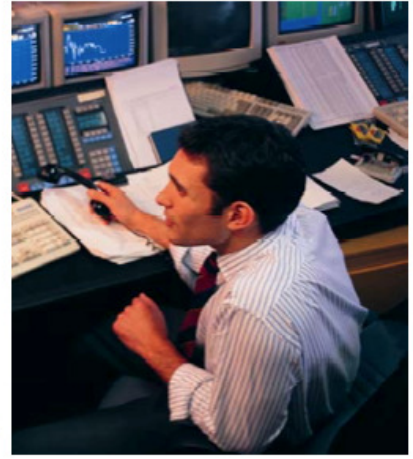


ACI
THE FINANCIAL
MARKETS
ASSOCIATION



ACI Operations Certificate (013) Sample Questions

*“Setting the benchmark in
certifying the financial
industry globally”*

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ACI Operations Certificate – Sample Questions

1. Overall Financial Market and Front to End Treasury View

1.1. What does "modified preceding business day convention" mean?

- A. a convention whereby a transaction is dated the preceding business day
- B. a convention whereby a transaction is dated the preceding business day, unless that day is in the previous month, in which case it is dated the following business day ***
- C. a convention whereby a transaction is dated the following business day
- D. a convention whereby a transaction is dated the preceding business day that corresponds to the same numerical day of the month as the preceding payment

1.2. To which reference rate is the floating leg of a JPY Overnight Index Swap (OIS) tied to?

- A. TANIA
- B. SONIA
- C. TONAR ***
- D. CHOIS

2. Deal Capture, trade entry and confirmations

2.1. What would you use a SWIFT MT 340 for?

- A. to confirm a vanilla currency option
- B. to confirm a foreign exchange transaction
- C. to confirm the terms of a contract relative to a fixed loan/deposit transaction
- D. to confirm the details of a forward rate agreement (FRA) ***

2.2. In the life cycle of a trade, deal capture is a task performed by?

- A. front office staff ***
- B. operations staff
- C. middle office staff
- D. back office staff

3. Settlement, Netting and Clearing

3.1. In which country would the "SIC system" be used to process both large-value payments and retail transfers?

- A. Sweden
- B. China
- C. Switzerland ***
- D. Singapore

3.2. What is in CHAPS the last time for receipt by the RTGS system of inward MT 202 payments for same day value?

- A. 16:00 (4:00 p.m. London time)
- B. 16:05 (4:05 p.m. London time)
- C. 16:20 (4:20 p.m. London time) ***
- D. 16:30 (4:30 p.m. London time)

4. Reconciliations and Investigations

4.1. Which of the following is an example of a vostro (loro) account from the perspective of a bank in Zürich?

- A. a CHF account it has with another bank in Zürich
- B. a foreign currency account it has with another bank in Zürich
- C. a foreign currency account it has with another bank outside Switzerland
- D. a CHF account that it holds for a customer in Luxembourg ***

4.2. One of your two JPY nostro accounts is long JPY 2,500,000,000 and the other one is short JPY 2,500,000,000. What action should you take to reconcile the accounts?

- A. You should instruct the bank with the long balance to transfer JPY 2,500,000,000 to your nostro account at the other bank ***
- B. You should lend the surplus JPY 2,500,000,000 in order to compensate the overdraft charges on the short balance with the interest earned on the loan
- C. No action is required. The credit interest earned on the long balance will offset the debit interest incurred on the short balance
- D. You should borrow JPY 2,500,000,000 to cover the short balance and leave the long balance as it is

5. Treasury Systems and Data Management

5.1. Which letters make up the country code in a BIC code under ISO standard 9362:2009?

- A. the first 2 letters
- B. the first 4 letters
- C. letters 3 and 4
- D. letters 5 and 6 ***

5.2. What does IBAN stand for?

- A. International Bank Access Number
- B. Independent Basel Accords Newsgroup
- C. International Bank Account Number ***
- D. Independent Bank Auditors Network

6. Risk Management, Controls, Compliance and Documentation

6.1. Who has the responsibility to ensure the orderly functioning and integrity of financial markets and the stability of the financial system in the EU?

- A. FSA London
- B. EBA London ***
- C. EBF Brussels
- D. ECB Frankfurt

6.2. Which of the following constitutes the objective of the "FATF" (also known by its French acronym "GAFI")?

- A. to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system ***
- B. to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation
- C. to contribute to the protection and enhancement of stability of the UK financial system and to reduce the extent to which it is possible for a regulated business to be used for a purpose connected with financial crime
- D. to maintain the professional level of competence and the ethical standards of loyalty that are indispensable in the development of international relations, and render mutual assistance so far as possible

7. Foreign Exchange

7.1. Your FX dealer has bought 12,000,000.00 USD/CHF spot at 0.9325. In settlement you would expect to

- A. receive CHF 12,868,632.71
- B. pay CHF 12,868,632.71
- C. receive CHF 11,190,000.00
- D. pay CHF 11,190,000.00 ***

7.2. If a tom next EUR/JPY FX Swap is traded on Thursday, 5 May, and there are no holidays in the relevant currencies during the week of May 9 - 16 what would be the value dates of the two swap legs??

- A. 5 - 6 May
- B. 6 - 7 May
- C. 6 - 9 May ***
- D. 9 - 10 May

8. Money Markets

8.1. What is the day count convention for ZAR, SGD and HKD interbank deposits?

- A. ACT/ACT
- B. ACT/365 ***
- C. ACT/360
- D. 30/365

8.2. Your money market dealer has accepted an interbank deposit of ZAR 25,000,000.00 at 5.00% for 6 months (183 days). How much will you have to pay back in capital plus accrued interest at maturity?

- A. 626,712.33
- B. 635,416.67
- C. 25,626,712.33 ***
- D. 25,635,416.67

9. Derivatives

9.1. Which reference rate would typically be used to settle a EUR FRA dealt between two Singapore based banks?

- A. SIBOR
- B. Euro LIBOR
- C. EURIBOR ***
- D. EONIA

9.2. Which one of the following derivatives is never traded over the counter?

- A. financial futures ***
- B. interest rate swaps
- C. forward rate agreements
- D. currency options

10. Short Term Bonds and Notes

10.1. In a scenario where short-term interest rates are higher than long-term interest rates, the yield curve would best be described as:

- A. negative ***
- B. steep
- C. positive
- D. flat

10.2. US Treasury Bills are commonly issued with maturities of

- A. up to 2 years
- B. 4 weeks only
- C. 1 month, 2 months and 3 months
- D. 4 weeks, 13 weeks, 26 weeks and 52 weeks ***

11. Best Practices Operations

11.1. What is the time frame within which non-prime brokerage trades have to be matched?

- A. within one hour
- B. within 4 hours
- C. by the end of the trade date at the latest ***
- D. by the end of the following business day

11.2. As to single changes to default SSIs, how are alterations to be agreed by the parties involved?

- A. by verbal agreement
- B. alterations need not be agreed to by the parties involved
- C. by SWIFT MT n95
- D. by SWIFT MT 300 ***