

CAMS^{Q&As}

Certified Anti-Money Laundering Specialist (the 6th edition)

Pass ACAMS CAMS Exam with 100% Guarantee

Free Download Real Questions & Answers **PDF** and **VCE** file from:

<https://www.leads4pass.com/cams.html>

100% Passing Guarantee
100% Money Back Assurance

Following Questions and Answers are all new published by ACAMS
Official Exam Center

-  **Instant Download** After Purchase
-  **100% Money Back** Guarantee
-  **365 Days** Free Update
-  **800,000+** Satisfied Customers



QUESTION 1

Which statements relate to the mandate, roles, and responsibilities of the Financial Action Task Force (FATF) and the FATF-Style Regional Bodies (FSRBs)? (Select Two).

- A. In the process of setting standards. FATF will only consider inputs from its member countries as part of the consultation process.
- B. FSRBs have the right to develop standards with which their member countries are bound to comply.
- C. FSRBs play an essential role in identifying and addressing AML technical assistance needs for their individual member countries.
- D. FATF and FSRBs are free-standing organizations that share the common goals of combating money laundering and the financing of terrorism and proliferation.
- E. FATF member countries cannot be members of an FSRB at the same time.

Correct Answer: CD

Explanation: C. FSRBs play an essential role in identifying and addressing AML technical assistance needs for their individual member countries. The FSRBs are responsible for promoting the effective implementation of the FATF Recommendations at the regional level, including by assisting member countries in identifying technical assistance needs and facilitating the provision of such assistance. D. FATF and FSRBs are free-standing organizations that share the common goals of combating money laundering and the financing of terrorism and proliferation. The FATF is an intergovernmental body that sets global standards for AML/CFT and promotes their effective implementation, while the FSRBs are regional organizations that work to promote the effective implementation of the FATF Recommendations at the regional level.

QUESTION 2

An incoming urgent international wire transfer in U.S. dollars has been identified by the sanctions screening team. The transaction is a large rounded amount and the name of the beneficiary is "North Korean Cigars Company" with an address in an industrial zone in Tianjin, China.

Which action should the sanctions team take?

- A. Hold the transaction and investigate the company before releasing the funds
- B. Block the transaction immediately because it contains a reference to North Korea
- C. Call the correspondent bank and ask if it has performed due diligence on the originator
- D. Release the transaction so that the Chinese correspondent bank will not be negatively impacted

Correct Answer: C

QUESTION 3

An analyst for a broker-dealer finds a client has been systematically purchasing securities at a high price but selling the same securities only when the price falls. Which type of activity is this trading pattern indicative of?

- A. The account is being used as a depository account.
- B. The client is potentially transferring value from one party to another.
- C. The account is being used for cuckoo smurfing.
- D. The client has potential insider knowledge.

Correct Answer: C

QUESTION 4

What was the topic the Wolfsberg Group's first guidance addressed?

- A. Enhanced due diligence for high risk customers
- B. Private banking
- C. AML training for financial institution staff
- D. Merchant acquiring activities

Correct Answer: B

QUESTION 5

Financial institutions (FIs) perform AML risk assessments to ensure:

- A. a record for regulators indicating an AML risk assessment was completed at least once.
- B. internal audit assurance that all AML-related policy and procedures are board approved.
- C. satisfaction of the board of directors' approved risk appetite.
- D. proper controls surrounding higher-risk products, services, customers, and geographic locations.

Correct Answer: D

QUESTION 6

On who does the ultimate responsibility for an institution's anti-money laundering program rest?

- A. The designated AML Compliance Officer
- B. The institution's Board of Directors
- C. All employees with customer contact
- D. The government regulator examining the AML program

Correct Answer: B

QUESTION 7

What types of things should an institution incorporate in its AML policies and procedures? Choose 3 answers

- A. On-going training, as well as initial training of new employees
- B. Periodic audits, to be performed by independent staff at least once a year
- C. Ability to incorporate relevant legislative and regulatory AML changes
- D. Review of the AML policy by the Board of Directors

Correct Answer: ABC

QUESTION 8

Transfers of money over the last 6 months to a corporation in a jurisdiction with strict secrecy laws triggered an alert. Which of the following should cause the most suspicion of money laundering?

- A. The jurisdiction is a known tax haven.
- B. The company has bearer shares.
- C. The corporation director is a European citizen.
- D. No financial statements have been filed for 3 years.

Correct Answer: A

QUESTION 9

The Wolfsberg Group has issued a number of documents since its inception aiming to:

- A. provide a standardized process amongst its bank members for combatting money laundering and terrorist financing in private banking.
- B. prevent money laundering or terrorist financing by establishing consistent regulatory standards across the EU.
- C. provide advice to regulators around the world on the due diligence requirements for politically exposed persons.
- D. provide financial institutions with an industry perspective on effective financial crime risk management.

Correct Answer: D

Explanation: The Wolfsberg Group is an association of thirteen global banks that aims to develop guidance and standards for the management of financial crime risks. The Group has issued a number of documents since its inception to provide financial institutions with an industry perspective on effective financial crime risk management.

QUESTION 10

A company service provider in Country A sets up a corporate structure for a client from Country B, which is known for corruption. The corporate structure includes a holding company in Country A with a bank account in one of the international banks located there.

During on-boarding, the client's wealth was estimated at \$7.52 million. Shortly thereafter, the client's father became president of Country B. During a routine client review two years later, it was identified that client's wealth had grown to \$510 million.

What are two red flags that indicate money laundering or financial terrorism? (Choose two.)

- A. The client's account has not been reviewed for two years.
- B. The client is from a country known for corruption.
- C. The client is a family member of a PEP from a country known for corruption.
- D. The substantial growth in wealth during a short period of time.
- E. The holding company is in Country A with a bank account in one of the international banks.

Correct Answer: BC

QUESTION 11

What are some of the methods for sharing information and cooperating on an international basis? Choose 3 answers

- A. Mutual Assistance Legal Treaties
- B. International Money Laundering Information Network
- C. Regulatory sharing through Supervisory Channels
- D. Issuant subpoenas

Correct Answer: ABC

QUESTION 12

Sanctions screening requirements include that a financial institution should:

- A. report an individual whose name appears on a sanctions list to the police.
- B. immediately freeze the bank account of an individual that appears on a sanctions list.
- C. compare customer and transaction records against periodically updated sanctions lists provided by governmental bodies.
- D. immediately close the bank account of an entity who appears on a sanctions list.

Correct Answer: C

Explanation: Compare customer and transaction records against periodically updated sanctions lists provided by governmental bodies. This is stated in the Certified Anti-Money Laundering Specialist (the 6th edition) manual on page 595, which states: "Sanctions screening requirements include that a financial institution should compare customer and transaction records against periodically updated sanctions lists provided by governmental bodies."

QUESTION 13

Why do trusts established in certain offshore jurisdictions make good vehicles to launder money?

- A. Names of the settlor and beneficiaries are not publicly available
- B. Trusts are typically set up to minimize taxes
- C. Offshore jurisdictions are unfamiliar with trusts
- D. Trusts may hold assets of significant size

Correct Answer: D

QUESTION 14

Which does the USA PATRIOT Act stipulate for foreign banks concerning correspondent banking?

- A. US banks that maintain correspondent accounts for foreign banks must keep identification records of foreign bank owners with 50% or more ownership in the bank
- B. A subpoena issued to a foreign bank that maintains a correspondent account in the US can require the bank to submit any records except for records in a foreign jurisdiction.
- C. The US federal banking agency can require foreign banks to produce records or information related to any account opened in the US or other countries.
- D. Illicit funds deposited with a foreign bank can be seized by the US government by confiscating the same amount of funds deposited in a correspondent account in the US.

Correct Answer: A

Explanation: The USA PATRIOT Act stipulates that US banks that maintain correspondent accounts for foreign banks must keep identification records of foreign bank owners with 50% or more ownership in the bank. This ensures that the US government can track the flow of funds through the correspondent accounts and prevent money laundering and terrorist financing. Additionally, the US federal banking agency can require foreign banks to produce records or information related to any account opened in the US or other countries. This allows the agency to monitor the activities of foreign banks and ensure compliance with US regulations.

QUESTION 15

Which statement about U.S. Specified Unlawful Activities (SUA) is true?

- A. At least one SUA must be proven in order to pursue a moneylaundering conviction

B. SUAs are generally limited to a small sub-set of crimes

C. In order to secure a conviction, the defendant must be proven to have known the precise nature of the source of funds

D. SUAs are limited to crimes that occur within the borders of the U.S. and its territories and possessions

Correct Answer: C

[Latest CAMS Dumps](#)

[CAMS Exam Questions](#)

[CAMS Braindumps](#)