20 True or False

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

Question 1

KYC stands for Know Your Customer and AML stands for Anti-Money Laundering.

TRUE

These two form the front-line compliance framework tested by the IIBF certificate exam.

Question 2

The IIBF KYC/AML certificate exam is conducted by the Reserve Bank of India.

FALSE

It is conducted by the Indian Institute of Banking and Finance (IIBF), not the RBI directly.

Question 3

The IIBF KYC/AML exam is a descriptive, essay-type exam.

FALSE

It is an online, objective multiple-choice (MCQ) exam, not a descriptive one.

Question 4

The IIBF KYC/AML exam has no negative marking.

TRUE

Since there is no penalty for wrong answers, candidates are advised to attempt every question.

Question 5

Only serving bank employees are eligible to take the IIBF KYC/AML exam.

FALSE

The exam is open to both members and non-members, including students and auditors, not just bankers.

Question 6

Minimum eligibility for the KYC/AML exam is passing the 12th standard in any discipline.

TRUE

This is the basic educational qualification required to attempt the exam.

Question 7

The KYC/AML syllabus is split into a KYC module and an AML module.

TRUE

The KYC module covers customer identification while AML covers anti-laundering law and machinery.

Question 8

The three classic stages of money laundering are deposit, transfer and withdrawal.

FALSE

The classic stages are placement, layering and integration, not deposit, transfer and withdrawal.

Question 9

FIU-IND stands for the Financial Intelligence Unit of India.

TRUE

It is a key authority covered in the AML module of the KYC/AML syllabus.

Question 10

FATF stands for the Financial Action Task Force.

TRUE

FATF is an international body referenced in the anti-money-laundering syllabus.

Question 11

The KYC module includes coverage of Politically Exposed Persons (PEPs) residing outside India.

TRUE

PEP-related provisions are a specific topic within the KYC syllabus.

Question 12

The KYC/AML syllabus does not cover Officially Valid Documents (OVDs).

FALSE

The syllabus specifically includes document-based questions on valid OVDs for different customer types.

Question 13

The KYC/AML exam tests knowledge of reporting mechanisms such as CTR and STR.

TRUE

Candidates must know which threshold transactions trigger a Cash Transaction Report or Suspicious Transaction Report.

Question 14

The AML module makes no reference to any international body or committee.

FALSE

The AML module references bodies such as the Basel Committee, FATF and FIU-IND.

Question 15

KYC/AML exam questions are typically only plain definition-based with no scenarios.

FALSE

Many questions are scenario-based, asking what action a banker should take in a given situation.

Question 16

A 30-day study plan is a commonly suggested preparation timeline for the KYC/AML exam.

TRUE

The plan progresses through KYC concepts, AML law, previous-year questions, and mock tests.

Question 17

The KYC/AML certification is considered irrelevant to NBFCs and fintech companies.

FALSE

The certification's compliance knowledge is described as transferable to NBFCs, fintechs and payment companies.

Question 18

Practising previous-year questions is recommended as part of KYC/AML exam preparation.

TRUE

Real question practice helps candidates learn the exam's typical scenario-based framing.

Question 19

Exam parameters like marks, duration and passing score for KYC/AML never change and need no verification.

FALSE

Such parameters can be revised between cycles, so candidates should confirm details on the latest official IIBF notification.

Question 20

The KYC/AML exam covers preventive legislation and international cooperation across countries.

TRUE

The AML module includes preventive legislation and cooperation across jurisdictions like the UK, USA and India.