializing in high-quality certification exam preparation. Offering a robust suite of tools, including Exam Questions, practice tests, and advanced test engines, Killexams.com empowers candidates to excel in their certification exams. Discover the key features that make Killexams.com the go-to choice for exam success.



Practice Exam Questions Based on Current Exam Objectives

Killexams.com provides practice exam questions aligned with the latest official exam objectives and latest syllabus. Our content is reviewed and updated regularly to reflect recent changes announced by certification vendors. By studying these practice questions, candidates will cover the structure, difficulty level, and topics of the actual exam, helping them prepare more effectively and efficiently.

Comprehensive Practice Exams (PDF Format)

Killexams.com offers multiple-choice questions (MCQs) in easy-to-read PDF format, covering all major domains of the exam. Each PDF contains a structured collection of practice questions and verified answers designed to support focused study. These MCQs help candidates reinforce key concepts, identify knowledge gaps, and improve exam readiness through consistent practice.

Realistic Practice Tests (Online Test Engine & Desktop Test Engine)

To support hands-on preparation, Killexams.com provides practice tests through both an Online Test Engine and a Desktop Test Engine. These tools are designed to simulate a real exam environment, allowing candidates to practice under exam-like conditions, with latest syllabus and topics of the exam. Performance tracking, test history, and result analysis help users evaluate their progress and focus on areas that need improvement.

Risk-Free Purchase Policy

Killexams.com follows a transparent and customer-friendly purchase policy. If users are not satisfied with the study materials, they may request assistance or a refund in accordance with our published terms and conditions. This policy reflects our commitment to customer satisfaction, fairness, and confidence in our preparation resources.

Regularly Updated Content

Our practice question bank is reviewed and updated on an ongoing basis to stay aligned with the latest exam outlines and vendor updates. This ensures candidates are studying up-to-date, relevant material, and preparing with content that reflects current exam expectations, helping them stay confident and well-prepared.