



Sample Exam

Exam Name: Certified Financial Consultant Professional (CFCP)

Exam Code: CFCP-001

1. Which of the following best describes the primary role of a financial consultant?

- A) Selling investment products to clients
- B) Managing only short-term investments
- C) Providing comprehensive financial advice, including strategic planning and risk management
- D) Preparing tax returns for individuals

Answer: C) Providing comprehensive financial advice, including strategic planning and risk management

2. How does a financial consultant differ from a financial advisor?

- A) Consultants focus only on retirement planning
- B) Advisors typically focus on investments, while consultants take a holistic approach to financial management
- C) Consultants sell more financial products than advisors
- D) Advisors handle business consulting and restructuring

Answer: B) Advisors typically focus on investments, while consultants take a holistic approach to financial management

3. What is the core ethical obligation of a financial consultant under fiduciary duty?

- A) Maximizing the consultant's personal profit
- B) Prioritizing the client's interests above their own
- C) Minimizing client communication
- D) Promoting specific financial products

Answer: B) Prioritizing the client's interests above their own

4. During which phase of the consulting process are strategic recommendations developed based on data analysis and client goals?

- A) Diagnostic phase
- B) Evaluation phase
- C) Implementation phase
- D) Strategy development phase

Answer: D

5. What is the primary objective of the financial consulting industry?

- A) Selling insurance and investment products
- B) Optimizing financial health and performance for clients through tailored strategies
- C) Managing only corporate finance portfolios
- D) Monitoring stock market trends exclusively

Answer: B) Optimizing financial health and performance for clients through tailored strategies

6. In the six-step model of financial planning, which of the following steps focuses on collecting detailed information about a client's income, expenses, assets, and liabilities?

- A) Establishing and defining the client-consultant relationship
- B) Gathering client data
- C) Developing and presenting the financial plan
- D) Implementing the financial strategies

Answer: B) Gathering client data

7. Why is periodic review important in financial goal setting?

- A) It allows consultants to increase their service fees
- B) It ensures that the financial plan remains aligned with changing client circumstances and market conditions
- C) It helps consultants reduce communication with clients
- D) It eliminates the need for risk assessment

Answer: B) It ensures that the financial plan remains aligned with changing client circumstances and market conditions