

# QUESTIONS & ANSWERS

Kill your exam at first Attempt



Avaya

# 8004

*PRM Certification - IV: Case Studies - Standards:  
Governance Best Prac*

<https://killexams.com/pass4sure/exam-detail/8004>



**Answer:** A

**QUESTION:** 103

While doing a work assignment, a PRMIA member notices behaviour that is outside the ethical standards of their client organization and reports the matter to their immediate supervisor in the organization (if he or she wasn't the one engaging in such behaviour). The matter is neither progressed nor actioned. The PRMIA member should:

- A. stay silent on the basis that they have reported it
- B. report the matter to their PRMIA chapter
- C. contact the Whistle-Blowing Hotline of the organization or, if none exists, to the PRMIA Ethics Committee for guidance and assistance
- D. report the matter to the organization's Compliance Dept.

**Answer:** C

**QUESTION:** 104

The Chair of the PRMIA Board of Directors may hold the following offices:

- A. Parliamentary
- B. Secretary
- C. Vice Chair
- D. Chair only

**Answer:** D

**QUESTION:** 105

Select the one correct statement relative to Barings Bank.

- A. Proprietary and agency trading were combined and therefore did not increase risk.
- B. Proprietary and agency trading were separate and therefore did not increase risk.
- C. Proprietary and agency trading were combined and therefore did increase risk.
- D. Proprietary and agency trading were separate and did increase risk.

**Answer:** C

**QUESTION: 106**

The problems at Bankgesellschaft Berlin can best be characterized as failures related to:

- A. Market Risk
- B. Credit Risk
- C. Operational Risk
- D. Both B and C

**Answer: D**

**QUESTION: 107**

Barings failed to recognize that Nick Leeson's losses were increasing because:

- A. Leeson ran the front office
- B. The London office did not ask for any reports
- C. Leeson hid his trades in a suspense account
- D. The margin report sent to London did not show the true margin needs

**Answer: C**

**QUESTION: 108**

The Fortress Re accounting risk transfer procedures

- A. made it straightforward for TFMI to determine whether risk had actually been transferred and they decided not to take out more catastrophe insurance cover
- B. made it difficult for TFMI to determine whether risk had actually been transferred so they had to take out additional catastrophe insurance cover
- C. made it straightforward for TFMI to determine when the risk had been transferred and to take out additional catastrophe insurance cover
- D. made it difficult for TFMI to determine whether risk had actually been transferred and whether it had sufficient catastrophe insurance cover

**Answer: D**

**QUESTION: 109**

As a result of the US government's intervention, which of the following is true?

- A. The cost of borrowing for Fannie Mae and Freddie Mac should decline because the government will be standing behind their debts and the buying and selling of mortgage debt will continue
- B. The cost of borrowing for house buyers will rise because of the risk premium now built into the cost of such a government guarantee
- C. The systemic risks still remain in the housing market because it increases the US government's debt
- D. Foreign Central Banks will continue to sell their holdings of Fannie Mae and Freddie Mac securities

**Answer:** A

**QUESTION:** 110

What was the main risk scenario on the Metallgesellschaft trading strategy?

- A. Realized losses on short-term contracts against unrealized gains on the long-run contract
- B. The final price of the underlying being higher than the initial price
- C. The initial price of the underlying being higher than the final price
- D. The short-term price of the underlying being higher than the long-run contract

**Answer:** A

For More exams visit <https://killexams.com/vendors-exam-list>



*Kill your exam at First Attempt....Guaranteed!*