20 One-Liners to Remember

Quick-fire facts for last-minute revision.

1. **IIBF's AML & KYC syllabus is organized into two modules: Module A (Anti-Money Laundering) and Module B (Know Your Customer).**
   IIBF splits the certification into just two modules so candidates can separate legal AML theory from practical KYC procedure.

2. **Module A of the IIBF AML & KYC syllabus focuses on Anti-Money Laundering concepts, stages and legislation.**
   Module A is the concept-and-law heavy half of the syllabus, covering definitions, stages and preventive legislation.

3. **Module B of the IIBF AML & KYC syllabus covers Know Your Customer principles and account-opening procedures.**
   Module B is the practical half, focused on customer profiling, account types and ongoing monitoring.

4. **The Prevention of Money Laundering Act (PMLA), 2002 is core legislation tested in the IIBF AML syllabus.**
   PMLA 2002 and its objectives form the legal backbone of Module A and are considered high-yield exam content.

5. **RBI's KYC Master Direction is a key regulatory reference for Module B of the IIBF AML & KYC syllabus.**
   Module B procedures for customer verification and account opening are closely tied to the RBI KYC Master Direction.

6. **FIU-IND is India's central agency for receiving and analysing suspicious transaction reports.**
   The Financial Intelligence Unit-India collects and analyses STRs and other reports flagged by banks and financial institutions.

7. **FATF is the global standard-setter for anti-money laundering and counter-terrorism financing.**
   The Financial Action Task Force sets international AML and counter-terrorism financing standards that India follows.

8. **The Basel Committee provides guidance on banking supervision and customer due diligence relevant to AML & KYC.**
   Basel Committee guidance informs global banking-supervision practices, including customer due diligence norms.

9. **Money laundering is classically explained in three stages: Placement, Layering and Integration.**
   This three-stage cycle is a core testable concept in Module A of the IIBF AML & KYC syllabus.

10 **Placement is the stage where illicit cash is first introduced into the financial system.**
Placement marks the entry point of dirty money into banks or other financial channels.

11 **Layering involves moving funds through complex transactions, often via structuring, to hide their origin.**
Layering is designed to obscure the audit trail by passing funds through multiple transactions or accounts.

12 **Integration is the stage where laundered money re-enters the economy as apparently legitimate wealth.**
Integration completes the laundering cycle, making illicit funds appear to come from a legitimate source.

13 **The IIBF AML & KYC exam is an objective, multiple-choice test delivered online in English.**
The certification is assessed through computer-based MCQs rather than descriptive or offline papers.

14 **STR, or Suspicious Transaction Report, is a key reporting format candidates must know for the AML & KYC exam.**
Banks file STRs with FIU-IND when a transaction appears connected to money laundering or suspicious activity.

15 **CTR, or Cash Transaction Report, is a reporting format distinct from STR that candidates are often tested on.**
CTR and STR serve different purposes, and confusing the two is flagged as a common exam mistake.

16 **Politically Exposed Persons (PEPs) residing outside India form a distinct customer category under KYC norms.**

KYC rules require enhanced due diligence when opening or monitoring accounts for PEPs based outside India.

17 **KYC account-opening rules in Module B cover trusts, companies, firms, intermediaries, and joint and minor accounts.**

Different customer categories carry different verification and monitoring requirements under KYC norms.

18 **Non-face-to-face customer onboarding requires additional qualitative checks under KYC norms.**

Customers who are not verified in person need extra safeguards to confirm identity and reduce risk.

19 **A sound KYC policy is generally built on a set of core pillars covering customer identification and monitoring.**

IIBF's syllabus asks candidates to know the pillars underlying customer acceptance and KYC policy design.

20 **Candidates should always confirm exam marks, duration and pass percentage from the latest official IIBF notification.**

IIBF periodically revises exam parameters, so relying on outdated figures can mislead exam preparation.

Keep Learning with Learning Sessions