

# CFA® SAMPLE QUESTION - LEVEL I

## Corporate Finance

**Q:** Which of the following statements about NPV and IRR is least accurate?

**CORRECT ANSWER:**

**Ⓒ The NPV will be positive if the IRR is less than the cost of capital.**

If IRR is less than the cost of capital, the result will be a negative NPV.

*(Remember the concept of "Hurdle Rate" for the IRR)*



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