



CTP^{Q&As}

Certified Treasury Professional

Pass AFP CTP Exam with 100% Guarantee

Free Download Real Questions & Answers **PDF** and **VCE** file from:

<https://www.passapply.com/ctp.html>

100% Passing Guarantee
100% Money Back Assurance

Following Questions and Answers are all new published by AFP Official Exam Center

-  **Instant Download** After Purchase
-  **100% Money Back** Guarantee
-  **365 Days** Free Update
-  **800,000+** Satisfied Customers





QUESTION 1

Operational risk is defined as the risk of direct or indirect losses resulting from external events or failure of internal resources. As treasury departments maintain legacy systems that must be integrated into more complex technology, one would expect that:

- A. internal risks would increase due to the combination of manual and automated processes.
- B. external risks would decrease as the newer technology will offer more security.
- C. all risks would remain unchanged, as long as the same process controls are maintained.
- D. operational risks would decrease with the adoption of new technology.

Correct Answer: A

QUESTION 2

The PRIMARY difference between defined benefit and defined contribution pension plans is whether the employee or the employer:

- A. receives the tax reduction benefits of the plan.
- B. decides which mutual funds are included in the plan.
- C. bears risk of a shortfall of the investment results in the plan.
- D. hires investment managers for the plan.

Correct Answer: C

QUESTION 3

Which of the following are primary objectives of cash forecasting?

- I. Managing liquidity
- II. Optimizing float
- III. Enhancing financial control
- IV. Minimizing borrowing costs

- A. I and II only
- B. I, II, and III only
- C. I, II, III, and IV
- D. I and III only



II and III only

C.

I, III, and IV only

D.

I, II, III, and IV

Correct Answer: C

QUESTION 4

A privately held company is planning to issue an IPO. If the company decides to do so, which of the following will MOST LIKELY result?

- A. Decreased liquidity for the company's stock
- B. Decreased reporting and disclosure costs for company
- C. Increased managerial flexibility for owners of the company
- D. Increased ability to determine company value

Correct Answer: D

QUESTION 5

In order to be defined as independent, a corporate director:

- A. cannot have owned preferred stock shares in the company.
- B. cannot have a material relationship with the company.
- C. cannot meet regularly with executive management outside of board meetings.
- D. cannot have been an employee with the company during the past three years.

Correct Answer: B

QUESTION 6

A construction company just received a notification from its bank advising it of an altered dollar amount on a check. This notification is MOST LIKELY the result of:

- A. the use of positive pay.
- B. the use of controlled disbursement.
- C. automated reconciliation services.



D. reverse positive pay.

Correct Answer: A

QUESTION 7

In terms of capital structure, lease financing normally has the same effect as:

- A. investing.
- B. borrowing.
- C. capitalizing.
- D. lending.

Correct Answer: B

QUESTION 8

Transmission of a file of items presented for payment by the payor bank to the issuing company is known as:

- A. reverse positive pay.
- B. positive pay.
- C. full reconciliation.
- D. payor bank services.

Correct Answer: A

QUESTION 9

Banks often control information flow, records and assets, therefore it is critical that banks have:

- A. backup systems and disaster recovery procedures.
- B. controlled disbursement procedures.
- C. standard formats for electronic submission.
- D. timetables for service implementation.

Correct Answer: A

QUESTION 10

With respect to the Sarbanes-Oxley Act, a company may avoid additional reporting requirements by:



- A. issuing shares in an IPO.
- B. providing an SSAE 16.
- C. redeeming bond issues.
- D. delisting its securities.

Correct Answer: D

QUESTION 11

XYZ Company's cash manager is evaluating cash concentration transfer options. The company has an 8% cost of funds and \$50,000 in average daily field cash receipts. The wire transfer results in the transfer of funds one day faster. Which of the following options correctly ranks the transfer choices from most cost-effective to least cost-effective?

1. Electronic depository transfer costing \$1.00 2. Electronic depository transfer costing \$2.50 3. Wire transfer costing \$8.00 4. Wire transfer costing \$15.00

- A. 1, 2, 3, 4
- B. 1, 3, 2, 4
- C. 3, 1, 2, 4
- D. 3, 4, 1, 2

Correct Answer: C

QUESTION 12

All of the following statements are true about loan participations EXCEPT:

- A. more than one lender commits to them.
- B. loan advances and payments are divided among the participants.
- C. loan servicing is provided by the lead institution.
- D. they are traded in the secondary market.

Correct Answer: D

QUESTION 13

A high-yield, non-investment-grade security is commonly referred to as which of the following?

- A. A junk bond
- B. A convertible bond



- C. An industrial revenue bond
- D. An equity warrant

Correct Answer: A

QUESTION 14

On a company's financial statements, an increase in accounts receivable is reflected as a(n):

- A. decrease in current assets.
- B. increase in current liabilities.
- C. source of cash on the cash flow statement.
- D. use of cash on the cash flow statement.

Correct Answer: D

QUESTION 15

A hamburger patty supplier receives an order from ABC Burgers located in Minnesota. The supplier's policy is to bill upon fulfillment of the order and not at delivery. ABC Burgers pays upon receipt of goods. A blizzard has closed the manufacturing facility and roads; delivery will be delayed by two days. Which type of float occurs between the receipt of an invoice by ABC Burgers, including the credit period, and the time ABC Burgers' account is debited?

- A. Payment
- B. Invoicing
- C. Collection
- D. Disbursement

Correct Answer: A

[CTP PDF Dumps](#)

[CTP Study Guide](#)

[CTP Braindumps](#)