MODULE SPECIFICATIONS

Anti-Money Laundering & Counter Financing of Terrorism Practices (SCAM) (formerly CAMCO)

Level of Study: Specialist (Level 2) — Specialised Module
Effective date: 1 December 2024
Version: 2.6
Revision of assessment format in Section G

A. Module Aim

The Anti-Money Laundering & Counter Financing of Terrorism Practices (SCAM) module is designed to provide a comprehensive and topical curriculum for individuals working in or aspiring to work in a role in a Reporting Institution concerned with the prevention of money laundering, terrorism, and proliferation financing. The module takes a practical approach and considers a variety of international and domestic standards and best practices. It aims to increase the learner's ability to apply and analyse requirements for the prevention of financial crimes and thus maintain the resilience of the Malaysian and, therefore, the international financial system and the societies they serve.

B. Learning Outcomes (LO)

Upon completion of this module, candidates will be able to:

LO1	Explain the methodology of money laundering (ML), terrorism financing (TF) and proliferation financing (PF).
LO2	Articulate the international standards, frameworks and guidelines that have been developed to assist the management of money laundering (ML) / counter financing of terrorism (CFT) and proliferation financing (PF) issues.
LO3	Examine the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act (AMLA) 2001 preventative role and the reporting obligations it places on Reporting Institutions (RIs).
LO4	Explain how Malaysian laws, regulations, and guidelines related to Anti-Money Laundering (AML) / Counter Financing of Terrorism (CFT) impact on the governance reporting institutions in terms of responsibilities, processes, and reporting obligations.
LO5	Interpret the Risk Based Approach (RBA) to mitigate and control Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) risks.
LO6	Examine how a Reporting Institution's Customer Due Diligence (CDD) processes develop an in depth and robust understanding of a customer's profile and supports the management of associated ML / TF risks.
LO7	Appraise ML and TF typologies and emerging trends.
LO8	Employ the process of investigating and filing a describable Suspicious Transaction Report (STR) to the regulator.
LO9	Describe key international and domestic sanctions regimes and their implications to Malaysian Reporting Institutions.
LO10	Examine the importance of a structured compliance programme for Reporting Institutions.

C. Mode of Delivery

This module is offered as Module by Intake. Candidates must enrol within a specific deadline and attempt the exam within a pre-determined period.

D. Learning Method

A combination of methods can be adopted that includes but not limited to:
- Workshops (compulsory/optional)
- Discussions
- Seminars
- Self-study
- Moodle (Learning Management System)

E. Qualification and Module Time Limits

The qualification and module time limit for this module is as below:

Qualification Time Limit	Module Time Limit
24 months	12 months

For an extension of qualification and module time limit, please refer to the AICB Membership and Qualification Regulations (Membership and Qualifications Regulations).

F. Deferments and Online Exam Rescheduling

Module deferment applies to this module. Module Deferment means candidates defer the whole module which includes the workshop (if applicable), assignment, and examination to the next available intake.

Candidates may apply to defer their online examination and re-book the examination based on extenuating circumstances grounds as stipulated in the regulations. Effective 13th July 2024, candidates may reschedule the online examination booking up to a maximum of three (3) times per module registration.

Please refer to AICB Membership and Qualification Regulations (Membership and Qualifications Regulations) for more information on module/workshop deferment.

G. Assessment

Examination (Pearson VUE Online)	MCQ	Written	Assignment
Duration	3 hours		
Format	75 questions • 50 independent MCQs, and • 25 scenario-based MCQs		

IMPORTANT: Assessment Requirements

- Compulsory workshop attendance (100%).
- Non-attendance of workshop lead to module withdrawal and full payment for re-registration.

H. Grade Band

The grading below is applicable for this module:

Grade Band	Marks (%)
Distinction	80 to 100
Pass	60 to 79
Fail	0 to 59

I. Module Outline

#	Learning topics	Learning outcomes (LO)	Assessment criteria
1	Money laundering (ML), terrorism financing (TF) and proliferation financing (PF) methodologies 1.1 Money laundering 1.2 Why is money laundered? 1.3 Methods of money laundering 1.4 Terrorism financing 1.5 What is terrorism financing? 1.6 Stages of terrorism financing 1.7 The importance of combating terrorism financing 1.8 Examples of real-life cases on terrorism financing 1.9 The linkage between organised crime and	LO1 — Explain the methodology of money laundering (ML), terrorism financing (TF) and proliferation financing (PF).	1. Examine the methodology of money laundering (ML), terrorism financing (TF) and proliferation financing (PF). 2. Differentiate between ML, TF, and PF. 3. Discuss the impact of ML, TF, and PF. 4. Review how internal policy in an RI reflects the potentially severe impact of PF activity for financial institutions.

#	Learning topics	Learning outcomes (LO)	Assessment criteria
	terrorism 1.10 What is proliferation financing? 1.11 Differences between ML/TF/PF 1.12 Impact of ML/TF/PF on the country		
2	International frameworks and standards for anti-money laundering, counter financing of terrorism and proliferation financing 2.1 International UN initiatives against ML/TF 2.2 Financial Action Task Force (FATF) 2.3 FATF recommendations 2.4 Mutual evaluations 2.5 International AML/CFT related organisations and initiatives 2.6 Regional AML/CFT related organisations and initiatives 2.7 AML/CFT regime in Malaysia 2.8 Preventive measures for reporting institutions 2.9 Law Enforcement Agencies (LEAs) 2.10 Predicate offences 2.11 Domestic Cooperation 2.12 International Cooperation	LO2 — Articulate the international standards, frameworks and guidelines that have been developed to assist the management of money laundering (ML) / counter financing of terrorism (CFT) and proliferation financing (PF) issues.	1. Examine the role of international bodies in preventing ML / TF / PF. 2. Analyse the role of Malaysian, regional and international bodies in preventing ML / TF / PF. 3. Analyse the initiative and process of mutual evaluation outcomes and their impact on Malaysian Reporting Institutions and the economy in general.
3	Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act (AMLA) 2001: A practical approach	LO3 — Examine the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act (AMLA) 2001 preventative role and the	1. Examine the main implications to a Reporting Institution (RI) of AMLA.

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	3.1 Establishing the offences under AMLA 3.2 AML / CFT regulations and guidelines 3.3 RIs and their obligations under the Act 3.4 Conduct of Customer Due Diligence (CDD) 3.5 Record maintenance 3.6 Compliance programme 3.7 Confidentiality of information 3.8 Investigations 3.9 Freezing, seizure or forfeiture of assets or properties 3.10 Dealing with terrorist properties 3.11 Enforcement 3.12 ML prosecutions and convictions 3.13 Terrorist financing and attacks	reporting obligations it places on Reporting Institutions.	2. Analyse the impact of the provisions and penalties under the Act. 3. Examine the connection between predicate offences and ML / TF offences. 4. Explain the process and effects of freezing, seizure, and forfeiture orders on an RI.
4	Malaysian AML/CFT governance 4.1 Main legislation – the AMLA 4.2 Types of AMLA orders significant to financial institutions 4.3 Policy documents and guidelines – issued by Bank Negara Malaysia (BNM), Securities Commission (SC) and Labuan Financial Services Authority (LFSA) 4.4 Policy document – new features 4.5 The Financial Intelligence Enforcement Department (FIED), BNM 4.6 Role of Bank Negara Malaysia (BNM) 4.7 Law enforcement agencies and supervisory authorities 4.8 AML/CFT regime	LO4 — Explain how Malaysian laws, regulations, and guidelines related to Anti-Money Laundering (AML) / Counter Financing of Terrorism (CFT) impact on the governance reporting institutions in terms of responsibilities, processes, and reporting obligations.	1. Examine the Standards and Guidelines issued by BNM, SC and LFSA. 2. Explain the roles of LEAs, Supervisory Authorities, and other domestic, regional and international co-operations. 3. Distinguish the relevant parties under the regulatory framework and the scope of investigation, freezing, seizure and the forfeiture of assets.

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	4.9 Central Bank of Malaysia Act 2009 (CBA 2009) 4.10 Law Enforcement Agencies (LEAs) 4.11 Domestic cooperation 4.12 International cooperation		
5	The risk-based approach (RBA) 5.1 RBA Guidance by FATF 5.2 RBA factors 5.3 RBA guide 5.4 Rationale for the RBA 5.5 RBA assessment 5.6 Risk profiling 5.7 RBA scoring matrix 5.8 Risk mitigation 5.9 Documentation of the RBA process	LO5 — Interpret the Risk Based Approach (RBA) to mitigate and control Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) risks.	1. Explain the methodology of the RBA. 2. Analyse the risks RIs face associated with the RBA. 3. Examine how both Relationship-based Risk Assessment (RbRA) and Business-based Risk Assessment (BbRA) are conducted. 4. Determine the appropriate control measures employed to mitigate the ML/TF risks.
6	Know Your Customer (KYC) policy: Importance and implementation 6.1 Importance of CDD 6.2 Risk associated with failure to conduct effective CDD 6.3 Customer Due Diligence (CDD) vs Simplified Due Diligence (SDD) vs Enhanced Due Diligence (EDD) 6.4 Transaction monitoring and ongoing CDD	LO6 — Examine how a Reporting Institution's Customer Due Diligence (CDD) processes develop an in-depth and robust understanding of a customer's profile and supports the management of associated ML / TF risks.	1. Explain the process of on-boarding customer and risk profiling. 2. Analyse the importance of implementation of CDD / EDD and Ongoing Due Diligence in Reporting Institutions (RIs). 3. Explore the management and mitigation of risk involving Politically Exposed Persons (PEPs). 4. Examine the implications of a CDD breach on the RI.
7	Money laundering (ML) / Terrorism financing (TF) typologies 7.1 The mechanism of ML / TF typologies 7.2 Common ML / TF typologies 7.3 Technology driven ML / TF typologies	LO7 — Appraise ML and TF typologies and emerging trends.	1. Analyse the ML / TF typologies for AML / CFT Risk Governance. 2. Examine the modus operandi of emerging ML / TF typologies. 3. Recognise the possible regulatory repercussions of failed

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	7.4 ML / TF typologies in investment banking sector 7.5 Case studies 7.6 ML / TF typologies in insurance and reinsurance businesses sector 7.7 ML / TF typologies in international trade 7.8 ML / TF methodologies in terrorism financing 7.9 Strengthening risk assessment in combating money laundering 7.10　Strengthening risk assessment in combating terrorism financing 7.11　Strengthening risk assessment in combating trade-based money laundering (TBML)		ML / CFT monitoring and detection.
8	The suspicious transaction report: Identifying, investigating, and reporting obligations 8.1 Reporting obligations under Section 14 of AMLA 8.2 Imposition of reporting obligations on reporting institutions (RIs) 8.3 Non-compliance with provision of the AMLA 8.4 What is suspicion? 8.5 Suspicious transactions 8.6 Automated AML / CFT transaction monitoring system 8.7 Suspicious Transaction Reporting 8.8 Dos and don'ts on STR submission 8.9 Common red flags that may be detected during banker-customer relationship 8.10　Expectations of FIED 8.11　On-going monitoring	LO8 — Employ the process of investigating and filing a describable Suspicious Transaction Report (STR) to the regulator.	1. Identify suspicious transactions. 2. Explain what constitutes a good STR that assists the Competent Authority. 3. Examine the implications of Tipping-Off under AMLA.

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	8.12 Role of BNM as competent authority		
9	Sanctions overview 9.1 Features of sanctions regime 9.2 Importance of sanctions 9.3 The don'ts 9.4 Purpose of sanctions 9.5 Types of sanctions 9.6 Other important sanctions 9.7 Implications for non-compliance to sanctions requirements 9.8 Case studies	LO9 — Describe key international and domestic sanctions regimes and their implications to Malaysian Reporting Institutions.	1. Explain the key features of the sanctions regimes applied regionally and internationally by financial institutions. 2. Analyse the types of sanctions intended to deter money laundering, terrorism financing and proliferation financing. 3. Explain sanctions outreach and countermeasures to avoid any breaches and penalties for non-compliance. 4. Describe the implications to financial institutions in breaching sanctions.
10	Implementation of AML and CFT compliance programmes 10.1 Cases of compliance failures 10.2 What is a compliance programme? 10.3 Regulations on compliance programme 10.4 What should be included in a compliance programme? 10.5 Roles of Board, Senior Management & Compliance Officer 10.6 Policies and procedures 10.7 Staff integrity 10.8 Training & awareness 10.9 Independent audit function 10.10 Implementation of compliance programme	LO10 — Examine the importance of a structured compliance programme for Reporting Institutions.	1. Explain how to design an effective compliance programme. 2. Describe the roles and responsibilities of the Board, Senior Management, Audit and Compliance Officer in the execution of a compliance programme. 3. Examine the benefits of implementing a Compliance Programme in an organisation.

Note: This document contains information that is deemed accurate and valid as of the date of publication.