20 True or False

Decide, then check the answer and reason below each statement.

Question 1

The IIBF AML & KYC syllabus consists of two modules, Module A and Module B.

TRUE

IIBF structures the certification into exactly two modules, AML and KYC.

Question 2

Module A of the AML & KYC syllabus deals with Anti-Money Laundering concepts and legislation.

TRUE

Module A covers the definition, stages, legislation and institutions related to money laundering.

Question 3

Module A of the AML & KYC syllabus is entirely about KYC account-opening rules for customers.

FALSE

Account-opening rules for customer categories belong to Module B, not Module A.

Question 4

The Prevention of Money Laundering Act relevant to this syllabus was enacted in 2002.

TRUE

The PMLA studied under Module A is the Prevention of Money Laundering Act, 2002.

Question 5

The IIBF AML & KYC certification exam is a subjective, descriptive-answer exam.

FALSE

The exam is an objective, multiple-choice test, not a descriptive one.

Question 6

FIU-IND is responsible for receiving and analysing suspicious transaction reports in India.

TRUE

The Financial Intelligence Unit-India is the designated agency for STR collection and analysis.

Question 7

FATF stands for a currency exchange regulator that sets foreign exchange rates.

FALSE

FATF is the Financial Action Task Force, the global AML and counter-terrorism financing standard-setter, not a currency regulator.

Question 8

The Basel Committee provides guidance relevant to banking supervision and customer due diligence.

TRUE

Basel Committee guidance covers banking supervision practices including customer due diligence.

Question 9

The three classic stages of money laundering are Placement, Layering and Integration.

TRUE

This three-stage model is a standard framework taught in Module A of the syllabus.

Question 10

Placement is the final stage of money laundering, where funds are fully legitimized.

FALSE

Placement is the first stage, where illicit cash enters the financial system; Integration is the final stage.

Question 11

Layering involves moving funds through complex transactions to obscure their origin.

TRUE

Layering, often via structuring, is designed to hide the trail of illicit funds.

Question 12

Integration is the stage where illicit cash first enters the banking system.

FALSE

That describes Placement; Integration is when laundered funds re-enter the economy as apparently legitimate wealth.

Question 13

STR refers to a Suspicious Transaction Report filed with FIU-IND.

TRUE

Banks file Suspicious Transaction Reports with FIU-IND when a transaction raises money-laundering concerns.

Question 14

CTR and STR refer to exactly the same type of regulatory report.

FALSE

CTR (Cash Transaction Report) and STR (Suspicious Transaction Report) are distinct reporting formats with different triggers.

Question 15

Politically Exposed Persons (PEPs) residing outside India are treated as a distinct KYC customer category.

TRUE

KYC norms require specific handling and enhanced due diligence for PEPs based outside India.

Question 16

Minor accounts and joint accounts are excluded from the KYC account-opening syllabus.

FALSE

Joint accounts and minor accounts are explicitly included among the customer categories covered in Module B.

Question 17

Non-face-to-face customer onboarding requires additional verification checks under KYC norms.

TRUE

Customers not verified in person are subject to extra qualitative checks to confirm identity.

Question 18

The IIBF AML & KYC certification exam is conducted only in offline pen-and-paper mode.

FALSE

The exam is delivered online as a computer-based objective test, not on paper.

Question 19

RBI's KYC Master Direction is a key regulatory reference for Module B of the syllabus.

TRUE

Module B procedures are closely tied to the RBI KYC Master Direction in force.

Question 20

Candidates need not verify exam details since IIBF never revises its marks or pass percentage.

FALSE

IIBF periodically revises marks, duration and pass criteria, so candidates must check the latest official notification.