



**ASSOCIATESHIP EXAMINATIONS**  
**OPERATIONS MANAGEMENT IN FINANCIAL SERVICES**  
**LEVEL II**  
**APRIL 2025**  
**[NEW SYLLABUS]**

N.B.

- 1) Read carefully the instructions on the cover of the answer booklet.
- 2) Answer the questions as follows:
  - a. SECTION A – THIRTY OBJECTIVE QUESTIONS, each question carries 1 mark. [Total: 30 marks]
  - b. SECTION B – TWO ESSAY QUESTIONS, each question carries 15 marks. [Total: 30 marks]
  - c. SECTION C – TWO CASE/SCENARIO BASED QUESTIONS, each question carries 20 marks. [Total: 40 marks]
- 3) **Time allowed: Three Hours**
- 4) **An additional 15 minutes of reading time is allowed at the beginning of the examination during which time candidates may write on this paper but NOT in the answer booklet.**
- 5) Candidates must ensure that they answer the questions in the appropriate answer booklets and not on loose sheets which may be used only as supplementary sheets. Such answers will be cancelled.
- 6) **DO NOT WRITE YOUR NAME ON THE ANSWER BOOKLET.**
- 7) **DO NOT OPEN THIS PAPER UNTIL YOU HAVE BEEN INSTRUCTED TO DO SO.**

**SECTION A - ANSWER ALL THE QUESTIONS FROM THIS SECTION**  
**(EACH QUESTION CARRIES 1 MARK. TOTAL: 30 MARKS)**

1. The process of Account Maintenance begins with.....
  - a. Account Profiling
  - b. Account Opening
  - c. KYC Insurance
  - d. Name Identification
  
2. What is the first step in Card Production in a bank?
  - a. Personalization
  - b. Delivery
  - c. Production
  - d. Management
  
3. What is the key to ensuring effective Security Policy implementation?
  - a. Frequent Audits
  - b. Employee Training and Awareness
  - c. Regular Software Updates
  - d. All the above
  
4. Which one of the following is NOT a typical Acquirer Service Channel in a bank?
  - a. Website
  - b. Mobile Application
  - c. Social Media
  - d. Television Advertisement
  
5. What is the most important feature of a transaction settlement system?
  - a. Speed

- b. Accuracy
- c. Ease of use
- d. Visual appeal

6. Which Department typically investigates and resolves disputes over Channel Transactions in a bank?

- a. IT Department
- b. Customer Service
- c. Finance Department
- d. Security Department

7. Which of the following is not a duty of a Commercial Bank?

- a. Issues cheque books to clients
- b. Acts as a paying banker for its clients
- c. Issues new currency notes
- d. Enforces a customer's standing order

8. When the Central Bank implements Monetary Policy without forcing financial institutions to comply with its directives. This approach can be described as.....

- a. Moral Suasion
- b. Directives
- c. Open Market Operations
- d. Repurchases Agreements

9. "It is a plastic card but allows a holder to withdraw funds more than he has in his account." This is called a .....

- a. Credit Card
- b. Debit Card
- c. Mastercard
- d. Anti-Laundering Card

10. All these can be used as hedging against Foreign Exchange Risk, except.....

- a. Call Option
- b. Put Option
- c. Swap Agreement
- d. Interest Analysis

11. For a Joint Account, which of the following is true?

- i. The mandate must not be signed by all the parties to the account
  - ii. Must make it clear whether either of them is to sign cheques or
  - iii. All of them should sign.
- a. i only
  - b. i and ii only
  - c. i and iii only
  - d. ii. and iii only

12. A bank shall contact an Account Holder at least ----- prior to an account falling into dormancy.

- a. 6 months
- b. 3 months
- c. 2 months
- d. 1 month

13. With reference to operations of a bank, ..... are potential obligations that may arise depending on the outcome of a future event.

- a. obligatory activities
- b. contingent liabilities
- c. future obligations
- d. current liabilities

14. .... involve making changes to the terms and conditions of an existing loan or credit facility.

- a. Facility amendments
- b. Change process
- c. Conditional sale

d. Credit process

15. .... involves the process of winding up a Credit Facility, either through regular repayment, restructuring, or recovery actions in case of default.

a. Winding up

b. Liquidation

c. Default

d. Clarity

16. When a failure incident occurs, what should the first step of operational support be?

a. Identification of the issue

b. Repair of the issue

c. Informing the customers

d. Documenting the incident

17. What is the most important consideration in setting up a user for a Digital Banking channel?

a. User comfort

b. Security of the user's data

c. Speed of setup

d. Aesthetic of the platform

18. Which of the following is NOT part of managing a bank's Mobile Money OVA?

a. System maintenance

b. Monitoring of transactions

c. Marketing the service

d. Issuing physical cash

19. What is the main aim of providing operational support on Digital Collection

platforms?

- a. Increase profit
- b. Ensure smooth operations
- c. Minimize error rates
- d. All the above

20. Which of the following is a crucial tool for monitoring and preventing fraud in Digital Banking?

- a. Biometric security
- b. Machine learning algorithms
- c. Strong passwords
- d. All of the above

21. What is the last stage of the Credit Management process?

- a. Disbursement
- b. Application
- c. Recovery
- d. Approval

22. Changes in economic conditions, such as recession or inflation, can impact borrowers' ability to repay loans and the value of collateral exposes the lender to.....

- a. Liquidity Risk
- b. Operational Risk
- c. Counterparty Risk
- d. Market Risk

23. With reference to account operations, the powers of the trustee can be found in a.....

- a. Trustee Regulations
- b. Trust Contract

- c. Trustee Id Cards
- d. Trust Deed

24. Generally, when an account has not shown any activity for at least two years.....

- a. It can be closed
- b. It can be operated without any restriction
- c. It can be classified as a dormant account
- d. No debits can be allowed

25. ----- is generally seen as the most secured method of payments to an overseas buyer.

- a. Documentary Credit
- b. Documentary Collection
- c. Open Account
- d. Advance Payment

26. It is a form of Letter of Credit. It is transferable from one party to the other but involves two letters of credit. This is known as:

- a. Transferable Credit
- b. Back-to-Back Credit
- c. Avalisation
- d. Guarantee

27. With reference to International Trade another name for the buyer is.....

- a. Importer
- b. Creditor
- c. Agent
- d. Exporter

28. Which of the following is true about account closure by the customer:

- i. There is no need to give reasonable notice to the customer
- ii. Account has a debit balance, but client is willing to pay
- iii. Duty of secrecy ends after account closure

- a. i only
- b. ii only
- c. iii only
- d. None of the above

29. What is the term given to the risk associated with reliance on one major customer?

- a. Operational Risk.
- b. Concentration Risk
- c. Reputational Risk
- d. Speculative Risk

30. The second stage of Money Laundering is the -----

- a. Placement Stage
- b. Layering Stage
- c. Integrated Stage
- d. Integrating Stage

## **SECTION B - ANSWER TWO QUESTIONS FROM THIS SECTION**

**(EACH QUESTION CARRIES 15 MARKS)**

### **QUESTION 1**

In order to ensure efficiency in Banking Operations Management, there are established protocols in handling Bulk Transactions. As the Head of Operations, discuss five (5) ways by which Bulk Payments can be handled in an efficient manner. **(15 marks)**



## **QUESTION 2**

In appraising a Credit Facility for a personal customer of your bank, discuss the criteria you will use to determine whether to lend or not to lend to that customer. **(15 marks)**

## **QUESTION 3**

Explain in detail any five (5) ways in which Banking Operations staff can provide operational support for Treasury and Custody Operations. **(15 marks)**

## **QUESTION 4**

Identify and write short notes on six (6) parties to a Documentary Credit. **(15 marks)**

### **SECTION C – CASE/SCENARIO BASED QUESTIONS**

#### **ANSWER TWO QUESTIONS FROM THIS SECTION**

**Required: Identify any four issues and demonstrate how you will deal with them. [Two (2) marks each for any four (4) issues identified and three (3) marks each for how it is resolved, making 20 marks for each question.]**

## **QUESTION 1**

Emelia Dadson, your customer, has banked with you for over 20 years. She is requesting a new account but insists that she will not operate the account but instead, the account is to be opened for her son who is now 14 years old. Despite knowing the account opening requirements, Emelia is asking if there are other considerations. The boy is to take his secondary school exams that week and she is sure the boy will pass and will qualify to be trained to become a great Doctor of Medicine. You promised to open the account that week since she is a long-standing client of your bank.

Emelia is an international businesswoman. She is also an importer and a staunch Christian. She is well known in the international business community and most competitor banks want to do business with her firm. As part of the discussions, she is unsure of the benefits of getting his funds remitted to her from his business partner who believes it is better to carry the cash from England to Ghana.

Three years after opening the account, no funds were channeled into the account except the initial deposit of Ten Thousand Cedis. The other accounts of Emelia Dadson are fully operational. Standing orders placed on one of the accounts have been going through except last week when you even returned a cheque for insufficient funds. Ghana Home Loans which were to be beneficiary of the funds is blaming your bank for the failure to receive the funds. This

has generated a debate between the Branch Manager and the General Manager, Domestic Operations. You are also worried about the situation.

**[20 marks]**

## **QUESTION 2**

During a symposium there were various presentations related to the Banking System of Ghana and the need to ensure customer satisfaction. Amaka was in attendance as he has been invited by the Bank for Agriculture and Commerce (BAC).

It was a “red-letter day” and Amaka told a story about various occurrences at some of the branches of BAC. This included that of Mr John Clottey and Mrs Love Clottey. They operated a current account, and a number of transactions passed through the account. A close examination of the mandate form revealed that it was signed by both the husband and the wife. Similarly, both are required to sign for withdrawals.

You have just been informed that both were involved in a motor accident, and they died on the spot. The Manager immediately informed all and sundry at the branch and asked them to do the needful.

The husband had a will, but the wife did not have one. Their personal representatives have come to the main branch where the account is domiciled. They want details of items the couple have kept in safe custody so that they can take further steps in protecting the interest of your two deceased customers.

Two days later they asked that all funds should be transferred into other accounts whose details they furnished the bank with. The Branch Manager out of annoyance has decided to close the account and transfer the funds to the Bank of Ghana.

**[20 marks]**

## **QUESTION 3**

Peace Enterprise presented a cash deposit transaction of GHS 200 000.00 to the Mudor Branch yesterday, but their account was credited with GHS100,000.00 only.

The story was that the staff of Peace Enterprise deposited Cash of GHS200,000.00 and a Cash Deposit Slip of same to the bank’s Teller and that this transaction was one of the lot which were affected by the armed robbery attack on the Branch; That Helen, your bank’s Teller received the lot and the Cash Deposit subject to check and subsequent credit to the Peace Enterprise account.

Just after checking the GHS50.00 and GHS20.00 denominations making a total of GHs100,000.00 and indicating same on the cash deposit slip, three (3) armed men attacked the Branch and made away with nearly all the cash.

The Teller referred the matter to the Branch Manager, who directed that because the Teller had checked only GHS100,000.00 will the back-office staff should credit GHS100,000.00 only to the account. Your staff wanted to know the position of your bank when such matters occur. To the teller the account should not be credited at all.

As the issue was being discussed one of the attendants wanted to understand how beneficial it will be if he transfers funds to an overseas supplier before goods are supplied to her and there would not be any challenges. She explained that until this is done goods always delay before being shipped to her and she is losing a number of clients.

**[20 marks]**