



Certificate Examination in Anti-Money Laundering & Know Your Customer

Rules & Syllabus 2017

Banks have set up specialized departments to attend to functions like credit card business, housing loans, vehicle loans, trade finance, consumer loans, Bancassurance etc. Of late some of the banks have floated subsidiaries to take up these functions. Though banks offer some training to their staff to impart essential knowledge to handle these portfolios as per their requirements, there is a need for an educational programme considering the vast area of knowledge essential for such activities.

Compliance with 'Know Your Customer' guidelines and 'Anti-Money Laundering' standards has become necessary for healthy financial relationships both by the banks / financial institutions in India. The course aims to provide a comprehensive coverage of the various guidelines / standards / guidance notes issued by RBI / IBA / International bodies etc.

OBJECTIVE

To provide advanced knowledge and understanding in AML / KYC standards and to develop the professional competence of employees of banks and financial institutions.

ELIGIBILITY

Employees of Banks / NBFCs / Financial Institutions / Insurance Companies etc. are eligible to write the examination.

SUBJECT OF EXAMINATION

Anti-Money Laundering & Know Your Customer

PASSING CRITERIA :

Minimum marks for pass in the subject is 60 out of 100.

EXAMINATION FEES* :

| Particulars | For Members | For Non-Members |
|-------------------------|-------------|-----------------|
| First attempt | ₹1,000/- * | ₹1,500/- * |
| Subsequent each attempt | ₹1,000/- * | ₹1,500/- * |

* Plus Service Tax as applicable (Reg. No. AAATT3309DSD002)

MEDIUM OF EXAMINATION :

Examination will be conducted in English only.

PATTERN OF EXAMINATION :

- Question Paper will contain 120 objective type multiple choice questions for 100 marks.
- The examination will be held in Online Mode only
- There will NOT be negative marking for wrong answers.

DURATION OF EXAMINATION :

The duration of the examination will be of 2 hours.

PERIODICITY AND EXAMINATION CENTRES :

- a) Examination will be conducted on pre-announced dates published on IIBF Web Site. Institute conducts examination on Quarterly basis, however periodicity of the examination may be changed depending upon the requirement of banking industry.
- b) List of Examination centers will be available on the website. (Institute will conduct examination in those centers where there are 20 or more candidates.)

PROCEDURE FOR APPLYING FOR EXAMINATION :

Application for examination should be registered online from the Institute's website www.iibf.org.in. The schedule of examination and dates for registration will be published on IIBF website.

PROOF OF IDENTITY :

Non-members applying for Institute's examinations / courses are required to attach / submit a copy of any one of the following documents containing Name, Photo and Signature at the time of registration of Examination Application. Application without the same shall be liable to be rejected.

- 1) Photo I / Card issued by Employer or 2) PAN Card or 3) Driving Licence or 4) Election Voter's I / Card or 5) Passport 6) Aadhaar Card

STUDY MATERIAL / COURSEWARE :

The Institute has developed a courseware to cover the syllabus. The courseware (book) for the subject/s will be available at outlets of publisher/s. Please visit IIBF website www.iibf.org.in under the menu "Exam Related" for details of book/s and address of publisher/s outlets. Candidates are advised to make full use of the courseware. However, as banking and finance fields are dynamic, rules and regulations witness rapid changes. Therefore, the courseware should not be considered as the only source of information while preparing for the examinations. Candidates are advised to go through the updates put on the IIBF website from time to time and go through Master Circulars / Master Directions issued by RBI and publications of IIBF like IIBF Vision, Bank Quest, etc. All these sources are important from the examination point of view. Candidates are also to visit the websites of organizations like RBI, SEBI, BIS, IRDAI, FEDAI etc. besides going through other books & publications covering the subject / exam concerned etc. Questions based on current developments relating to the subject / exam may also be asked.

Cut-off Date of Guidelines / Important Developments for Examinations

The Institute has a practice of asking questions in each exam about the recent developments / guidelines issued by the regulator(s) in order to test if the candidates keep themselves abreast of the current developments. However, there could be changes in the developments / guidelines from the date the question papers are prepared and the dates of the actual examinations.

In order to address these issues effectively, it has been decided that:

- (i) In respect of the examinations to be conducted by the Institute for the period February to July of a calendar year, instructions / guidelines issued by the regulator(s) and important developments in banking and finance up to 31st December will only be considered for the purpose of inclusion in the question papers".

- (ii) In respect of the examinations to be conducted by the Institute for the period August to January of a calendar year, instructions / guidelines issued by the regulator(s) and important developments in banking and finance up to 30th June will only be considered for the purpose of inclusion in the question papers.

The table given below further clarifies the situation.

| Particulars | Cut-off Date of Guidelines / Important Developments for Examination/s |
|--|--|
| For the examinations to be conducted by the Institute for the period February 2017 to July 2017 | 31st December 2016 |
| For the examinations to be conducted by the Institute for the period August 2017 to January 2018 | 30th June 2017 |

E-LEARNING:

Institute facilitates e-learning to all the JAIIB, DB&F and CAIIB papers to enhance the understanding of the concepts. Candidates can access the e-learning (From Desktops and Laptops only) through our website www.iibf.org.in at their convenience and from their place of choice. The user id and password will be sent to all the candidates registered for the said examinations at their registered email id with the Institute.

DISCLAIMER :

The above said facility of e-learning offered to the candidates is solely at the discretion of the Institute and subject to such terms / conditions as may be deemed fit by the institute from time to time. Hence no candidate has any right / claim whatsoever against the institute by reason of any technical glitches or any shortcomings as the case may be and the decision of the institute in the event of any dispute there-under will be final and conclusive.

SYLLABUS

The details of the prescribed syllabus which is indicative are furnished in the booklet. However, keeping in view the professional nature of examinations, all matters falling within the realm of the subject concerned will have to be studied by the candidate as questions can be asked on all relevant matters under the subject. Candidates appearing for the examination should particularly prepare themselves for answering questions that may be asked on the latest developments taking place under the various subject/s of the said examination although those topics may not have been specifically included in the syllabus. The Institute also reserves to itself the right to vary the syllabus / rules / fee structure from time to time. Any alterations made will be notified from time to time. Further, questions based on current developments in banking and finance may be asked.

Candidates are advised to refer to financial news papers / periodicals more particularly "IIBF VISION" and "BANK QUEST" published by the Institute.

(i) Anti Money Laundering

Money Laundering - Origin - Definition - Techniques Impact on Banks - Structuring; Integration, Preventive Legislations - International Co-operation - UK; USA; India - Basel Committee - PMLA Objectives - RBI Guidelines - System Adequacy to Combat Money Laundering - Antiterrorism finance - Financial Intelligence Unit (FIU)

The Financial Action Task Force (FATF) - IBA Working Group - Software for AML Screening :

Money Laundering and Correspondent Banking - Exchange Companies - Foreign Branches

(ii) Know Your Customer - Introduction and overview

Customer Profile - KYC Policies - Countries Deficient in KYC Policies, Initiatives by the RBI - Organised Financial Crimes Customer - Definition under

the KYC Principles - Transaction Profile - Organisational Structure - Important KYC framework in RBI prescriptions - Operating Guidelines.

Introduction of new accounts - Guidelines for Opening Accounts of Companies, Trusts, Firms, Intermediaries etc., Client Accounts opened by Professional Intermediaries - Trust / Nominee or Fiduciary Accounts - Accounts of Politically Exposed Persons (PEPs) Residing Outside India, Accounts of 'non-face-to-face' Customers - Qualitative data - Joint accounts - Minor accounts - KYC for existing accounts - KYC for low income group customers.

Monitoring Accounts - Customer research - Suspicious transactions

IMPORTANT RULES / INFORMATION FOR CANDIDATES

1. ADMIT LETTER OF EXAMINATIONS :

- a. Admit letter to all eligible candidates will be emailed to the candidates in their email id registered with the Institute, 10 days before the examination date.
- b. Admit letter of all eligible candidates will be hosted on Institute's website www.iibf.org.in under the menu 'Exam Related', 1 week before the examination date.
- c. For downloading and printing of admit letter from the above mentioned website, candidates will have to enter the following:
 - i. Membership or registration number as **login id**
 - ii. **Edit profile password.**
 - iii. If candidates do not remember their Edit profile password, they have to click on the 'Forgot password / Get Password' button after entering the Membership or Registration number. On clicking fresh edit profile password will be sent to their registered email id.
- d. Candidates are required to **produce printed copy of admit letter** along with Membership identity card or any other valid photo ID card (Aadhaar card / Employer's card / PAN Card / Driving License / Election voter's card / Passport etc.) at the examination venue.
- e. **In the absence of printed copy of Admit Letter and Photo Identity Card, candidates will be denied permission to write Examination.**

2. Mobile Phones

- a. Mobile phones and other electronic / smart gadgets (except calculator as permissible) are not allowed in the examination hall. It is clarified that mere possession of mobile phone and other electronic / smart gadgets in the examination hall whether in switch off mode or silent mode shall also be deemed to be resorting to adoption of unfair means in the examination.

3. Use of calculator

- a. Candidates will be allowed to use battery operated portable calculator in the examination. The calculator can be of any type up to 6 functions, 12 digits.

- b. Attempt to use any other type of calculator not complying with the specifications indicated above or having more features than mentioned above shall tantamount to use of unfair means. Scientific calculator is not allowed.

4. Other Rules / Information

- a. Candidates should ensure that they sign the Attendance Sheet.
- b. Candidates are advised to reach the Examination Venue at least 30 minutes before commencement of the examination.
- c. No candidate will be permitted to enter the Examination Venue / hall after expiry of 15 minutes and to leave the hall in the first 30 minutes from the scheduled commencement of the examination.
- d. Candidates would be able to login to the system only with the password mentioned in this Admit Letter. This password should not be disclosed to others. Keep it safe to avoid the possible misuse.
- e. If the examination could not commence on scheduled time or there is delay due to Failure of power, Technical snag of whatsoever nature or for any such reason having bearing upon the conduct of examination; candidates have to :-
 - i. Wait till resumption of power supply / solving of technical snag.
 - ii. Take-up the examination at other venue arranged by the examination conducting authority.
 - iii. Follow instructions given by the examination conducting authority.
- f. Candidates are required to strictly follow all the instructions given by the examination conducting authority during the examination and adhere to Rules of the examination.
- g. Violation of any of the Rules / Instructions, misuse of the Admit Letter will be considered to be an act of serious misconduct and the Institute will take action as per the Rules of the examination, which will also be reported to the employer of the candidate.

5. Rules, Penalties for Misconduct / Unfair Practices :

- a. Communication of any sort between candidates or with outsiders is not permitted and complete silence should be maintained during the examination.
- b. Copying answers from other candidates / other printed / Electronic material or permitting others to copy or consultation of any kind will attract the rules relating to unfair practices in the examination.
- c. No candidate shall impersonate others or allow others to impersonate himself / herself at the examination.
- d. No candidate shall misbehave / argue with the Examination Conducting Authorities at the centre.
- e. Candidates have to compulsory return any papers given including that given for rough work to invigilator.
- f. Candidates should not possess and / or use books, notes, periodicals, etc. in the examination hall at the time of examination / or use mathematical tables, slide rules, stencils etc. during the examination.

If any candidate violates any of the above rules, it will be considered to be an act of misconduct and he/she will be liable for punishment.

PLEASE REFER INSTITUTE'S WEBSITE UNDER THE MENU "EXAM RELATED" FOR DETAILS OF DEBARMENT PERIOD FOR UNFAIR PRACTICES ADOPTED BY CANDIDATES DURING CONDUCT OF INSTITUTE'S EXAMINATIONS.

6. Result Advice / Consolidated Marksheet / Final Certificate

- Result Advice of candidates will be hosted on Institute's website on declaration of result, which can be downloaded by the candidates.
- Consolidated mark sheet for candidates completing examination having more than one subject, will be available on the Institute's website after the declaration of results. Candidates can download the same after entering login credentials using their membership number and edit profile password.
- Final certificates will be sent by speed post within 2 months after the declaration of result.

CONTACT DETAILS :

Register your queries through website www.iibf.org.in > Members / Candidates Support

Services (Help)

or

Email all your queries to care@iibf.org.in

Member Support Service Office :

Indian Institute of Banking & Finance

191-F, Maker Towers, 19th Floor,

Cuffe Parade, Mumbai - 400 005

Tel. : 022-2218 3302 / 2218 5134

For training / contact classes related queries contact :

Leadership Centre

Indian Institute of Banking & Finance

Kohinoor City, Commercial-II, Tower-I, 3rd Floor,

Kirol Road, Off L.B.S.Marg, Kurla West, Mumbai 400 070.

Tel. : 022 25039746 / 9604 / 9907

E-mail : training@iibf.org.in

PROFESSIONAL DEVELOPMENT CENTRES :

| South Zone | North Zone | East Zone |
|---|---|---|
| Indian Institute of Banking & Finance No. 94, Jawaharlal Nehru Road, (100 Feet Road), Opp. Hotel Ambica Empire, Vadapalani, Chennai – 600 026. Tel. : 044-2472 2990 / 2472 7961 E-mail : iibfsz@iibf.org.in | Indian Institute of Banking & Finance 102-113, Vikrant Towers, 1st Floor, 4 Rajendra Place, New Delhi – 110 008. Tel. : 011-2575 2191 / 92 E-mail : iibfnz@iibf.org.in | Indian Institute of Banking & Finance Hindusthan Building (Annexe), 7th Floor, 4, C. R. Avenue, Kolkatta – 700 072. Tel. : 033-2212 4992 E-mail : iibfez@iibf.org.in |

Corporate Office : Indian Institute of Banking & Finance, Kohinoor City, Commercial-II, Tower-1, 2nd Floor, Kirol Road, Kurla (West), Mumbai - 400 070
Tel. : 022-2503 9746 / 9604 / 9907