Acams

CTMA

Certified Transaction Monitoring Associate

QUESTION & ANSWERS

Question: 1

For an institution in this space Controls such as Transaction Monitoring are put in place in order to manage _____ Risk?

A. Operational Risk

B. Legal Risk

C. Financial Crime Risk

D. Liquidity Risk

E. Reputational Risk

Answer: C

Question: 2

Risk Controls must be? (SELECT 3)

A. Normal

B. Appropriate

C. Specific

D. Regulated

E. Risk-based

Answer: B,C,E

Question: 3

What are the types of risks listed below that are consistent with Transaction Monitoring and the KYC framework that it works off? (SELECT 4)

A. Financial Risk

B. Liquidity Risk

C. Legal Risk

D. Reputational Risk

E. Criminal Risk

F. Regulatory Risk

Answer: A,C,D,F

Question: 4

The overall customer risk rating CRR, is usually derived from which components, Please choose below (SELECT 4)

A. Jurisdiction

B. Product

C. Customer

D. Criminal Activity

E. Source

F. Channel

Answer: A,B,C,F

Question: 5

With regards to Customer Due Diligence, is a Risk-based approach a regulatory expectation?

A. Yes

B. No

C. Depends on the industry.

Answer: A

Question: 6

It is important to recognize that no matter how strong the risk mitigation and management program is, each business will still have some residual financial crime risk. The equation for this is Residual Risk =

A. Controlled Risk - Inherent Risk = Controlled Risk

B. Inherent Risk + Controlled Risk = Residual Risk

C. Inherent Risk - Controlled Risk = Residual Risk

D. Controlled Risk - Inherent Risk = Residual Risk

Answer: C

Question: 7

John the Analyst needs to submit an Request for Information procedure from the client as he is missing a needed transaction document. What are the ways in which he can complete the RFI using best practice? (SELECT 2)

A. Physically mailed to the address

B. Secured Email

C. Swift

D. Emailed

Answer: B,C

Question: 8

An Investment Banker is concerned about one of his clients engaging in Financial Crime, The transaction that he looks at appears a little off. What type of manual alert has the Investment Banker submitted.?

A. High Number of Reports

B. Unusual Activity Report

C. Suspicious Activity Report

Answer: B