

**100%** Money Back  
**Guarantee**

**Vendor:**ACI

**Exam Code:**310-008

**Exam Name:**ACI DEALING CERTIFICATE

**Version:**Demo

### QUESTION 1

Click on the Detail Button to view the Formula Sheet. The Model Code recommends that, in the case of complaints about transactions, management should:

- A. Ensure complaints are investigated by the senior management of a firm not involved in the disputed transaction.
- B. Ensure complaints are fairly and independently investigated, in the first instance, by the ACIs Committee for Professionalism.
- C. Ensure complaints are investigated by representatives of a broking firm not directly involved in the disputed transaction and selected by both parties to the dispute.
- D. Ensure complaints are fairly and independently investigated, whenever practicable, by staff not directly involved in the disputed transaction.

Correct Answer: D

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### QUESTION 2

Click on the Detail Button to view the Formula Sheet. You are short of 6 Dec eurodollar futures contracts at 98.10. Yesterday, the closing price was 98.15. Today's closing price is 97.905. What variation margin will be due?

- A. You will have to pay USD 612.50
- B. You will receive USD 612.50
- C. You will have to pay USD 3,675.00
- D. You will receive USD 3,675.00

Correct Answer: D

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### QUESTION 3

Click on the Detail Button to view the Formula Sheet. A CD with a face value of USD50 million and a coupon of 4.50% was issued at par for 90 days and is now trading at 4.50% with 30 days remaining to maturity. What has been the capital gain or loss since issue?

- A. +USD 373,599.00
- B. +USD 186,099.00
- C. -USD 1,400.99
- D. Nil

Correct Answer: C

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#### QUESTION 4

Click on the Detail Button to view the Formula Sheet. Which of the following is not true?

- A. The Model Code is published by ACI's Committee for Professionalism.
- B. The Model Code sets out the practicalities of dealing in those financial instruments listed in the Model Code.
- C. The Model Code is an attempt to deal with the legal issues relating to every conceivable financial instrument.
- D. The Model Code sets out the manner and spirit in which foreign exchange and money market business should be conducted in order that participants maintain high standards of professionalism, integrity and ethical conduct.

Correct Answer: C

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#### QUESTION 5

Click on the Detail Button to view the Formula Sheet. The intrinsic value of a long call option:

- A. Falls and rises with the price of the underlying commodity, but is always positive
- B. Rises if the price of the underlying commodity falls and vice versa
- C. Depends solely on the volatility of the price of the underlying commodity
- D. Becomes negative if the market price of the underlying commodity falls below the strike price of the option

Correct Answer: A

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#### QUESTION 6

Click on the Detail Button to view the Formula Sheet. What is the risk of dealing through an agent with an unknown principal?

- A. You may not be able to ensure that your firm can avoid suspicion of trading on non-public information or other allegations of bad or illegal trading practice.
- B. You may not be able to net your exposure in an insolvency.
- C. You may not be able to net your exposure for capital adequacy purposes.
- D. All of the above.

Correct Answer: D

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#### QUESTION 7

Click on the Detail Button to view the Formula Sheet. Management policy on the use of mobile devices by trading, sales and settlement staff should:

- A. Ban them from the dealing room or back office.

- B. State whether they are allowed in the dealing room and back office, and can be used.
- C. Ban their use in the dealing room or back office.
- D. Restrict their use to senior management and authorised out-of-hours trading and sales staff.

Correct Answer: B

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### QUESTION 8

Click on the Detail Button to view the Formula Sheet. One of your brokers asks you to buy and sell EUR/ USD at the same price net of brokerage in order to allow him to clear a transaction.

- A. You must have prior senior management approval.
- B. You must have the authority to switch names.
- C. You must execute such transactions as promptly as possible within policy guidelines .
- D. All of the above.

Correct Answer: D

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### QUESTION 9

Click on the Detail Button to view the Formula Sheet. Gambling or betting amongst market participants has obvious dangers and:

- A. Should be forbidden.
- B. Should be strongly discouraged.
- C. Should be monitored by management.
- D. All of the above.

Correct Answer: B

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### QUESTION 10

Click on the Detail Button to view the Formula Sheet. You deal over the phone with a counterparty. The subsequent confirmation differs from the terms agreed verbally. What is the result?

- A. The confirmation takes precedence as it is a written contract.
- B. The matter will have to be submitted to arbitration in order to establish the mutual intent of the parties.
- C. It depends on local law.
- D. The verbal agreement is binding.

Correct Answer: D

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#### **QUESTION 11**

Click on the Detail Button to view the Formula Sheet. The Committee for Professionalism strongly recommends intra-day oral deal checks to help reduce the number and size of differences, particularly when dealing through voice-brokers, for deals involving foreign counterparties, in faster moving markets such as FX and when dealing in other instruments which have very short settlement periods. This checking should:

- A. Be carried out at least three times a day.
- B. Be agreed between the parties.
- C. Be done at the end of each day.
- D. Be decided by the broker.

Correct Answer: B

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#### **QUESTION 12**

Click on the Detail Button to view the Formula Sheet. Deliberately inputting incorrect big figures into an electronic dealing platform is:

- A. Technically impossible on electronic platforms
- B. Not an uncommon practice and something which professional dealers should be able to guard against.
- C. Not good practice.
- D. A criminal offence.

Correct Answer: C