

**TEST FOR**  
**FINANCE GRADUATES**

**Choose the correct answer.**

**1. A \_\_\_\_\_ is a bond or preferred stock that can be exchanged for common stock.**

- (a) Derivative Security
- (b) Comparable Security
- (c) Convertible Security
- (d) None of them

**Correct Answer: c**

**2. Dollar Return=\_\_\_\_\_**

- (a) (Dollar Income) + (Capital Gains)
- (b) (Dollar Income) - (Capital Gains)
- (c) (Dollar Income) X (Capital Gains)
- (d) None of them

**Correct Answer: a**

**3. Assets such as stocks, bonds and real estate are defined as\_\_\_\_\_?**

- (a) Financial Assets
- (b) Capital Assets
- (c) Economic Assets
- (d) None of them

**Correct Answer: b**

**4. The amount to which a cash flow or a series of cash flows will grow over a period of time is called:**

- (a) Face Value
- (b) Par Value
- (c) Future Value
- (d) Assets Value

**Correct Answer: c**

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