

Exam SIE Questions Answers | New SIE Test Test

85 SIE Practice Exam Questions with Correct Answers

The Sierra Verde Coffee Company recently developed a new flavor, jasmine chili salted mocha. Unfortunately, the coffee has a horrible taste, and the company discontinues the flavor. The costs involved in bringing the new product to market combined with the drop in sales and a reputational hit have translated into a significant drop in the price of the stock. This is an example of what type of risk?

- A) Market risk
- B) Interest rate risk
- C) Business risk
- D) Default risk >>> C) Business risk

Risk that arises out of a poor business decision is business risk. Interest rate risk and default risk impact bond values. Market risk impacts the entire market.

Which of the following is an example of systematic risk?

- A) Interest rate risk
- B) Default risk
- C) Call risk
- D) Business risk >>> A) Interest rate risk

Interest rate risk affects all fixed-income investments in a similar way due to the inverse relationship. Business and default risk are issuer specific. Call risk is issue specific, and is generally seen as unsystematic.

In the event of a corporate bankruptcy, which of the following is true?

- A) A shareholder's liability is limited to the amount invested when shares were purchased.
- B) A shareholder has unlimited liability as an owner of the corporation.
- C) A shareholder can be obligated to liquidate personal assets to meet the liabilities of the corporation.
- D) A shareholder can be required to rebate all dividends received during ownership to meet the liabilities of the corporation. >>> A) A shareholder's liability is limited to the amount invested when shares were purchased.

Shareholders have limited liability and are personally at risk only for the amount that was invested.

Which of the following is not reported on Form U4?

- A) Aliases
- B) Marital status
- C) Employment history

What's more, part of that DumpsTorrent SIE dumps now are free: https://drive.google.com/open?id=1EjFINa2_aBTEs10Otf7-_eyARjYlpOf

Our SIE study guide design three different versions for all customers. These three different versions of our SIE exam questions include PDF version, software version and online version, they can help customers solve any problems in use, meet all their needs. Although the three major versions of our SIE Exam Torrent provide a demo of the same content for all customers, they will meet different unique requirements from a variety of users based on specific functionality. The most important feature of the online version of our SIE learning materials are practicality.

There are many benefits both personally and professionally to having the SIE test certification. Higher salaries and extended career path options. The FINRA SIE test certification will make big difference in your life. Now, you may find the fast and efficiency way to get your SIE exam certification. Do not be afraid, the FINRA SIE will give you helps and directions. SIE questions & answers almost cover all the important points which will be occurred in the actual test. You just need to take little time to study and prepare, and passing the SIE actual test will be a little case.

>>> Exam SIE Questions Answers <<<

New SIE Test Test | SIE Practice Tests

We all know that pass the SIE exam will bring us many benefits, but it is not easy for every candidate to achieve it. The SIE guide torrent is a tool that aimed to help every candidate to pass the exam. Our exam materials can installation and download set no limits for the amount of the computers and persons. We guarantee you that the SIE Study Materials we provide to you are useful and can help you pass the test. Once you buy the product you can use the convenient method to learn the SIE exam torrent at any time and place.

FINRA Securities Industry Essentials Exam (SIE) Sample Questions (Q193-Q198):

NEW QUESTION # 193

When the index level and strike price of a listed index option are the same, the option is:

- A. at the money.
- B. out of the money.
- C. trading at intrinsic value only.
- D. in the money.

Answer: A

Explanation:

An option is at the money (ATM) when the current value of the underlying (here, the index level) is equal to the option's strike price. That definition matches the question exactly, making B correct. ATM status is one of the core "moneyness" classifications tested on the SIE along with in the money (ITM) and out of the money (OTM).

For a call option, the option is ITM when the underlying index level is above the strike price (because exercising would allow purchase at the strike below the market), and OTM when the index level is below the strike. For a put option, it's the reverse: ITM when the underlying is below the strike, and OTM when the underlying is above the strike. When the index level equals the strike, neither a call nor a put has intrinsic value based on immediate exercise, so it is ATM.

Choice A and C are incorrect because "in" and "out of the money" require the underlying to be above or below the strike, not equal. Choice D is incorrect because an option trading at "intrinsic value only" implies it has no time value and is priced exactly at intrinsic value. But ATM options have zero intrinsic value by definition; their premium (if any) is typically all time value, reflecting volatility and time remaining until expiration.

This question reinforces the SIE's options fundamentals: strike price, premium, intrinsic vs time value, and how moneyness is determined using the underlying level relative to the strike.

NEW QUESTION # 194

Which of the following statements best describes an American Depositary Receipt (ADR)?

- A. ADRs represent shares of a foreign security held in foreign commercial banks.
- B. ADRs represent shares of a U.S. security held in foreign commercial banks.
- C. ADRs trade like U.S. issues and are quoted in U.S. dollars.
- D. ADRs trade like U.S. issues and are quoted in foreign currency.

Answer: C

Explanation:

Step by Step Explanation:

* ADRs: Represent foreign securities but are issued in the U.S. and quoted in U.S. dollars, making them easier for American investors to trade.

* Incorrect Options:

* B: ADRs are quoted in U.S. dollars, not foreign currencies.

* C & D: ADRs represent foreign securities held by U.S. banks, not foreign banks.

References:

* SEC Bulletin on ADRs: SEC ADR Overview.

NEW QUESTION # 195

At a prospecting event, a registered representative (RR) provides cards for attendees to write down their contact information if they want to have a follow-up meeting with her. Which of the following actions should the RR take in this situation to comply with telemarketing rules?

- A. Contact the prospects at will since they provided express written consent
- B. Obtain the broker-dealer's approval before making a call
- C. Prior to contacting the prospects, check all of the names on the cards to make sure they are not on the National Do Not Call Registry
- D. Limit contact with prospects to between 9 a.m. and 9 p.m.

Answer: C

Explanation:

Step by Step Explanation:

* Telemarketing Rules (FINRA Rule 3230): Require firms to check the National Do Not Call Registry before contacting individuals, even if those individuals provide their contact information voluntarily.

* Incorrect Options:

* A: Approval isn't required for individual follow-ups; compliance with the registry is.

* B: While calls must be limited to appropriate hours, the registry check is still mandatory.

* C: Written consent does not override the registry requirement.

:

FINRA Rule 3230 (Telemarketing): FINRA Rule 3230.

NEW QUESTION # 196

A customer retires at age 65 and rolls over his 401(k) of \$850,000 in equities into an Individual retirement account (IRA). This is his entire portfolio, and he is concerned about the stock market collapsing and ruining his portfolio. The customer is most concerned with which type of risk?

- A. Political
- **B. Systematic**
- C. Interest rate
- D. Inflation

Answer: B

NEW QUESTION # 197

Publicly traded limited partnership interests are typically considered:

- A. Derivative investments
- B. Fixed-income securities
- C. Mutual funds
- **D. Equity securities**

Answer: D

Explanation:

Step by Step Explanation:

* Publicly Traded Limited Partnerships (PTPs): Represent ownership stakes, which categorize them as equity securities. PTPs often involve sectors like real estate or energy.

* Incorrect Options:

* A: Mutual funds are pooled investment vehicles, not partnerships.

* C: Fixed-income securities are debt instruments like bonds.

* D: Derivatives include options or futures, not ownership stakes.

SEC Guidance on Publicly Traded Partnerships: SEC PTPs.

NEW QUESTION # 198

.....

If you want to get through the SIE practice exam quickly with less time and efforts, our learning materials is definitely your best option. One or two days' preparation and remember the correct SIE test answers, getting the certification will be simple for our candidates. Free trials of SIE Exam PDF are available for everyone and great discounts are waiting for you. Join us and realize your dream.

New SIE Test Test: <https://www.dumpstorrent.com/SIE-exam-dumps-torrent.html>

If you feel depressed about your past failure and eager to look for valid SIE certification training, I advise you to reply to our exam materials as 100% passing without any doubt, You are supposed to have a more promising future, to pass the examination with SIE pass-key torrent, FINRA Exam SIE Questions Answers But we have to be aware that the method that you adopt can decide

