



US BSA/AML Literacy Test

A lot of the following material is to be found in the Basic Training, which is pre-requisite and which you also may be tested on.

1. What are the main goals of the BSA, and the AML statutes? (List as many as you can.)
2. What are the main dollar thresholds of the BSA applicable to the MSB industry?
3. What vital pieces of customer information are required at each level ?
4. In two words, what are the main requirements of the BSA?
5. Why was it nicknamed the "Bank Secrecy Act?" Which banks? What secrets?
6. What were the two major things missing from the BSA, which were added in 1986?
7. What are the main citations for the Bank Secrecy Act, "the AML statutes" and FinCEN's Regs – (Can you find them on the web?)
8. What is the cite for the prohibition against unlicensed activity?
9. What are the 4 pillars of a compliance program and what section of what law do they come from? Briefly discuss the requirements of each one.
10. What is the recently added "Fifth Pillar?"
11. What are the three prongs of 18USC1960?
12. What are the time limits for filing CTRs? SARs? MSB Registration?
13. What AML documents should be kept in a book of corporate documents?
14. What are some other important documents a compliance officer might want to keep in a centralized location?
15. What types of businesses are considered MSBs?
16. What are the differences in usage among the terms CIP, CDD, EDD, KYC and KYCC?
17. To what extent is a financial institution responsible for knowing its customers?
18. According to the BSA, what info is needed for a \$3,500 transaction?
19. What is the "Travel Rule?"
20. What is the "120-hour rule?"
21. What is the primary federal requirement for MSBs, besides recordkeeping and reporting requirements of the BSA (note: this could be considered a type of report)?



22. What is the Risk-Based Approach?
23. According to the Risk-Based Approach, what are the 3 or 4 types of risk?
24. What is the proper thing to do when a red flag is seen?
25. Is 18USC1960 a "money laundering law?"
26. What is the basic business model of Hawala? What is a parallel market? (MVTs or IVTS)
27. What is the FinCEN Guidance on Foreign Agents and Counterparties?
28. What are the 3 main Bibles of our compliance? (See NMTA Page "Key Resources")
29. If you need to brush up on SAR capabilities, where do we find the instructions?
30. What areas does the AML Compliance review cover? What does it seek to accomplish?
31. Why is the Dept of Treasury important? Discuss.
32. What are the Federal functional regulators?
33. Briefly explain the following important sections of the Patriot Act: Section 352, Section 326, and Sections 311-312.
34. Outside of the BSA, what are some of the main bodies of federal and state law we must study?
35. Name some of the important FinCEN Guidances, Final Rules and other Issuances.
36. Define the Following Acronyms and Terms:

HIFCA/HIDTA
UBO
BSA
AML
MSB
CTR
SAR
STR
CTR
MSB-SAR
CMIR
FBAR

PEP
USA Patriot Act
KYC
CIP
GTO
EIN
TIN
SSN
FDL
UBO

SUA
FIU
FinCEN
OFAC
EDD
RBA
RA
NPR
ANPR
KYCC

"Offshore"
Structuring
Money laundering

Smurfing
Paper Trail
Red flag
Compliance program

Structuring
Indictment
Hawala



The National Money Transmitters Association, Inc.

12 Welwyn Road, Suite C
Great Neck, NY 11021
tel (516) 829-2742
fax (516) 706-0203
www.nmta.us

Transparency
Risk
Risk-Based
Program violation

Counseling
Tipping off
Backing Down

MVTS
Aggregation