



CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 3 December 2025. Morning Paper.

Time Allowed: 3 hours.

This paper has two sections. SECTION I consists of fifty (50) Multiple Choice Questions carrying fifty (50) marks. SECTION II has four (4) structured questions carrying (50) marks. Answer ALL questions. Marks allocated to each question are indicated at the end of the question.

SECTION I (50 MARKS)

1. Which one of the following is **ACCURATE** in regard to OECD recommendations on combating bribery in international business? OECD focuses on _____.
A. the supply side
B. the demand side
C. both the supply side and demand side
D. demand side of foreign officials (1 mark)
2. Which one of the following statements is **NOT ACCURATE** in regard to the Bribery Act 2016, UK Bribery Act and the US Foreign Corrupt Act ?
A. The Bribery Act, 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act
B. The US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalise payment of bribes to foreign officials
C. Unlike the US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalise payment of facilitation fees
D. The US Foreign Corrupt Practice Act does not have extra territorial implication like the Bribery Act and the UK Bribery Act (1 mark)
3. Which one of the following statements is **NOT** true about embezzlement? The prosecution must prove _____.
A. that the perpetrator owed the principal duty of trust
B. prove that the perpetrator was entrusted with the money or property
C. that the perpetrator took away and denied the owner use of the money or property
D. the perpetrator's intent to embezzle the money or property (1 mark)
4. Which one of the following statements is **NOT ACCURATE** with regard to computer misuse and cybercrime offences?
A. Unauthorised access is an offence under the computer misuse and cybercrime
B. Unauthorised offence with the intent to commit further offence, the offence committed is an additional offence.
C. The offence committed under any other law by gaining unauthorised access is another offence in addition to the unauthorised access.
D. Knowingly gaining unauthorised access to a computer is an offence under the computer misuse and cybercrime. (1 mark)
5. Which one of the following Kenyan laws **BEST** define bid rigging as a substantive offence?
A. Public Procurement and Assets Disposal Act
B. Penal Code
C. Public Finance Management Act
D. Anti-Corruption and Economics Crime Act (1 mark)

6. Which one of the following is **NOT** a securities fraud under the Capital Markets Act?
A. Insider trading
B. Obtaining gain by fraud
C. Forgery
D. False trading and market rigging (1 mark)

7. Which one of the following is **NOT** a type of corruption offence under the Bribery Act?
A. Giving a bribe
B. Bid rigging
C. Receiving a bribe
D. Bribery of foreign officials (1 mark)

8. Which one of the following is **NOT** a legal element that must be proven in a claim of bribery in public sector under the Bribery Act, 2016?
A. The recipient received an inducement or a reward
B. The recipient engaged in a corrupt conduct
C. The recipient is a government official
D. The recipient knowingly received a bribe (1 mark)

9. Which one of the following statements is **ACCURATE** under the Bribery Act 2016?
A. A director or senior officer of a private sector has personal liability for bribery
B. All bribery offences are of strict liability
C. Intent an element of bribery
D. A private entity does not have liability for bribery conduct by their directors (1 mark)

10. Uchumi Mbaya Corporation filed a bankruptcy proceeding in which all of its assets would be sold and the proceeds would be distributed to creditors. Under the World Bank Principles and Guidelines for Effective Insolvency and Creditor Rights Systems, which one of the following parties is an appropriate option for managing Uchumi Mbaya Corporation in the proceedings?
A. Uchumi Mbaya's directors
B. Uchumi Mbaya's creditors
C. An independent insolvency representative
D. The external auditor (1 mark)

11. Which one of the following is a legal element that **MUST** be shown to prove a claim of fraudulent misrepresentation of material facts in criminal case?
A. The victim relied on the misrepresentation
B. The victim suffered damages as a result of the misrepresentation
C. The defendant knew the representation was false
D. The impact was material (1 mark)

12. Which one of the following statements is **ACCURATE** regarding disclosure of passwords under Computer Misuse and Cybercrime Act?
A. Negligent disclosure does not constitute an offence
B. Intentional disclosure without authorisation constitutes an offence
C. Only IT administrators are liable for disclosure
D. Disclosure is irrelevant if no data is harmed (1 mark)

13. Which one of the following statements is **NOT** a type of improper payments under the Public Finance Management Act?
A. Payments for goods not supplied or services not rendered
B. Payments for unnecessary or excessive costs
C. Payments for projects without prior planning
D. Payments that are not budgeted for (1 mark)

14. Which one of the following actions is **NOT** an offence under the Computer Misuse and Cybercrime Act?
A. Forgery
B. Computer fraud
C. Concealment of material facts
D. Unauthorised access to a computer (1 mark)

15. Which one of the following actions is **NOT** an offence of strict liability?
A. Forgery
B. Abuse of office
C. Deceiving principal
D. Misrepresentation of material facts (1 mark)

16. Which one of the following is **ACCURATE** regarding the Bribery Act 2016?
A. Only the act of giving a bribe is criminalised
B. Both giving and receiving bribes are criminalised
C. Bribery must influence the recipient for an offence to occur
D. The act does not apply to foreign entities (1 mark)

17. Which one of the following statements is **NOT ACCURATE** in regard to deceiving principal under the Anti-Corruption and Economics Crimes Act?
A. It is only an agent who can deceive principal
B. Deceiving principal is an offence of strict liability
C. To prove deceiving a principal, the prosecution must prove intent
D. To prove deceiving a principal, the prosecution must prove knowledge that statement is false (1 mark)

18. Which one of the following is **NOT** a legal element to prove misrepresentation of facts in a civil litigation?
A. The defendant knowingly concealed material facts
B. The defendant knew the statement or document was false
C. The defendant presented a material false statement or document
D. The victim relied on the misrepresentation (1 mark)

19. Which one of the following statements is **ACCURATE** in regard to the legal elements that must be shown to prove misrepresentation of material facts in a criminal trial?
A. The victim relied on the false statement
B. The victim suffered financial loss
C. The defendant intentionally represented a false document
D. The defendant knew the statement was a forgery (1 mark)

20. The corruption court has jurisdiction over several types of offences. Which one of the following is **NOT** one of them?
A. Economic crime
B. Corruption offences
C. Financial crimes
D. Fraud civil suits (1 mark)

21. Which one of the following laws is **BOTH** procedural and administrative?
A. Public Procurement and Assets Disposal Act
B. Public Finance Management Act
C. Anti-Corruption and Economics Crimes Act
D. Tax Procedure Act (1 mark)

22. Which one of the following is **NOT** a type of procurement offence under the Public Procurement and Assets Disposal Act?
A. A fraudulent act
B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
C. Sign a contract contrary to the requirements of this Act
D. Abuse of office (1 mark)

23. Which one of the following statements is **ACCURATE** in regard to breach of trust?
A. The defendant, in a breach of trust case, must be in a position fiduciary duty
B. The defendant was trusted with the organisation's funds
C. A breach of trust case is usually taken to court as a criminal case
D. A breach of trust has legal element of intent (1 mark)

24. Which one of the following **BEST** describes a legal offence of buying excessive goods in the public sector?
A. Misappropriation of funds
B. Economic crime
C. Wasteful expenditure
D. Corruption (1 mark)

25. Which one of the following statements **BEST** describes the offence of submitting a fraudulent invoice to a procuring entity?

- A fraudulent invoice presented to a procuring entity is a forgery
- A fraudulent invoice presented to a procuring entity is misrepresentation material of facts offence
- A fraudulent invoice presented to a procuring entity is misappropriation of funds offence
- A fraudulent invoice presented to a procuring entity is concealment of material facts offence (1 mark)

26. Which one of the following statements is **NOT ACCURATE** in regard to conflict of interest offence in public and private sector?

- If an agent has a direct or indirect private interest in a decision that his principal is to make, the agent is guilty of an offense if the agent knows or has reason to believe that the principal is unaware of the interest and the agent fails to disclose the interest
- If an agent votes or participates in the proceedings of his principal in relation to the decision
- A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent as so authorised
- A public body may authorise its agent to vote or participate in the proceedings of the public body and the voting or participation of an agent as so authorised (1 mark)

27. Which one of the following statements is **NOT ACCURATE** about official and commercial bribery?

- Bribery Act, 2016 criminalises commercial bribery
- UK Bribery Act does not criminalise commercial bribery
- US Foreign Corrupt Practice Act criminalises commercial bribery
- Unlike the US Foreign Corrupt Practice Act, Bribery Act 2016 criminalises commercial bribery (1 mark)

28. Which one of the following is the **BEST** defense in a tax criminal trial?

- Death of the tax payer
- No tax liability
- Lack of intent
- Reliance on a tax expert (1 mark)

29. Which one of the following is **NOT ACCURATE** in regard to abuse of office?

- One of the legal elements of abuse of office is that the public officer has a prescribed office or position
- Abuse of office is a substantive offence that can be charged together with another substantive offence
- Abuse of office is a substantive offence that cannot be charged with another substantive offence
- Abuse of offence is a corruption offence that can be charged together with an economic crime (1 mark)

30. Which one of the following institutions is **NOT** obliged to comply with the reporting requirements of the Proceeds of Crime and Anti-Money laundering (POCMLA) Act?

- Every organisation handling cash
- Insurance company
- Audit firms
- Law firms (1 mark)

31. Which one of the following is **NOT** an offence under the Proceeds of Crime and Anti-Money laundering (POCMLA)?

- Failure to report suspicious transactions
- Failure to report all transactions over one million Kenya shillings
- Financial promotion of an offence
- Tipping of relevant parties (1 mark)

32. Which one of the following organisations is established under the Proceeds of Crime and Anti-Money laundering (POCMLA)?

- Central Bank of Kenya
- The Asset Recovery Agency
- The Ethics and Anti-Corruption Commission
- None of the above (1 mark)

33. Which one of the following is **NOT ACCURATE** Under the Tax Procedure Act 2015, in regard to criminalising tax related actions?

- The law criminalises schemes designed for tax avoidance
- The law criminalises tax evasion
- The law has not defined misrepresentation of material facts related to tax as an offence
- The law criminalises material misrepresentation matters related to tax (1 mark)

34. Which one of the following is a legal element that must be shown to prove forgery?
A. The victim relied on the misrepresentation
B. The victim suffered damages as a result of the misrepresentation
C. The document had false contents
D. The document had false contents with legal significance (1 mark)

35. Under the Anti-corruption and Economic Crimes Act, which one of the following statements is **NOT ACCURATE**?
A. Misrepresentation of documents with legal significance
B. Failure to protect public property and revenue is defined as an economic crime
C. Fraud and embezzlement are defined as corruption offence
D. Abuse of office to confer an economic benefit is an economic crime (1 mark)

36. Which one of the following Kenyan laws defines soliciting or receiving an inducement as an offence but has not paying or offering a bribe as an offence?
A. Anti- Corruption and Economic Crimes Act
B. Capital Markets Act
C. Bribery Act
D. Public Finance Management Act (1 mark)

37. Which one of the following offences is associated with an underlying offence?
A. Conspiracy
B. Attempt to commit a corruption offence
C. Bid rigging
D. Asset misappropriation (1 mark)

38. Which one of the following is **NOT** a type of fraud associated with capital market manipulation?
A. Increase or are likely to increase the price with the intention of inducing another person to purchase, subscribe for or to refrain from selling securities issued by the same company or a related company or such other listed securities
B. Insider trading of securities by employees or directors
C. Stabilize or are likely to stabilize, the price with the intention of inducing another person to sell, purchase or subscribe for or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company or such other listed securities
D. None of the above (1 mark)

39. Which one of the following laws sets the rules and procedures of determining fraud criminal offences?
A. Evidence Act
B. Civil Procedure Act
C. Criminal Procedure Code
D. Criminal Procedure Act (1 mark)

40. Which one of the following statements in regard to false claims from government revenue is **NOT** accurate?
A. To violate a law criminalising false claims to government agencies, the claims does not need to be made directly to the government
B. A claim made through a third party does not violate laws related to false claims to the government
C. To violate laws related false claims from government revenue, the government does not have to suffer loss
D. An offence of false claim from government revenue occurs even when the government did not rely on the false claim (1 mark)

41. Which one of the following **BEST** describes the conduct of hindering an officer from performing a function?
A. Obstruction of justice
B. Corruption conduct
C. Fraudulent activity
D. Corrupt intent (1 mark)

42. Which one of the following offences **BEST** describes failure to exercise due care in the performance of a professional duty?
A. Gross negligence
B. Breach of trust
C. Carelessness
D. Lack of diligence (1 mark)

43. Which one of the following is **NOT ACCURATE** in regard to legal elements of computer forgery?

- A. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes, as if it were authentic
- B. Computer forgery is a separate offence in addition to the underlying crime
- C. Computer forgery will result to an additional offence of computer fraud
- D. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data

(1 mark)

44. Which one of the following statements is **ACCURATE** regarding the Proceeds of Crime and Anti-Money Laundering (POCAMLA) Act?

- A. It only applies to financial institutions
- B. It requires customer due diligence for new and existing clients
- C. Reporting institutions are exempt from maintaining records
- D. Money laundering offences are optional to report

(1 mark)

45. Which one of the following laws define buying unnecessary goods in state corporation as an offence criminal Law?

- A. Anti- Corruption and Economic Crimes Act
- B. Bribery Act
- C. Public Finance Management Act
- D. Public Procurement and Assets Disposal Act

(1 mark)

46. Which one of the following statements is **ACCURATE** in regard to improper payments in the public sector?

- A. Buying excessive or unnecessary goods
- B. Paying for goods or services not rendered
- C. Misappropriation of funds
- D. Misapplication of funds

(1 mark)

47. Which one of the following is **NOT** a tax fraud offence under the Tax Procedure Act, 2015?

- A. Any person knowingly omits from his or her return any amount which should have been included.
- B. Any person knowingly claims any relief or refund to which he or she is not entitled
- C. Any person knowingly makes any incorrect statement which affects his or her liability to tax
- D. Any person prepares false books of account or other records relating to that other person or falsifies any such books of account or other records

(1 mark)

48. Which one of the following statements is **NOT ACCURATE** in regard to tax offences?

- A. Some tax offences are classified as corruption offences
- B. Some tax offences are classified as fraud
- C. Criminal tax offences require prove of intent
- D. Tax offences are classified as financial crimes

(1 mark)

49. Which one of the following offences is a substantive offence but not underlying offence?

- A. Forgery
- B. Conspiracy
- C. Computer fraud
- D. Tax avoidance

(1 mark)

50. Which one of the following offences **BEST** describes failure to exercise due care that expected of a person acting on behalf of another person or organisation?

- A. Lack of loyalty
- B. Breach of trust
- C. Lack of care
- D. Lack of diligence

(1 mark)

SECTION II (50 MARKS)

51. Explain the legal elements of the following offences:

- (a) Wasteful expenditure. (4 marks)
- (b) Fraudulent payments. (4 marks)

(c) Breach of trust. (4 marks)

(d) Abuse of office. (4 marks)

(e) Deceiving principal. (4 marks)

(Total: 20 marks)

52. Explain **FIVE** financial misconduct offences and their respective legal elements. **(Total: 15 marks)**

53. In relation to misrepresentation of material facts:

(a) Explain **THREE** offences of misrepresentation of material facts and the Kenyan laws that have defined the respective offences. (6 marks)

(b) Explain **TWO** offences and the respective Kenyan laws that have legal element of misrepresentation of material facts but are not offences of misrepresentation of material facts. (4 marks)

(Total: 10 marks)

54. In relation to fraudulent legal offences:

(a) Identify **THREE** fraudulent legal offences that require prove of intent in court proceedings. (3 marks)

(b) Identify **TWO** fraudulent legal offences that do not require prove of intent in court proceedings. (2 marks)

(Total: 5 marks)

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MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 20 August 2025. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions. This paper has two sections. SECTION I consists of fifty (50) Multiple Choice Questions carrying fifty (50) marks. SECTION II has four (4) structured questions carrying (50) marks. Marks allocated to each question are indicated at the end of the question.

SECTION I (50 MARKS)

1. Which one of the following laws has defined engaging in unnecessary or excessive procurement as an offence even if there was prior planning and a budget in a public entity?
 - A. Bribery Act, 2016
 - B. Anti-Corruption and Economic Crimes Act
 - C. Public Finance Management Act
 - D. Public Procurement and Assets Disposal Act

(1 mark)
2. Which one of the following laws would be applied in a case of engaging in unnecessary or excessive procurement in a private company leading to loss of substantial amounts of money?
 - A. Bribery Act, 2016
 - B. Public Finance Management Act
 - C. Public Procurement and Assets Disposal Act
 - D. Company law

(1 mark)
3. Which one of the following laws has defined financial crimes?
 - A. Anti-Corruption and Economic Crimes Act
 - B. Capital Markets Act
 - C. Public Finance Management Act
 - D. None of the above

(1 mark)
4. Which one of the following organisations recommended enhancing civil, criminal and administrative laws to combat bribery in international business?
 - A. OECD
 - B. United Nations Convention
 - C. African Union
 - D. None of the above

(1 mark)
5. Which one of the following laws **DOES NOT** prohibit payments to expedite a procurement process or payments?
 - A. Bribery Act, 2016
 - B. UK Bribery Act
 - C. Foreign Corrupt Practice Act
 - D. None of the above

(1 mark)

6. Which one of the following statements is **NOT ACCURATE** in regard to unauthorised access?

- A. Unauthorised access is a substantive offence even if no other offence was committed
- B. Unauthorised offence with the intent to commit further offence is an additional offence
- C. The offence committed under any other law by gaining unauthorised access will be in addition to unauthorised access
- D. Unauthorised access is not a substantive offence if no further offence was committed

(1 mark)

7. Which one of the following Kenyan laws is **NOT** an administrative law?

- A. POCAMLA
- B. Anti-Corruption and Economic Crimes Act
- C. Bribery Act
- D. Evidence Act

(1 mark)

8. Which one of the following **BEST** describes a legal offence committed by a competent contractor by refraining from submitting a tender?

- A. Conspiracy
- B. Bid rigging
- C. Bid suppression
- D. None of the above

(1 mark)

9. Which one of the following statements is **NOT ACCURATE** in regard to bid rigging offence?

- A. Bid rigging is an offence of strict liability
- B. Bid rigging offence involves an extra offence of conspiracy
- C. Bid rigging always involves collusion between procuring entity's employees and the vendors
- D. Bid rigging is a corruption offence

(1 mark)

10. Which one of the following offences are **NOT** of strict liability?

- A. General bribery offences
- B. Activities to enable bribery
- C. Deceiving principal
- D. Conflict of interest

(1 mark)

11. Which one of the following statements is **ACCURATE** in regard to Public Procurement and Assets Disposal Act? Public Procurement and Assets Disposal Act is _____.

- A. both substantive and administrative law
- B. both procedural and administrative law
- C. not an administrative law
- D. only a substantive law

(1 mark)

12. Which one of the following offences can a Chief Executive Officer of a government entity be charged with for authorising improper payments in a scenario where he/she was not aware that the payments were fraudulent?

- A. Breach of trust
- B. Abuse of office
- C. Misappropriation of funds
- D. Gross negligence

(1 mark)

13. Which one of the following is **NOT** a legal element of general bribery offences under the Bribery Act, 2016?

- A. Receive an inducement or an advantage
- B. Paying an inducement or an advantage
- C. Knowingly receiving a bribe
- D. Giving a reward

(1 mark)

14. Which one of the following statements is **NOT ACCURATE** in regard to what constitutes misrepresentation of material facts? An offence of misrepresentation of material facts exists _____.

- A. even if the victim did not rely on the misrepresentation
- B. even if the victim did not suffer financial loss
- C. even if the defendant did not know that the statement was false
- D. only if the statement represented is material

(1 mark)

15. Which one of the following statements is **NOT** public officers' offences under the Public Finance Management Act?

- A. Misappropriation of funds or assets
- B. Concealment of material financial information
- C. Paying, offering or promising a bribe
- D. Incurring wasteful expenditure

(1 mark)

16. Which one of the following individuals and entities are **NOT** under the application of the anti-bribery regulations?

- A. Private entities
- B. Public officers
- C. Public entities
- D. None of the above

(1 mark)

17. Which one of the following statements is **NOT ACCURATE** in regard to penalties and punishment for bribery offences under the Kenya bribery law?

- A. A person convicted for bribery and given penalties of a fine and imprisonment is required to pay the benefit received to the Government in addition to the fine and imprisonment
- B. Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
- C. Under the Bribery Act, disqualification from serving as a director or partner of a private organisation, would be in addition to penalties of a fine and imprisonment
- D. None of the above

(1 mark)

18. Which one of the following statements is **NOT** a legal offence under the Anti- Corruption and Economics Crimes Act?

- A. Bid rigging
- B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
- C. An attempt to commit an offence
- D. Deceiving a principal

(1 mark)

19. Which one of the following statements is a legal element required to prove misappropriation of assets?

- A. The defendant was in a position of trust
- B. The defendant acted negligently
- C. The defendant did not act in the best interest of the principal
- D. None of the above

(1 mark)

20. Which one of the following actions is **NOT** an offence associated with breach of trust?

- A. Bribery
- B. Failure to prevent bribery and corruption
- C. Abuse of office
- D. Conspiracy

(1 mark)

21. Which one of the following documents **BEST** describes misrepresentation of material facts?

- A. A document with false contents
- B. A fraudulent invoice
- C. A fraudulent claim
- D. A material document with false contents

(1 mark)

22. Which one of the following statements is **NOT ACCURATE** in regard to bribery under the Bribery Act, 2016?

- A. Before the Bribery Act 2016, the Anti-Corruption and Economic Crimes Act did not impose significant responsibilities on the private sector to put anti-corruption measures in place
- B. The Bribery Act 2016 imposes express duties on private entities and individuals to prevent and report incidents of bribery
- C. Like the UK Bribery Act, the Bribery Act 2016 has extra-territorial application in relation to bribery-related offenses carried outside Kenya
- D. The Bribery Act 2016 does not criminalise facilitation fees to expedite the process but rather an inducement to influence decision

(1 mark)

23. Which one of the following types of payment are **NOT** criminalised by the Foreign Corrupt Practice Act?

- A. A U.S company promises to pay a foreign official \$100,000 to expedite a process
- B. A U.S company transfers \$500,000 to a foreign official to influence the official to award it a public construction contract
- C. A UK company that is trading securities on the New York Stock Exchange transfers \$500,000 to a foreign official to influence the official to award it a public contract
- D. None of the above

(1 mark)

24. Which one of the following statements describes criminal tax liability related to tax period?

- A. Any person who, in relation to a tax period, unknowingly omits from his or her return any amount which should have been included
- B. Any person who, in relation to a tax period, unknowingly claims any relief or refund to which he or she is not entitled
- C. Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- D. Any person who, in relation to a tax period, intentionally omits from his or her return any amount which should have been included

(1 mark)

25. Which one of the following offences **DOES NOT** require collusion to commit the offence?

- A. Abuse of office
- B. Misappropriation of funds
- C. Concealment of material facts
- D. Bribery

(1 mark)

26. Which one of the following statements is **NOT ACCURATE** in regard to anti- money laundering under the POCAMLA Act?

- A. The POCAMLA obligations include establishing and maintaining internal reporting procedures
- B. Upon the coming into force of POCAMLA, a reporting institution shall undertake customer due diligence on the existing customers
- C. The POCAMLA make it an obligation for financial institution to undertake customer due diligence on new customers and existing customer
- D. The POCAMLA does not make it an obligation for Non-Financial Designated Reporting Institution to put anti- money laundering programs in place

(1 mark)

27. Which one of the following statements is **NOT ACCURATE** in regard to criminalising corrupt conduct?

- A. Both the Bribery Act 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act in criminalising bribery conduct
- B. Both the Bribery Act 2016 and the UK Bribery Act criminalise payment of commercial bribery
- C. Unlike the UK Bribery Act, Bribery Act, 2016 does not criminalise all types of bribery
- D. Both the Bribery Act 2016 and the UK Bribery Act criminalise all conducts of bribery

(1 mark)

28. Which one of the following offences under the Bribery Act, 2016 requires prove of intent as legal element?

- A. Activities to enable bribery
- B. Giving a bribe
- C. Receiving a bribe
- D. Bid rigging

(1 mark)

29. Which one of the following statements is **NOT ACCURATE** in regard to bribery offences under the Bribery Act 2016?

- A. A person commits the offence of giving a bribe if the person knowingly offers promises or gives a financial or other advantage to another person
- B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
- C. It shall not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned
- D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party

(1 mark)

30. Which one of the following statements is the **BEST** defence against tax liability?

- A. Death of the tax payer
- B. No tax liability
- C. Unintentional failure to pay taxes
- D. Reliance on a tax expert

(1 mark)

31. Which one of the following statements is **NOT** a must to prove in misrepresentation of material facts in fraud criminal proceedings?

- A. The victim suffered damages as a result of the misrepresentation
- B. The defendant knew the representation was false
- C. The misrepresented statement was material
- D. None of the above

(1 mark)

32. Which one of the following actions is **NOT** a corruption offence under the Anti-Corruption and Economic Crimes Act?
A. Asset misappropriation
B. Fraud
C. Conflict of interest
D. Fraudulent payments (1 mark)

33. Which one of the following Kenyan laws has defined soliciting or receiving a bribe as an offence but not paying of a bribe?
A. Bribery Act, 2016
B. Anti-Corruption and Economic Crimes Act
C. Penal Code
D. Public Finance Management Act (1 mark)

34. Which one of the following actions is a substantive offence in addition to another substantive offence?
A. Conspiracy
B. Bid rigging
C. Asset misappropriation
D. Aiding and abetting (1 mark)

35. Which one of the following statements is **ACCURATE** in regard to the most common securities fraud?
A. Corporate officers, directors and employees trade their corporate's securities based on information already known to the public
B. Business associates of corporate officers, directors and employees trade their corporate securities based on information on the issuer's prospectus
C. Employees of law firms, accounting firms or stock brokers trade their securities based on information of publicised financial statements
D. Insider trading is one of the most common securities frauds (1 mark)

36. Which one of the following **BEST** describes the type of laws that are commonly applied in criminal fraud offences in the Kenyan Jurisdiction?
A. Legal statutes
B. Legal principles
C. Codified principles
D. Penal Code (1 mark)

37. Which one of the following **BEST** describes the offence of fraudulent claims from government revenue or property?
A. Economic crime
B. Financial crime
C. Financial misconduct
D. Corruption (1 mark)

38. Which one of the following statements **BEST** describes the offence of providing false or misleading information to an officer performing a function?
A. Obstruction of justice
B. Misrepresentation of material facts
C. Concealment of material facts
D. Perjury (1 mark)

39. Which one of the following Kenyan laws have **NOT** defined obstruction of justice as an offence?

- A. Public Finance Management Act
- B. Public Procurement and Assets Disposal Act
- C. POCAMLA
- D. Computer Misuse and Cybercrime

(1 mark)

40. Which one of the following statements is **NOT ACCURATE** in regard to the offence of computer misuse? Computer forgery _____.

- A. involves a person who intentionally inputs, alters, deletes, or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes, as if it were authentic
- B. involves a person who intentionally inputs, alters, deletes, or suppresses computer data
- C. is a separate offence in addition to the underlying crime
- D. will result to an additional offence of computer fraud

(1 mark)

41. Which one of the following statements is **NOT** a type of false trading and market rigging offences under the Capital Markets Act?

- A. Entering into or carries out, directly or indirectly, any transaction for the sale or purchase of securities which does not involve a change in the beneficial ownership of the securities
- B. Offering to sell securities at a price which is substantially the same as the price at which he has made or proposes to make, or knows that an associate of his has made or proposes to make, an offer to buy the same or substantially the same, number of securities
- C. Officers, directors or employees buy or sell shares based on information that is not known to the public
- D. None of the above

(1 mark)

42. Which one of the following **BEST** describes the offence of failure to disclose material information when the person has duty under the circumstances to disclose?

- A. Misrepresentation of material facts
- B. Concealment of material facts
- C. Forgery
- D. Deceiving principal

(1 mark)

43. Which one of the following is **NOT** an offence associated with the management and administration of public funds?

- A. Receiving a bribe
- B. Misappropriation of public funds
- C. Wasteful expenditure
- D. None of the above

(1 mark)

44. Which one of the following conducts results to two computer offence and an additional underlying offence?

- A. If a person intentionally inputs, alters, deletes, suppresses computer data, resulting in inauthentic data
- B. If a person gains unauthorised access
- C. If a person engages in an unauthorised interference
- D. If a person intentionally inputs, alters, deletes, or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted upon for legal purpose

(1 mark)

45. Which one of the following offences is **NOT** of strict liability under the Public Procurement and Assets Disposal Act?

- A. Knowingly lie or mislead a person carrying out a duty
- B. Obstruct or hinder a person carrying out a duty
- C. Delay without justifiable cause opening or evaluation on of a tender

D. Splitting a contract (1 mark)

46. Which one of the following is **NOT** an element of corruption and economic crimes?
A. Corrupt conduct
B. Corrupt intent
C. An advantage or reward
D. Collusion (1 mark)

47. Which one of the following statements is **NOT ACCURATE** in regard to the implications under the Bribery Act 2016?
A. The Bribery Act 2016 does not have implications for an entity that is not established in Kenya under any circumstances
B. The Bribery Act 2016 has far-reaching implications for those doing business in Kenya or with Kenyan entities
C. Like the UK Bribery Act, the Bribery Act 2016 has far-reaching implications
D. None of the above (1 mark)

48. Which one of the following is **NOT** a legal element of an economic crime under the Anti- corruption and Economics Crimes Act?
A. Corrupt intent
B. Corrupt conduct
C. Fraudulent payment from government revenue
D. None of the above (1 mark)

49. Which one of the following statements constitutes legal elements of forgery?
A. The document contents are capable of defrauding another person
B. The defendant knew the statement or document was false
C. The victim relied on the misrepresentation
D. The document is material (1 mark)

50. Which one of the following statements is **NOT** considered a public entity in regard to the management of public finances?
A. Private - Public Partnership
B. Government agency
C. State corporation
D. None of the above (1 mark)

SECTION II (50 MARKS)

51. Explain the legal elements of the following offences:

(a) Misrepresentation of material facts. (4 marks)

(b) Concealment of material facts. (4 marks)

(c) Conspiracy. (4 marks)

(d) Computer forgery. (4 marks)

(e) Computer fraud. (4 marks)

(Total: 20 marks)

52. Explain **FIVE** legal offences and their legal elements associated with competitive procurement bidding fraud schemes that can be perpetrated by the following parties in a scenario of allegations of fraudulent payments for goods not delivered:

- (a) Accounting officer/ Chief executive officer. (3 marks)
- (b) Head of procurement. (3 marks)
- (c) Inspection and acceptance committee. (3 marks)
- (d) Vendors. (3 marks)
- (e) Stores supervisor. (3 marks)

(Total: 15 marks)

53. Explain **FIVE** bribery and corruption offences that do not require prove of intent. **(Total: 10 marks)**

54. In relation to the Kenyan laws:

- (a) Identify **TWO** Kenyan substantive laws that have defined bribery as a legal offence. (2 marks)
- (b) State **TWO** Kenyan procedural laws that will be used in criminal trials. (2 marks)
- (c) Identify **ONE** Kenyan law which is both substantive and administrative and could be applied in improper payments from government revenue. (1 mark)

(Total: 5 marks)

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

THURSDAY: 24 April 2025. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions. This paper has two sections. SECTION I consists of fifty (50) Multiple Choice Questions carrying fifty (50) marks. SECTION II has four (4) structured questions carrying (50) marks. Marks allocated to each question are indicated at the end of the question.

SECTION I (50 MARKS)

1. Which one of the following offences could be prosecuted under both the Public Procurement and Assets Disposal Act as well as the Anti-Corruption and Economic Crimes Act?
 - A. Misrepresentation of material facts
 - B. Engaging in projects without prior planning
 - C. Concealment of material facts
 - D. Embezzlement of funds

(1 mark)
2. Which one of the following laws has defined malicious reporting as an offence?
 - A. POCAMLA
 - B. Computer Misuse and Cybercrime
 - C. Capital Markets Act
 - D. Public Finance Management Act

(1 mark)
3. Which one of the following is **NOT** an OECD recommendation to combat bribery in international business?
 - A. To enhance civil, criminal and administrative laws
 - B. To enhance banking and accounting requirements and practice
 - C. To enhance tax systems and regulations
 - D. None of the statements is applicable

(1 mark)
4. Which one of the following laws does **NOT** criminalise facilitation fees?
 - A. Bribery Act, 2016
 - B. UK Bribery Act
 - C. Foreign Corrupt Practice Act
 - D. None of the above

(1 mark)
5. Which one of the following statements is **NOT ACCURATE** in regard to embezzlement of funds?
 - A. The prosecution must intent prove
 - B. The prosecution must prove that the defendant was entrusted with funds
 - C. The prosecution must prove that the defendant took away the funds
 - D. The prosecution does not need to prove intent

(1 mark)

6. Which one of the following statements is **NOT ACCURATE** in regard to offences under Computer Misuse and Cybercrime?

- A. Unauthorised access is a substantive offence even if no other offence was committed
- B. Unauthorised offence with the intent to commit further offence is an additional offence
- C. The offence committed under any other law by gaining unauthorised access will not be an additional offence to the unauthorised access
- D. The offence committed under any other law by gaining unauthorised access will be in addition to unauthorised access

(1 mark)

7. Which one of the following Kenya laws is **NOT** both substantive and administrative law?

- A. POCAMLA
- B. Anti-Corruption and Economic Crimes Act
- C. Bribery Act
- D. None of the answers is applicable

(1 mark)

8. Which one of the following is **NOT** a legal elements of bid rigging?

- A. Collusion among bidders
- B. Refraining from submitting a tender, proposal, quotation or bid because of an inducement
- C. Refraining from submitting a tender, proposal, quotation or bid because of a reward
- D. Giving and receiving of a bribe

(1 mark)

9. Which one of the following statements does **NOT** describe securities' manipulation scheme?

- A. Increase or are likely to increase the price with the intention of inducing another person to purchase, subscribe for or to refrain from selling securities issued by the same company or a related company or such other listed securities
- B. Employees trading their shares based on inside information that is not known by the public
- C. Stabilise or are likely to stabilise, the price with the intention of inducing another person to sell, purchase, or subscribe for or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company or such other listed securities
- D. None of the above

(1 mark)

10. Which one of the following offences requires intent as a legal element to prove the offence?

- A. Bid rigging
- B. Unlawful payments from government revenue
- C. Bribery
- D. Activities to enable bribery

(1 mark)

11. Which one of the following is offences of strict liability?

- A. Abuse of office
- B. Activities to enable bribery
- C. Misrepresentation of material facts
- D. None of the above

(1 mark)

12. Which one of the following statements is **NOT ACCURATE** under the Bribery Act, 2016?

- A. Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
- B. The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
- C. Under this Act, it is an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness
- D. Under this Act, it is not an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness

(1 mark)

13. Which one of the following statements is **ACCURATE** in regard to Anti-Corruption and Economics Crimes Act? Anti-Corruption and Economics Crimes Act is _____.

- A. both substantive and administrative law
- B. both procedural and administrative law
- C. not an administrative law
- D. only a substantive law

(1 mark)

14. Which one of the following parties in an organisation can commit an offence of breach of trust from a legal perspective?

- A. An accountant
- B. An internal auditor
- C. An accounting officer
- D. A manager

(1 mark)

15. Which one of the following statements is **NOT** a legal element of bribery under the Bribery Act, 2016?

- A. Receive an inducement or an advantage
- B. Paying an inducement or an advantage
- C. Engaging in activities to enable bribery
- D. Corrupt conduct

(1 mark)

16. Which one of the following statements is **NOT** a legal element of concealment of material facts?

- A. The defendant had a duty to disclose the material facts
- B. The defendant knew the statement or document was false
- C. Intent to deceive or mislead
- D. The victim suffered loss

(1 mark)

17. Which one of the following offences is **NOT** an offence under the Public Finance Management Act?

- A. Failure to keep proper books and records
- B. Concealment of material facts
- C. Misappropriation of public funds
- D. None of the above

(1 mark)

18. Which one of the following offences is both computer fraud and computer forgery?

- A. Intentional input, alteration, deletion suppression of computer data, resulting in authentic data
- B. Unauthorised access
- C. Unauthorised interference
- D. Intentionally inputs, alters, deletes or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted upon for legal purpose

(1 mark)

19. Which one of the following offences is **NOT** of strict liability under the Bribery Act 2016?

- A. Activities to enable bribery
- B. Giving a bribe
- C. Receiving a bribe
- D. Bribery of foreign official

(1 mark)

20. Which one of the following is **NOT** an element of giving a bribe offence under the bribery Act 2016?

- A. A corrupt conduct
- B. Corrupt intent
- C. An advantage or reward
- D. Conspiracy

(1 mark)

21. Which one of the following statements is **NOT ACCURATE** in regard to extra territorial implications under the Bribery Act 2016?

- A. The Bribery Act 2016 does not have implications for an entity that is not established in Kenya under any circumstances
- B. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities
- C. Like the UK Bribery Act the Bribery Act 2016 has far-reaching implications
- D. The Bribery Act 2016 has implications for an entity that is not established in Kenya under some circumstances

(1 mark)

22. Which one of the following parties is capable of deceiving principle under the Anti-corruption and Economics Crimes Act?

- A. Finance manager
- B. Chief Executive Officer
- C. Internal auditor
- D. Procurement manager

(1 mark)

23. Which one of the following **DOES NOT** constitute misrepresentation of facts?

- A. The document contents have legal significance
- B. The defendant knew the statement or document was false
- C. The victim relied on the misrepresentation
- D. The statement was material

(1 mark)

24. Which one of the following is **NOT** a legal element that must be proved in misrepresentation of material facts in a criminal proceeding?

- A. The victim suffered financial loss
- B. The defendant knew the statement or document was false
- C. The statement was material
- D. None of the above

(1 mark)

25. Which one of the following is **NOT** a legal offence of financial misconduct committed by the public officer?

- A. Wasteful expenditure
- B. Fails to keep proper books and records
- C. Corrupt conduct
- D. Makes improper payments

(1 mark)

26. Which one of the following substantive laws have defined two different types of offences in one?

- A. Computer misuse and Cybercrime
- B. Bribery Act
- C. Public Finance Management Act
- D. POCAMLA

(1 mark)

27. Which one of the following statements is **NOT ACCURATE** in regard to penalties and punishment under the Bribery Act 2016?

- A. A person convicted for bribery and given penalties of a fine and imprisonment is required to pay the benefit received to the Government in addition
- B. Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
- C. Under the Bribery Act, disqualification from serving as a director or partner of a private organisation would not be in addition to penalties of a fine and imprisonment
- D. Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment

(1 mark)

28. Which one of the following is **NOT** a defined offence under the Public Procurement and Assets Disposal Act?

- A. Splitting procurement
- B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
- C. An attempt to commit an offence
- D. Corrupt conduct

(1 mark)

29. Which one of the following is **NOT** a legal element of prove breach of trust?

- A. The defendant was in a position of trust
- B. The defendant acted negligently
- C. The defendant did not act in the best interest of the principal
- D. The defendant engaged in conflict of interest

(1 mark)

30. Which one of the following is **NOT** an offence facilitated by breach of trust?

- A. Conflict of interest
- B. Misappropriation of funds
- C. Abuse of office
- D. Tax evasion

(1 mark)

31. Which one of the following term is **NOT** a forgery?

- A. A document with false contents
- B. A fraudulent invoice
- C. A fraudulent claim
- D. A forged check

(1 mark)

32. Which one of the following statements is **NOT ACCURATE** in regard to bribery and corruption under the Bribery Act and the Anti- Corruption and Economic Crimes Act?

- A. Before the Bribery Act 2016, the Anti-Corruption and Economic Crimes Act did not impose significant responsibilities on the private sector to put anti-corruption measures in place
- B. The Bribery Act 2016 imposes express duties on private entities and individuals to prevent and report incidents of bribery
- C. Like the UK Bribery Act, the Bribery Act 2016 has extra-territorial application in relation to bribery-related offenses carried outside Kenya
- D. The Bribery Act 2016 does not criminalise facilitation fees to expedite the process but rather an inducement to influence decision

(1 mark)

33. Which one of the following acts is **NOT** criminalised by the Foreign Corrupt Practice Act?

- A. A U.S company promises to pay a foreign official \$100,000 as a facilitation fee
- B. A U.S company transfers \$500,000 to a foreign official to influence the official to award it a public construction contract
- C. A UK company that is trading securities on the New York Stock Exchange transfers \$500,000 to a foreign official to influence the official to award it a public contract
- D. A U.S company promises to pay a chief executive officer \$100,000 to secure a business

(1 mark)

34. Which one of the following statements describes criminal tax offence related to tax period?

- A. Any person who, in relation to a tax period, unknowingly omits from his or her return any amount which should have been included
- B. Any person who, in relation to a tax period, unknowingly claims any relief or refund to which he or she is not entitled
- C. Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- D. Any person who, in relation to a tax period, intentionally omits from his or her return any amount which should have been included

(1 mark)

35. Which one of the following offences is associated with conflict of interest?
A. Abuse of office
B. Misappropriation of funds
C. Concealment of material facts
D. Bribery (1 mark)

36. Which one of the following statements is **NOT ACCURATE** in regard to reporting institution under the POCAMLA Act?
A. The POCAMLA obligations include establishing and maintaining internal reporting procedures
B. Upon the coming into force of POCAMLA Act, a reporting institution shall undertake customer due diligence on the existing customers
C. The POCAMLA Act makes it an obligation for financial institution to undertake customer due diligence on new customers and existing customer
D. The POCAMLA does not make it an obligation for Non-Financial Designated Reporting Institution to put anti- money laundering programmes in place (1 mark)

37. Which one of the following statements is **NOT ACCURATE** in regard to Bribery Act, 2016 and UK Bribery Act?
A. Both the Bribery Act 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act
B. Both the Bribery Act 2016 and the UK Bribery Act criminalise payment of commercial bribery
C. Unlike the UK Bribery Act Bribery Act, 2016 does not criminalise commercial bribery
D. Both the Bribery Act 2016, and the UK Bribery Act criminalise payment of facilitation fees (1 mark)

38. Which one of the following offences falls under the Bribery Act, 2016?
A. Activities to enable bribery
B. Bid rigging
C. Abuse of office
D. Misappropriation of funds (1 mark)

39. Which one of the following statements is **NOT** a legal element of giving a bribe under the Bribery Act 2016?
A. A person commits the offence of giving a bribe if the person knowingly offers promises or gives a financial or other advantage to another person
B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
C. It shall not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned
D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party (1 mark)

40. Which one of the following is **NOT** a defence against tax criminal liability?
A. Death of the tax payer
B. No tax liability
C. Unintentional failure to pay taxes
D. Reliance on a tax expert (1 mark)

41. Which one of the following is **NOT** a legal element of misrepresentation of material facts in fraud civil trial?
A. The victim relied on the misrepresentation
B. The victim suffered damages as a result of the misrepresentation
C. The defendant knew the representation was false
D. None of the answers is applicable (1 mark)

42. Which one of the following terms is an economic crime under the Anti – Corruption and Economic Crimes Act?
A. Asset misappropriation
B. Fraud
C. Conflict of interest
D. Making payments for services not rendered from government revenue (1 mark)

43. Which one of the following Kenyan laws defines soliciting or receiving an inducement as an offence?
A. Proceeds of crime and Anti- money laundering
B. Capital Markets Act
C. Criminal procedure Act
D. None of the above (1 mark)

44. Which one of the following offences is a secondary offence?
A. Conspiracy
B. Bid rigging
C. Asset misappropriation
D. Aiding and abetting (1 mark)

45. Which one of the following statements is **NOT** an insider-trading securities fraud?
A. Corporate officers, directors and employees trade their corporate's securities based on information already known to the public
B. Business associates of corporate officers, directors and employees trade their corporate securities based on information on the issuer's prospectus
C. Employees of law firms, accounting firms or stock brokers trade their securities based on information obtained in the course of their engagement
D. Corporate officers, directors and employees trade their corporate's securities based on inside information not known to the public (1 mark)

46. Which one of the following is procedural laws the set the rules and procedures of determining criminal substantive offences?
A. Evidence Act
B. Criminal Procedure Code
C. Civil Procedure Act
D. Penal Code (1 mark)

47. False claims from government revenue or property is a type of _____.
A. economic crime
B. corruption offence
C. financial misconduct offence
D. asset misappropriation offence (1 mark)

48. Which one of the following terms is **NOT** an action that constitutes hindering person in performance of functions?
A. Destroying evidence
B. Providing false or misleading information
C. Threatening an officer
D. None of the above (1 mark)

49. Which one of the following Kenyan laws has **NOT** defined hindering a person in performance of functions as an offence?
A. Public Finance Management Act
B. Public Procurement and Assets Disposal Act
C. POCAMLA
D. None of the above (1 mark)

50. Which one of the following is **NOT ACCURATE** in regard to offence of computer forgery?
A. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes, as if it were authentic
B. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data
C. Computer forgery is a separate offence in addition to the underlying crime
D. Computer forgery will result to an additional offence of computer fraud (1 mark)

SECTION II (50 MARKS)

51. In relation to fraudulent or corrupt activities, analyse the legal elements of the following legal offences:
(a) Abuse of office. (4 marks)
(b) Breach of trust. (4 marks)
(c) Bid rigging. (4 marks)
(d) Gross negligence. (4 marks)
(e) Deceiving a principal. (4 marks)
(Total: 20 marks)

52. Explain **FIVE** economic crimes under the Anti-Corruption and Economic Crimes Act which are associated with custody, management and administration of public revenue or property. (Total: 15 marks)

53. Explain **FIVE** fraudulent or corrupt offences that are of strict liability. (Total: 10 marks)

54. In relation to the Kenyan substantive laws:
(a) Identify **THREE** substantive laws that have defined misrepresentation of material facts as an offence. (3 marks)
(b) Identify **TWO** substantive laws that have defined concealment of material information as an offence. (2 marks)
(Total: 5 marks)

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

PILOT PAPER

MARCH 2025.

Time Allowed: 3 hours.

Answer ALL questions. This paper has two Sections. SECTION I consists of fifty (50) Multiple Choice Questions carrying fifty (50) marks. SECTION II has four (4) structured questions carrying fifty (50) marks. Marks allocated to each question are indicated at the end of the question.

SECTION I (50 MARKS)

1. Which one of the following Kenyan laws has **NOT** defined misrepresentation of facts as an offence?
A. Computer Misuse and Cybercrime Act
B. Penal Code
C. Public Procurement and Assets Disposal Act
D. Capital markets Act (1 mark)

ANSWER: A

2. Which one of the following statements is **NOT ACCURATE** in regard to international laws related to preventing and combating corruption?
A. United Nations Convention against corruption (UNCAC) has been integrated into the Kenya legal system
B. The African Union Convention on Preventing and Combating Corruption has been integrated into the Kenya legal system
C. United Nations Convention against Corruption (UNCAC) is yet to be integrated into the Kenya legal system
D. The international code of conduct for public officials is recognised by Kenya law (1 mark)

ANSWER: C

3. Which one of the following statements is **NOT** a legal element to prove misrepresentation of facts as a legal offence?
A. The defendant concealed material facts
B. The defendant knew the statement or document was false
C. The defendant presented a material false statement or document
D. The victim relied on the misrepresentation (1 mark)

ANSWER: A

4. Which one of the following statements is **NOT ACCURATE** in regard to legal elements that must be shown to prove misrepresentation of material facts in a criminal trial?
A. The victim relied on the false statement and suffered financial loss
B. The defendant knew the statement or document was false
C. The defendant presented a material false statement or document
D. None of the statements is applicable (1 mark)

ANSWER: A

5. A public officer in charge of preparing financial statements deliberately failed to provide all the financial information that related to the public entity. Which one of the following legal offences **BEST** define the offence committed by the public officer?

- A. Misrepresentation of material facts
- B. Concealment of material facts
- C. Gross negligence
- D. Forgery

(1 mark)

ANSWER: B

6. Which one of the following statements is **NOT** a legal element of computer forgery?

- A. Intentional input, alteration, deletion suppression of computer data, resulting in inauthentic data
- B. With intent to be considered and acted upon for legal purposes
- C. With intent to be considered and acted upon to make a decision
- D. None of the statements is applicable

(1 mark)

ANSWER: C

7. Which one of the following statements is **NOT ACCURATE** in regard to penalty under the Bribery Act 2016?

- A. Imprisonment (maximum of ten years); and Imposition of a fine (not exceeding KES 5,000,000/- plus any other penalty or punishment
- B. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and/or loss) but in addition to imprisonment
- C. Where the person received a quantifiable benefit and any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and five times amount quantifiable loss in addition to the initial fine and imprisonment
- D. Where the person received a quantifiable benefit and any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and five times amount quantifiable loss, but, not in addition to the initial fine and imprisonment

(1 mark)

ANSWER: D

8. Which one of the following statements is **NOT ACCURATE** in regard to the Bribery Act 2016?

- A. A person convicted for bribery and given penalties of a fine and imprisonment is required to pay the benefit received to the Government in addition
- B. Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
- C. Under the Bribery Act, disqualification from serving as a director or partner of a private organisation, would not be in addition to penalties of a fine and imprisonment
- D. Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment

(1 mark)

ANSWER: C

9. Which one of the following statements is **NOT** a type of procurement offence under the Public Procurement and Assets Disposal Act?

- A. A fraudulent act
- B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
- C. An attempt to commit an offence
- D. Corrupt conduct

(1 mark)

ANSWER: C

10. Which one of the following statements is **NOT ACCURATE** in regard to the Bribery Act 2016?

- A. The Bribery Act 2016 does not have wide implications for an entity that is not established in Kenya but do business in Kenya
- B. Because of the hefty penalties, the implications should be factored into all business activities and businesses need to establish an effective bribery and corruption prevention policy
- C. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities, alongside other extra-territorial statutes on bribery
- D. None of the statements is applicable

(1 mark)

ANSWER: A

11. Ronald is an agent of XYZ government agency. Ronald makes a statement to the principal indicating that the agency need to buy laptops for their employees. There are laptops in the store that are yet to be given out. The agent budgeted for laptops and the bought the laptops. The agent received a reward from the vendor for influencing the procurement. Which one of the following statements is **NOT** an offence committed by the agent?

- A. Abuse of office
- B. Deceiving principle
- C. Misappropriation of funds
- D. Bribery

(1 mark)

ANSWER: C

12. Which one of the following statements is **NOT ACCURATE** in regard to the legal elements to prove breach of trust?

- A. The defendant was in a position of trust
- B. The defendant was entrusted with the organisation's funds
- C. The defendant did not act in the best interest of the principal
- D. None of the statements is applicable

(1 mark)

ANSWER: B

13. Which one of the following statements is **NOT ACCURATE** in regard to the legal elements of forgery?

- A. The defendant represents a document with false contents
- B. The defendant represents a document with false contents and the document has legal significance
- C. The document was made or altered with the intent to defraud
- D. The defendant made material alterations that affected the legal significance

(1 mark)

ANSWER: A

14. Which one of the following statements is an example of an economic crime under the Anti – Corruption and Economic Crimes?

- A. Causing a computer or any other electronic machinery to perform any function that directly or indirectly results in a loss or adversely affects any public revenue or service.
- B. Asset misappropriation
- C. Fraud
- D. Conflict of interest

(1 mark)

ANSWER: A

15. Which one of the following Kenyan laws defines soliciting or receiving an inducement as an offence?

- A. Proceeds of crime and Anti- money laundering
- B. Capital Markets Act
- C. Public Finance Management Act
- D. Criminal procedure Act

(1 mark)

ANSWER: C

16. Which one of the following offences is **NOT** a substantive offence?

- A. Conspiracy
- B. Bid rigging
- C. Asset misappropriation
- D. None of the statements is applicable

(1 mark)

ANSWER: D

17. Which one of the following statements is an example of inside-trading?

- A. Corporate officers, directors and employees trade their corporate's securities based on information already know to the public
- B. Family members, friends and business associates of corporate officers, directors and employees trade their corporate securities based on information on the issuer's prospectus
- C. Employees of law firms, accounting firms or stock brokers trade their securities based on information obtained in the course of their engagement
- D. None of the statements is applicable

(1 mark)

ANSWER: C

18. Which one of the following statements is an exemption of the requirements for government to conduct searches and seizures?

- A. A police officer believes based on reasonable grounds that the suspect committed the offence
- B. A police officer believes beyond reasonable doubt, the suspect committed the offence
- C. A person commits an offence in the presence of a police officer
- D. A police officer has sufficient evidence that the person committed the offence

(1 mark)

ANSWER: C

19. Which one of the following statements in regard to false statement to government is **NOT ACCURATE**?

- A. To violate a law criminalising false statements to government agencies, the statements does not need to be made directly to the government
- B. A statement made to a third party does not violate laws related to false statements to the government
- C. To violate laws related false statements to government, the government does not have to suffer loss
- D. An offence of false statement to the government occurs, even when the government did not rely on the false statement

(1 mark)

ANSWER: B

20. Which one of the following statements is **NOT** a type of obstruction of justice offence?

- A. Contempt of court
- B. Bribing a witness
- C. Destroying documents
- D. Impeding a government auditor in the performance of their official duties

(1 mark)

ANSWER: A

21. Which one of the following statements in relation to the UK Bribery Act and Bribery ACT 2016 is **NOT ACCURATE**?

- A. The UK Bribery Act has broader application than the Bribery Act 2016 in regard to commercial bribery
- B. Unlike the U.S. Foreign Corrupt Practices Act's (FCPA), the UK Bribery Act and Bribery 2016 criminalise facilitation payments
- C. The UK Bribery Act exercise jurisdiction over all individuals for acts of corruption when any part of the offences occurs in the UK
- D. If an organisation's anti-corruption programme complies with the U.S. Foreign Corrupt Practices Act's (FCPA), it will not be adequate for the purpose of complying with the Bribery Act 2016

ANSWER: A

22. Which one of the following statements is **NOT ACCURATE** in regard to computer forgery?

- A. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes, as if it were authentic
- B. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data
- C. Computer forgery is a separate offence in addition to the underlying crime
- D. Computer forgery is a type of computer misuse offence

(1 mark)

ANSWER: B

23. Which one of the following statements is **NOT ACCURATE** in relation to the fight against bribery?

- A. Before the Bribery Act 2016, the Anti-Corruption and Economic Crimes Act did not impose significant responsibilities on the private sector to put anti-corruption measures in place
- B. The Bribery Act 2016 imposes express duties on private entities and individuals to prevent and report incidents of bribery
- C. Like the UK Bribery Act, the Bribery Act 2016 has extra-territorial application in relation to bribery-related offenses carried outside Kenya
- D. The Bribery Act 2016 does not criminalise facilitation fees to expedite the process but rather an inducement to influence decision

(1 mark)

ANSWER: D

24. Which one of the following acts is **NOT** criminalised by the U.S. Foreign Corrupt Practices Act's (FCPA)?

- A. A U.S company promises to pay a foreign official \$100,000 as a facilitation fee
- B. A U.S company transfers \$500,000 to a foreign official to influence the official to award it a public construction contract
- C. A UK company that is trading securities on the New York Stock Exchange transfers \$500,000 to a foreign official to influence the official to award it a public contract
- D. None of the statements is applicable

(1 mark)

ANSWER: A

25. Which one of the following fraudulent activities is criminalised by the Tax Procedure Act?

- A. Any person who, in relation to a tax period, unknowingly omits from his or her return any amount which should have been included
- B. Any person who, in relation to a tax period, unknowingly claims any relief or refund to which he or she is not entitled
- C. Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- D. Any person who, in relation to a tax period, intentionally omits from his or her return any amount which should have been included

(1 mark)

ANSWER: D

26. Which one of the following terms is the main legal element of conflict of interest?

- A. Undisclosed interest
- B. Personal interest
- C. Financial gain
- D. Conferring benefit to self or another person

(1 mark)

ANSWER: A

27. Which one of the following statements is **NOT ACCURATE** in regard to Non-Financial Designated Reporting Institution under the POCAMLA Act?

- A. The POCAMLA obligations include establishing and maintaining internal reporting procedures
- B. Upon the coming into force of this Act (POCAMLA) a reporting institution shall undertake customer due diligence on the existing customers
- C. The POCAMLA make it an obligation for financial institution to undertake customer due diligence on new customers and existing customer
- D. The POCAMLA does not make it an obligation for Non-Financial Designated Reporting Institution to put anti- money laundering programs in place

(1 mark)

ANSWER: D

28. Which one of the following statements is **NOT ACCURATE** in regard to the similarities of Bribery Act 2016 and UK Bribery Act?

- A. Both the Bribery Act 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act
- B. Both the Bribery Act 2016 and the UK Bribery Act criminalise payment of commercial bribery
- C. Unlike the UK Bribery Act Bribery Act, 2016 does not criminalise commercial bribery
- D. Both the Bribery Act 2016 and the UK Bribery Act criminalise payment of facilitation fees

(1 mark)

ANSWER: C

29. Which one of the following offences is a type of corruption offence under the Bribery Act?

- A. Fraud
- B. Bid rigging
- C. Abuse of office
- D. None of the answers is correct

(1 mark)

ANSWER: D

30. Which one of the following statements is **NOT** a legal element of deceiving principal?

- A. The defendant is an agent of the principal
- B. The document is material
- C. The document has false contents and is capable of defrauding
- D. None of the statements is applicable

(1 mark)

ANSWER: C

31. Which one of the following statements is **NOT ACCURATE** in relation to giving a bribe under the Bribery Act 2016?

- A. A person commits the offence of giving a bribe if the person unknowingly offers promises or gives a financial or other advantage to another person
- B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
- C. It shall not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform or has performed, the function or activity concerned
- D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party

(1 mark)

ANSWER: A

32. Which one of the following statements is the **BEST** defence against tax criminal liability?

- A. Death of the tax payer
- B. No tax liability
- C. Unintentional failure to pay taxes
- D. Reliance on a tax expert

(1 mark)

ANSWER: B

33. Which one of the following statements is **NOT** a legal element of fraudulent misrepresentation of material facts in fraud civil litigation?

- A. The victim relied on the misrepresentation
- B. The victim suffered damages as a result of the misrepresentation
- C. The defendant knew the representation was false
- D. The defendant concealed material facts

(1 mark)

ANSWER: D

34. Which one of the following laws has defined misuse of information as an offence?

- A. POCAMLA Act
- B. Computer Misuse and Cybercrime
- C. Capital Markets Act
- D. Public Finance Management Act

(1 mark)

ANSWER: A

35. Which one of the following statements is **NOT** a recommendation that the OECD made in regard to preventing bribery in international business?

- A. To enhance civil, criminal and administrative laws
- B. To enhance banking and accounting requirements and practice
- C. To enhance tax systems and regulations
- D. None of the statements is applicable

(1 mark)

ANSWER: D

36. Which one of the following laws and rules **DOES NOT** prohibit commercial bribery?

- A. Bribery Act
- B. United Nations Convention
- C. Public Procurement and Assets Disposal Act
- D. None of the statements is applicable

(1 mark)

ANSWER: D

37. Which one of the following offences does **NOT** constitute an advantage under the Bribery Act 2016?
A. Contract or employment
B. Liquidation of any loan
C. Discharge of any obligation or other liability
D. None of the statements is applicable (1 mark)

ANSWER: D

38. Which one of the following statements is **NOT ACCURATE** in regard to misappropriation of assets?
A. The prosecution must intent prove
B. The prosecution must prove that the defendant was entrusted with asset
C. The prosecution must prove that the defendant took away the asset
D. The prosecution must prove that the asset was material (1 mark)

ANSWER: D

39. Which one of the following statements is **NOT ACCURATE** in regard to unauthorised access under Computer Misuse and Cybercrime?
A. Unauthorised access is a substantive offence even if no other offence was committed
B. Unauthorised offence with the intent to commit further offence is an additional offence
C. The offence committed under any other law by gaining unauthorised access will not be an additional offence to the unauthorised access
D. The offence committed under any other law by gaining unauthorised access will be in addition to unauthorised access (1 mark)

ANSWER: C

40. Which one of the following laws is the Assets Recovery Agency established?
A. POCAMLA
B. Anti- Corruption and Economic Crimes Act
C. Bribery Act
D. Asset Recovery Law (1 mark)

ANSWER: A

41. Which one of the following statements is **NOT ACCURATE** in regard to the recommendations of Financial Action Task Force?
A. Kenya is not a member of the Financial Action Task Force but benchmarks in developing anti-money laundering programmes
B. Financial Action Task Force membership requirements are very stringent and none of the countries have been able to meet the requirements
C. Financial Action Task Force membership requirements are very stringent and only a few countries have been able to meet the requirements
D. Financial Action Task Force does not expect countries to meet all the recommendation (1 mark)

ANSWER: B

42. Which one of the following statements **NOT** accurate in regard to reporting institutions under the POCAMLA Act?
A. The act does not apply to firms that do not offer financial services transactions on behalf of their clients
B. The act put an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
C. This act put an obligation on the reporting institutions to establish and maintain customers' records
D. None of the statements is applicable (1 mark)

ANSWER: A

43. Which one of the following statements is **NOT ACCURATE** in regard to legal elements of bid rigging under Anti-Corruption and Economic Crimes Act?
A. Agreement to engage in illegal act
B. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
C. Withdrawing or changing a tender, proposal, quotation or bid
D. Giving and receiving of a bribe (1 mark)

ANSWER: C

44. Which one of the following statements is **NOT ACCURATE** in regard to market manipulation crime under the Capital Markets Act?

- A. Increase or are likely to increase the price with the intention of inducing another person to purchase, subscribe for or to refrain from selling securities issued by the same company or a related company or such other listed securities
- B. Employees trading their shares based on inside information that is not known by the public
- C. Stabilise or are likely to stabilise, the price with the intention of inducing another person to sell, purchase or subscribe for or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company or such other listed securities
- D. None of the statements is applicable

(1 mark)

ANSWER: B

45. Which one of the following statements is **ACCURATE** in regard to Capital Markets Act?

- A. National securities laws and regulations have extraterritorial reach
- B. Most securities markets are regulated on an international basis
- C. Securities exchanges are regulated entities that have regulatory authority
- D. National securities laws and regulations does not have extra territorial reach

(1 mark)

ANSWER: A

46. Which one of the following statements is **NOT** a legal element of official bribery under the Bribery Act 2016?

- A. The defendant received an interest in a property
- B. The defendant acted with criminal intent
- C. The criminal defendant is a government official
- D. The criminal defendant engaged in a corrupt conduct

(1 mark)

ANSWER: B

47. Which one of the following statements is **NOT** an offence of strict liability under the Bribery Act?

- A. Bribery of foreign officials
- B. Activities to enable bribery
- C. Receiving a bribe
- D. Paying a bribe

(1 mark)

ANSWER: B

48. Which one of the following statements is **NOT ACCURATE** under the Bribery Act in regard to protection of witnesses?

- A. Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
- B. The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
- C. Under this Act, it is an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness
- D. None of the statements is applicable

(1 mark)

ANSWER: C

49. Which one of the following statements is **NOT ACCURATE** in regard to a penalty for acts of bribery?

- A. Imprisonment of a maximum of ten years
- B. Imposition of a fine not exceeding Sh.5,000,000
- C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of a fine (five times the amount of the benefit and/or loss) not in addition to the initial fine
- D. None of the statements is applicable

(1 mark)

ANSWER: C

50. Which one of the following statements is **NOT ACCURATE** in regard to the disqualification from holding a public office?

- A. Disqualification from holding a public office if one is charged with a bribery offence
- B. Disqualification from holding a public office if one is convicted with a bribery offence
- C. Disqualification from holding a public office also attracts the initial penalty in addition
- D. Disqualification from holding a public office also attracts penalties for quantifiable benefits or losses in addition

(1 mark)

ANSWER: A

SECTION II (50 MARKS)

51. Analyse the legal elements of the following legal offences:

- (a) Misrepresentation of material facts. (5 marks)
- (b) Concealment of material facts. (5 marks)
- (c) Conflict of interest. (5 marks)
- (d) Conspiracy. (5 marks)

(Total: 20 marks)

52. Describe the following bribery offences:

- (a) General bribery offences. (5 marks)
- (b) The legal elements of each of the offences. (5 marks)
- (c) Two bribery offences of strict liability. (5 marks)

(Total: 15 marks)

53. Evaluate **FIVE** corruption offences under the Anti-Corruption and Economic Crimes Act. (Total: 10 marks)

54. Highlight **FIVE** Kenyan substantive laws related to fraud and corruption. (Total: 5 marks)

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 4 December 2024. Morning Paper.

Time Allowed: 3 hours.

This paper consists of one hundred (100) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated one (1) mark.

1. Which one of the following statements is **NOT** accurate in regard to the Public Procurement and Assets Disposal Act?
A. The Public Procurement and Assets Disposal Act is an Administrative law
B. The Public Procurement and Assets Disposal Act is both a criminal and administrative law
C. The Public Procurement and Assets Disposal Act has provisions for corrupt and fraudulent activities
D. The provisions for fraudulent and corrupt activities are prosecuted under other laws (1 mark)

2. Which one of the following laws could be applied in a procurement corrupt activities by vendors?
A. Public Procurement and Assets Disposal Act
B. Anti-Corruption and Economic Crimes Act
C. Bribery Act
D. Penal Code (1 mark)

3. Which one of the following statements is **NOT** accurate in regard to payment of goods not supplied from government revenue?
A. The offence is an economic crime under the Anti-Corruption and Economics Crime Act
B. The offence also attracts an extra offence of misappropriation of public funds under the Public Finance Management Act
C. The offence does not attract an additional offence in addition to the economic crime
D. None of the above (1 mark)

4. Which one of the following statements is **NOT** a legal element of omission of material information?
A. The defendant had a duty to disclose the material facts
B. The defendant knew the statement or document was false
C. Intent to deceive or mislead
D. The victim suffered loss (1 mark)

5. Which one of the following is **NOT** a legal offence defined under the Public Finance Management Act?
A. Taking possession of public funds unlawfully
B. Concealment of material facts
C. Misappropriation of public funds
D. Concealment of facts (1 mark)

6. Which one of the following is **NOT** a legal element of misusing a computer for forgery purposes?
A. Intentional input, alteration and deletion suppression of computer data, resulting in authentic data
B. With intent to be considered and acted upon for legal purposes
C. With intent to be considered and acted upon
D. None of the above (1 mark)

7. Which one of the following is **NOT** a general offence under the Bribery Act 2016?
A. Activities to enable bribery
B. Giving a bribe
C. Receiving a bribe
D. Bribery of foreign official (1 mark)

8. Which one of the following is an element of a bribery offence under the bribery Act 2016?
A. A corrupt conduct
B. Fraudulent act
C. Misrepresentation of material facts
D. Bid rigging (1 mark)

9. Which one of the following statements is **NOT** accurate in regard to implications under the Bribery Act 2016?
A. The Bribery Act 2016 does not have implications for an entity that is not established in Kenya under any circumstances
B. Because of the hefty penalties, the implications should be factored into all business activities
C. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities
D. Like the UK Bribery Act, the Bribery Act 2016 has far-reaching implications (1 mark)

10. Which one of the following is **NOT** an offence associated with deceiving principle under the Anti-Corruption and Economics Crimes Act?
A. Abuse of office
B. Bribery
C. Misappropriation of funds
D. Conflict of interest (1 mark)

11. Which one of the following laws has defined breach of trust as an offence?
A. Public Finance Management Act
B. Computer Misuse and Cyber Crime
C. Public Procurement and Assets Disposal Act
D. Bribery Act (1 mark)

12. Which one of the following statements is **ACCURATE** in regard to forgery offence?
A. The defendant represents a document with inaccurate contents
B. The defendant represents a document with false contents
C. The defendant made material alterations on the document
D. None of the above (1 mark)

13. Which one of the following offences is defined by **MOST** laws that have defined fraudulent offences?
A. Misrepresentation of material facts
B. Asset misappropriation
C. Fraud
D. Concealment of material facts (1 mark)

14. Which one of the following laws defines forgery as an offence?
A. Proceeds of crime and Anti- money laundering (POCAMLA)
B. Capital Markets Act (CMA)
C. Public Finance Management Act (PFMA)
D. Computer Misuse and Cybercrime Act (1 mark)

15. Which one of the following offences is **NOT** a substantive offence under the Anti-Corruption and Economics Crime?
A. An attempt to commit a crime
B. Bid rigging
C. Abuse of office
D. None of the above (1 mark)

16. Which one of the following is **NOT** an example of securities fraud under the Capital markets Act?
A. Insider trading
B. Obtaining gain by fraud
C. Forgery
D. False trading and market rigging (1 mark)

17. Which one of the following statements is **NOT** an exemption of a government officer to conduct searches and seizures in a suspect's office?
A. A police officer believes a suspect is in possession of contraband
B. A suspect commits an offence in the presence of a police officer
C. A police officer searches for items not in the search warrant
D. A police officer searches for items in the search warrant (1 mark)

18. Which one of the following statements is **ACCURATE** in regard to false claims from government revenue?
A. To violate a law criminalising false claims to government agencies, the statements must be made directly to the government
B. A false claim made to a third party does not violate laws related to false claims to the government
C. To violate laws related to false claims to government, the government does not need to suffer loss
D. None of the above (1 mark)

19. Which one of the following is **NOT** a type of offence related to hindering or obstructing an officer under the Public Procurement and assets Disposal Act?
A. Influencing a witness
B. Destroying documents
C. Threatening a witness
D. None of the above (1 mark)

20. Which one of the following statements is **NOT** accurate in regard to improper use of computer to defraud another person?

- A. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes
- B. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data
- C. Computer forgery is a substantive offence in addition to another the underlying crime
- D. None of the above

(1 mark)

21. Which one of the following is the **MOST** comprehensive law in regard to bribery offences?

- A. Anti-Corruption and Economic Crimes Act
- B. Penal Code
- C. Criminal Procedure Act
- D. None of the above

(1 mark)

22. Which one of the following statements is **ACCURATE** in regard to Tax Procedure Act?

- A. Offence of under the Tax Procedure Act are of strict liability
- B. Offence of under the Tax Procedure Act are not of strict liability
- C. Offence of under the Tax Procedure Act does not require prove of intent
- D. None of the above

(1 mark)

23. Which one of the following **BEST** describes false or misleading statements under the Tax Procedure Act?

- A. Misrepresentation of material facts
- B. Concealment of material facts
- C. Gross negligence
- D. Forgery

(1 mark)

24. Which one of the following statements is **ACCURATE** in regard to improper payments under the Public Finance Management Act?

- A. Improper payments are disbursements for goods not supplied or services not rendered
- B. Improper payments are disbursements for unnecessary or excessive costs
- C. Improper payments are fraudulent or unlawful disbursements
- D. Improper payments involve misappropriation of funds

(1 mark)

25. Which one of the following laws defines activities that involve fraudulent and unlawful payments?

- A. Anti- Corruption and Economic Crimes Act Crime
- B. Penal code
- C. Public Finance Management Act
- D. Public Procurement and Assets Disposal Act

(1 mark)

26. Which one of the following is the main legal element of conflict of interest?

- A. Undisclosed interest
- B. Personal interest
- C. Financial gain
- D. Conferring benefit to self or another person

(1 mark)

27. Which one of the following statements is **NOT** accurate in regard to Non-Financial Designated Reporting Institution under the POCAMLA Act?

- A. The POCAMLA obligations include establishing and maintaining internal reporting procedures
- B. Upon the coming into force of this Act (POCAMLA) a reporting institution shall undertake customer due diligence on the existing customers
- C. The POCAMLA makes it an obligation for a financial institution to undertake customer due diligence on new customers and existing customer
- D. The POCAMLA does not make it an obligation for Non-Financial Designated Reporting Institutions to put anti- money laundering programs in place (1 mark)

28. Which one of the following statements is **NOT** accurate in regard to the similarities of Bribery Act 2016 and UK Bribery Act?

- A. Both the Bribery Act 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act
- B. Both the Bribery Act 2016, and the UK Bribery Act criminalise payment of commercial bribery
- C. Unlike the UK Bribery Act Bribery Act, 2016 does not criminalise commercial bribery
- D. Both the Bribery Act 2016, and the UK Bribery Act criminalise payment of facilitation fees (1 mark)

29. Which one of the following is a type of corruption offence under the Bribery Act?

- A. Fraud
- B. Bid rigging
- C. Abuse of office
- D. None of the above (1 mark)

30. Which one of the following is **NOT** a legal element of deceiving principal?

- A. The defendant is an agent of the principal
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- D. None of the above (1 mark)

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- A. A person commits the offence of giving a bribe if the person unknowingly offers promises or gives a financial or other advantage to another person
- B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
- C. It shall not matter whether the person to whom the advantage is offered promised or given is the same person as the person who is to perform or has performed the function or activity concerned
- D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party (1 mark)

32. Which one of the following is the **BEST** defence against tax criminal liability?

- A. Death of the tax payer
- B. No tax liability
- C. Unintentional failure to pay taxes
- D. Reliance on a tax expert (1 mark)

33. Which one of the following is **NOT** a legal element of fraudulent misrepresentation of material facts in fraud civil litigation?

- A. The victim relied on the misrepresentation
- B. The victim suffered damages as a result of the misrepresentation
- C. The defendant knew the representation was false
- D. None of the above

(1 mark)

34. Which one of the following laws has defined misuse of information as an offence?

- A. POCAMLA
- B. Computer Misuse and Cybercrime
- C. Capital Markets Act
- D. Public Finance Management Act

(1 mark)

35. Which one of the following is **NOT** a recommendation that the OECD made in regard to preventing bribery in international business?

- A. To enhance civil, criminal and administrative laws
- B. To enhance banking and accounting requirements and practice
- C. To enhance tax systems and regulations
- D. None of the above

(1 mark)

36. Which one of the following does **NOT** prohibit commercial bribery?

- A. Bribery Act
- B. United Nations Convention
- C. Public Procurement and Assets Disposal Act
- D. None of the above

(1 mark)

37. Which one of the following offences does **NOT** constitute an advantage under the Bribery Act 2016?

- A. Contract or employment
- B. Liquidation of any loan
- C. Discharge of any obligation or other liability
- D. None of the above

(1 mark)

38. Which one of the following statements is **NOT** accurate in regard to misappropriation of assets?

- A. The prosecution must intent prove
- B. The prosecution must prove that the defendant was entrusted with asset
- C. The prosecution must prove that the defendant took away the asset
- D. The prosecution must prove that the asset was material

(1 mark)

39. Which one of the following statements is **NOT** accurate in regard to unauthorised access under Computer Misuse and Cybercrime?

- A. Unauthorised access is a substantive offence even if no other offence was committed
- B. Unauthorised offence with the intent to commit further offence is an additional offence
- C. The offence committed under any other law by gaining unauthorised access will not be an additional offence to the unauthorised access
- D. The offence committed under any other law by gaining unauthorised access will be in addition to unauthorised access

(1 mark)

40. Which one of the following laws is the Assets Recovery Agency established?
A. POCAMLA
B. Anti-Corruption and Economic Crimes Act
C. Bribery Act
D. Asset Recovery Law (1 mark)

41. Which one of the following statements is **NOT** accurate in regard to the recommendations of Financial Action Task Force?
A. Kenya is not a member of the Financial Action Task Force but benchmarks in developing anti-money laundering programs
B. Financial Action Task Force membership requirements are very stringent and none of the countries have been able to meet the requirements
C. Financial Action Task Force membership requirements are very stringent and only a few countries have been able to meet the requirements
D. Financial Action Task Force does not expect countries to meet all the recommendation (1 mark)

42. Which one of the following statements **NOT** accurate in regard to reporting institutions under the POCAMLA Act?
A. The act does not apply to firms that do not offer financial services transactions on behalf of their clients
B. The act put an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
C. This act put an obligation on the reporting institutions to establish and maintain customers' records
D. None of the above (1 mark)

43. Which one of the following statements is **NOT** accurate in regard to legal elements of bid rigging under Anti-Corruption and Economic Crimes Act?
A. Agreement to engage in illegal act
B. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
C. Withdrawing or changing a tender, proposal, quotation or bid
D. Giving and receiving of a bribe (1 mark)

44. Which one of the following statements is **NOT** accurate in regard to market manipulation crime under the Capital Markets Act?
A. Increase or are likely to increase the price with the intention of inducing another person to purchase, subscribe for or to refrain from selling securities issued by the same company or a related company or such other listed securities
B. Employees trading their shares based on inside information that is not known by the public
C. Stabilise or are likely to stabilise, the price with the intention of inducing another person to sell, purchase or subscribe for or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company or such other listed securities
D. None of the above (1 mark)

45. Which one of the following statements is **ACCURATE** in regard to Capital Markets Act?
A. National securities laws and regulations have extraterritorial reach
B. Most securities markets are regulated on an international basis
C. Securities exchanges are regulated entities that have regulatory authority
D. National securities laws and regulations do not have extra territorial reach (1 mark)

46. Which one of the following is **NOT** a legal element of official bribery under the Bribery Act 2016?
A. The defendant received an interest in a property
B. The defendant acted with criminal intent
C. The criminal defendant is a government official
D. The criminal defendant engaged in a corrupt conduct (1 mark)

47. Which one of the following is **NOT** an offence of strict liability under the Bribery Act?
A. Bribery of foreign officials
B. Activities to enable bribery
C. Receiving a bribe
D. Paying a bribe (1 mark)

48. Which one of the following statements is **NOT** accurate under the Bribery Act in regard to protection of witnesses?
A. Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
B. The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
C. Under this Act, it is an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness
D. None of the above (1 mark)

49. Which one of the following statements is **NOT** accurate in regard to a penalty for acts of bribery?
A. Imprisonment (maximum of ten years)
B. Imposition of a fine (not exceeding KES 5,000,000)
C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of a fine (five times the amount of the benefit and/or loss) not in addition to the initial fine
D. None of the above (1 mark)

50. Which one of the following statements is **NOT** accurate in regard to disqualification from holding a public office?
A. Disqualification from holding a public office if one is charged with a bribery offence
B. Disqualification from holding a public office if one is convicted with a bribery offence
C. Disqualification from holding a public office also attracts the initial penalty in addition
D. Disqualification from holding a public office also attracts penalties for quantifiable benefits or losses in addition (1 mark)

51. Which one of the following statements is **NOT** a legal elements of conspiracy?
A. At least one of the conspirators knowingly committed at least one direct act in furtherance of the conspiracy
B. The defendant knew all the details of the illegal act
C. The defendant entered in an agreement to commit an illegal act
D. None of the above (1 mark)

52. Which one of the following is **NOT** accurate in regard to the purpose of Computer Misuse and Cybercrime?
A. Protect the confidentiality, integrity and availability of computer systems, programs and data
B. Facilitate for prevention, investigation, prosecution and punishment of cybercrimes
C. Facilitate international co-operation on matters covered under this Act
D. None of the above (1 mark)

53. Which one of the following statements under the Computer Misuse and Cybercrimes Act is **NOT** accurate in regard to offences and defences defined under this law?

- A. If the person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data the action will not be constitute an offence
- B. It is immaterial that the unauthorised access is not directed at any particular program or data program or data of any kind it will constitute an offence
- C. If the unauthorised access is not directed at any program or data held in any particular computer system, the action will not constitute an offence
- D. If the unauthorised access is not directed at any program or data held in any particular computer system, the action will constitute an offence

(1 mark)

54. Which one of the following statements is **NOT** accurate in regard to unauthorised access?

- A. Unauthorised access with the intent to commit further offence under any law or to facilitate the commission of a further offence by that person or any other person, commits an offence
- B. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years or to both.
- C. The further offence under any law committed through the unauthorised access will not be an additional offence
- D. None of the above

(1 mark)

55. Which one of the following statements is **ACCURATE** in regard to an unauthorised interference?

- A. Unauthorised interference can only be committed by a person with authorised access
- B. Unauthorised interference can be committed by a person with unauthorised access using technical means to gain access
- C. Unauthorised interference can only be committed by a person with unauthorised access
- D. All the above

(1 mark)

56. Which one of the following statements is **NOT** accurate in regard to the United Nations Convention requirements for its members?

- A. Member states must implement procedures and mechanisms to detect and prevent the transfer of assets obtained through illicit activities
- B. Member states must establish independent anti-corruption bodies that provide oversight on the implementation of the UN Convention policies
- C. Member states criminalise some acts of corruption committed within their territories or by their nationals
- D. Member states criminalise all acts of corruption committed within their territories or by their nationals

(1 mark)

57. Which one of the following laws has **NOT** defined corrupt conduct as an offence?

- A. Anti-Corruption and Economic Crimes Act
- B. Bribery Act
- C. Public Finance Management Act
- D. None of the above

(1 mark)

58. Rachel Akinyi observed that the revenue recorded is not commensurate to the services offered. Which one of the following **BEST** describes the offence that is being committed by the employees?

- A. Theft of cash
- B. Fraud
- C. Misappropriation of funds
- D. Misrepresentation of material facts

(1 mark)

59. Which one of the following statements is **NOT** a legal element of concealment of material facts?

- A. The defendant acted with intent to mislead or deceive the victim(s)
- B. The defendant did not disclose material facts to all interested parties
- C. The defendant had knowledge of a material fact, and had a duty to disclose
- D. The defendant failed to disclose the material facts

(1 mark)

60. Which one of the following statements is **NOT** accurate in regard to conflict-of-interest in the public sector?

- A. If an agent has a direct or indirect private interest in a decision that his principal is to make the agent is guilty of an offense if the agent knows or has reason to believe that the principal is unaware of the interest and the agent fails to disclose the interest
- B. If an agent votes or participates in the proceedings of his principal in relation to the decision
- C. A public body may authorise its agent to vote or participate in the proceedings of the public body and the voting or participation of an agent as so authorised
- D. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent as so authorised

(1 mark)

61. Which one of the following statements is **NOT** accurate Under the Tax Procedure Act 2015, in regard to criminalising tax related actions?

- A. The law criminalise schemes designed for tax avoidance
- B. The law criminalises tax evasion
- C. The law does not criminalise tax avoidance
- D. None of the above

(1 mark)

62. Which one of the following statements is **NOT** accurate in regard to corrupt conduct under the Bribery Act 2016?

- A. Under the Bribery Act 2016 offering or receiving a bribe is a corrupt conduct
- B. Under the Bribery Act 2016 receiving a bribe is corrupt conduct even if the officer did not act improperly
- C. Under the Bribery Act 2016 paying a bribe is corrupt conduct even if the bribe did not influence the officer's decision
- D. Under the Bribery Act 2016 receiving a bribe is not corrupt conduct if the officer did not act improperly

(1 mark)

63. Which one of the following offence **BEST** describe divided loyalty by a board of director?

- A. Corruption
- B. Conflict of interest
- C. Abuse of office
- D. None of the above

(1 mark)

64. Which one of the following is **ACCURATE** in regard to the OECD recommendation in relation to bribes?

- A. OECD focuses on the “offering side”
- B. OECD focuses on the “demand side”
- C. OECD focuses on both the “public” and “private” sector
- D. None of the above

(1 mark)

65. Which one of the following is **NOT** an object of the Computer Misuse and Cyber Crime?

- A. Protect the confidentiality of computer systems, programs and data
- B. Prevent the unlawful use of computer systems
- C. Prevent the unlawful use of the internet
- D. None of the above

(1 mark)

66. Which one of the following statements is **NOT** accurate in regard to unlawful access under the Computer Misuse and Cybercrimes Act 2018?

- A. A person who causes, whether temporarily or permanently, a computer system to perform a function, by infringing security measures, commits an offence
- B. Intent to gain access and knowing such access is unauthorised, commits an offence and is liable
- C. Gaining unauthorised access to a computer or computer system is an offence, if no further offence was occasioned by the unauthorised access
- D. Unknowingly gain access to a computer or computer system

(1 mark)

67. Which one of the following statements is **NOT** accurate in regard to unauthorised access with intent to commit an offence?

- A. Unauthorised access with the intent to commit further offence under any law is an offence in addition to the underlying offence
- B. The further offence under any law committed through the unauthorised access will be an additional offence
- C. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years or to both
- D. None of the above

(1 mark)

68. Which one of the following statements is **ACCURATE** about an unlawful interference to a computer system, program or data?

- A. Unauthorised interference can be committed by a person with authorised or unauthorised access
- B. Unauthorised interference can only be committed by a person with authorised access
- C. Unauthorised interference can only be committed by a person with unauthorised access
- D. Unauthorised interference with a computer or computer system is offence of computer forgery

(1 mark)

69. Which one of the following statements is **NOT** accurate in regard to the Financial Action Task Force (FATF) and anti-money laundering?

- A. The Financial Action Task Force (FATF) is a set of standards and policies to combat money laundering and terrorist financing both at the national and international levels
- B. Its purpose is for developing and promoting standards and policies to combat money laundering and terrorist financing at both the national and international levels
- C. The FATF's Recommendations, revised in 2012, created the most comprehensive legal framework for its members
- D. Only a few of its members have fully implemented the FATF standards and recommendation

(1 mark)

70. Which one of the following statements is **NOT** accurate in regard to prove of intent under the Bribery Act, 2016 and the Anti-Corruption and Economic Crimes Act?

- A. Both the Anti-Corruption and Economic Crimes Act and the Bribery Act require prove of intent in receiving, soliciting, giving or offering of any benefit
- B. It is not a defence in prosecution of an offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act, that it is customary in any business, undertaking, office, profession or calling
- C. It is not a defence in prosecution that the act or omission was not within a person's power or that the person did not intend to do the act
- D. It is not a defence that the act or omission was not intentional

(1 mark)

71. Which one of the following statements is **ACCURATE** in regard disclosure of passwords under the computer misuse and cybercrime?

- A. Disclosure of password require prove of intent
- B. The person who unknowingly disclose a password commits an offence
- C. A person who unknowingly through negligence discloses a password commits an offence
- D. None of the above

(1 mark)

72. Zack Sang is an accountant at XYZ government agency. He enters invoices for goods not supplied into the system to be processed for payments. Which one of the following **BEST** describes the underlying offence?
A. Failure to protect government property or revenue
B. Improper payments
C. Economic Crime
D. Misappropriation of funds (1 mark)

73. Jones Kimanzi is a finance manager at Utumishi government agency. In collusion with the consultant he authorised payments for services not rendered and they later shared the proceeds with the consultants. Which one of the following **BEST** describes the underlying offence committed by Jones?
A. Failure to protect government property or revenue
B. Misappropriation of funds
C. Bribery
D. Conspiracy (1 mark)

74. Which one of the following statements is **NOT** accurate in regard to unexplained assets under the Anti-Corruption and Economic Crimes Act?
A. Unexplained assets are type of circumstantial evidence of corruption
B. Unexplained assets are not direct evidence of corruption
C. Unexplained assets are corroborative evidence of corruption
D. Unexplained assets are tangible and therefore exhibits of corruption (1 mark)

75. Which one of the following statements is **ACCURATE** in regard to offences under the Anti-Corruption and Economic Crimes Act?
A. Bid rigging is an underlying offence and have no other additional offence
B. An attempt to commit a corruption is an offence
C. Conspiracy offence is an offence on its own and there is no other underlying offence
D. Abuse of office is a type of corruption offence on its own, and there is no other underlying offence (1 mark)

76. Which one of the following statements is **NOT** accurate in regard to false statements while under oath?
A. The defendant made the statement with knowledge of its falsity
B. The defendant made a false statement that was material
C. The defendant made the false statement during pre- trial proceedings
D. None of the above (1 mark)

77. Which one of the following laws has defined embezzlement as an offence?
A. Capital Markets Act
B. Public Finance Management Act
C. Bribery Act, 2016
D. Public Procurement and Assets Disposal Act (1 mark)

78. Which one of the following laws has defined corrupt intent as an offence?
A. Anti-Corruption and Economics Crimes Act
B. Public Finance Management Act
C. Bribery Act
D. None of the above (1 mark)

79. Which one of the following offences is **NOT** accompanied by another underlying offence?
A. Conflict of interest
B. Conspiracy
C. Computer fraud
D. None of the above (1 mark)

80. Which one of the following laws has defined forgery as offence?
A. Public Finance Management Act
B. Bribery
C. Computer Misuse and Cybercrime Act
D. Public Procurement and Assets Disposal Act (1 mark)

81. Which one of the following laws is **NOT** both substantive and administrative?
A. Public Procurement and Assets Disposal Act
B. Public Finance Management Act
C. Anti-Corruption and Economics Crimes Act
D. Capital Markets Act (1 mark)

82. Which one of the following laws has defined uncompleted offence as a crime?
A. Bribery Act
B. Public Finance Management Act
C. Anti-Corruption and Economics Crimes Act
D. None of the above (1 mark)

83. Which one of the following statements is **NOT** accurate in regard to legal elements of activities intended to enable bribery?
A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
C. Any person, unintentionally assists a person or a private entity to give or receive a bribe by recording property which was obtained as a result of or in connection with bribery
D. None of the above (1 mark)

84. Which one of the following **BEST** describes failure to exercise due care in the performance of a professional duty?
A. Professional negligence
B. Breach of trust
C. Carelessness
D. Lack of diligence (1 mark)

85. Which one of the following types of law has defined professional negligence?
A. Law of torts
B. Common law
C. Case law
D. Civil procedure Act (1 mark)

86. Which one of the following statements is **ACCURATE** in regard to obligation to put procedures in place to prevent bribery and corruption?

- A. The Bribery Act,2016 does not criminalise failure to put procedures to prevent bribery and corruption in the public sector
- B. The Bribery Act,2016 criminalise failure to put procedures to prevent bribery and corruption in the private sector
- C. Failure to put procedures in place, will not be presumed as consent by the entity's senior officer not to prevent bribery
- D. Failure to put procedures in place, to prevent bribery and corruption under the bribery Act, 2016 not a criminal offence

(1 mark)

87. Which one of the following statements is **NOT** accurate under the POCAMLA Act?

- A. A person who knows or who ought reasonably to have known that property forms part of the proceeds of crime
- B. Enters into any agreement or engages in any arrangement or transaction with anyone in connection with that property
- C. Performs any other act in connection with such property, whether it is performed independently or with any other person
- D. If a person unknowingly enters into any agreement or engages in any arrangement or transaction with anyone in connection with that property

(1 mark)

88. Which one of the following principal category of fraud is not defined under the Computer Misuse and Cybercrime Act?

- A. Unauthorised access
- B. Misrepresentation of material facts
- C. Forgery
- D. Fraud

(1 mark)

89. Which of the following statements is **NOT** accurate in regard to abuse of office under the Anti-Corruption and Economic Crimes Act?

- A. Abuse of office is a substantive offence in addition to another substantive offence
- B. Abuse of office is an offence of strict liability
- C. Abuse of office is not an offence of strict liability
- D. Abuse of office is a type of corruption offence

(1 mark)

90. Which one of the following offences is not defined under the Anti-Corruption and Economics Act?

- A. Bribery
- B. Bid rigging
- C. Conflict of interest
- D. Improper payments

(1 mark)

91. Which one of the following statements is **NOT** a type of improper payments under the Public Finance Management Act?

- A. Payments for goods not supplied or services not rendered
- B. Payments for unnecessary or excessive costs
- C. Payments for projects without prior planning
- D. Payments that are not budgeted for

(1 mark)

92. Which one of the following laws has defined misrepresentation of material facts as a criminal offence?
A. Computer Misuse and Cybercrime Act
B. Public Finance Management Act
C. Computer Misuse and Cybercrime
D. Bribery Act (1 mark)

93. Which one of the following statements is **NOT** accurate in regard to misrepresentation of facts in criminal trial?
A. The criminal defendant concealed material facts
B. The criminal defendant knew the statement or document was false
C. The criminal defendant represented a material false statement
D. The victim suffered loss (1 mark)

94. Which one of the following statements is **NOT** accurate in regard to the evidence that must be shown to prove misrepresentation of material facts in a criminal trial?
A. The victim relied on the misrepresentation and suffered financial loss
B. The defendant knew the statement or document was false
C. The defendant represented a material false statement
D. None of the above (1 mark)

95. Which one of the following statements **BEST** describes the offence of failure to disclose all material financial information under the Public Finance Management Act?
A. Misrepresentation of material facts
B. Concealment of material financial information
C. Gross negligence
D. Negligent misrepresentation (1 mark)

96. Which one of the following statements is **NOT** accurate in regard to evidence to prove computer forgery?
A. Intentional input, alteration and deletion suppression of computer data resulting in inauthentic data
B. Intent to be considered and acted upon for legal purposes
C. Intent to misrepresent material contents of the document
D. None of the above (1 mark)

97. Which one of the following is **NOT** a crime under the Public Procurement and Assets Disposal Act?
A. A fraudulent act
B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
C. Unknowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
D. Corrupt conduct (1 mark)

98. Which one of the following statements is **NOT** accurate in regard to entities not established in Kenya under the Bribery Act 2016?
A. The Bribery Act 2016 has wide implications for an entity that is not established in Kenya, but do business in Kenya
B. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities, alongside other extra-territorial statutes on bribery
C. The Bribery Act 2016 does not have wide implications for an entity that is not established in Kenya, but do business in Kenya
D. Entities that are established in Kenya but operate in Kenya can be prosecuted under the Bribery Act 2016 (1 mark)

99. Which one of the following statements is **NOT** accurate in regard to evidence to prove breach of trust?

- A. The plaintiff must prove that the defendant was in a position of trust
- B. The plaintiff must prove that the defendant did not exercise due care
- C. The plaintiff must prove that the defendant conferred a benefit to himself
- D. The plaintiff must prove that the defendant did not act in the best interest of the organisation

(1 mark)

100. Which one of the following statements is **NOT** accurate in regard to evidence to prove forgery?

- A. The defendant made a document with false contents
- B. The defendant made a document with false contents to make a claim from another person
- C. The defendant made or altered a document with the intent to defraud
- D. The defendant made material alterations that affected the legal significance

(1 mark)

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 21 August 2024. Morning Paper.

Time Allowed: 3 hours.

This paper consists of one hundred (100) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated one (1) mark.

1. Which one of the following Kenya laws has defined concealment of material facts as an offence?
 - A. Computer Misuse and Cybercrime Act
 - B. Public Finance Management Act
 - C. Public Procurement and Assets Disposal Act
 - D. Bribery Act(1 mark)

2. Which one of the following statements is **ACCURATE** in regards to laws related to preventing and combating corruption globally?
 - A. United Nations Convention against corruption(UNCAC) is not recognised under the Kenya legal system
 - B. The African Union Convention on Preventing and Combating Corruption is not recognised under the Kenya legal system
 - C. United Nations Convention against Corruption(UNCAC) is recognised under the Kenya legal system
 - D. United Nations Convention against Corruption(UNCAC) is yet to be integrated into the Kenya legal system(1 mark)

3. Which one of the following statements does **NOT** constitute legal elements of misrepresentation of material facts?
 - A. The defendant knew the representation was false and material
 - B. The victim relied on the misrepresentation
 - C. The victim suffered loss
 - D. The defendant misrepresented a false statement(1 mark)

4. Which one of the following is a **MUST** legal element in a misrepresentation criminal prosecution?
 - A. The victim suffered financial loss
 - B. The defendant knew the statement was material and false
 - C. The victim relied on the false statement
 - D. The defendant represented erroneous material statement(1 mark)

5. Which one of the following laws defines the offence committed by an accounting officer through omission of material financial information?
 - A. Public Finance Management Act
 - B. Bribery Act
 - C. Anti- Corruption and Economics Crimes Act
 - D. Public officer integrity Act(1 mark)

6. Which one of the following laws does **NOT** require proof of criminal intent in any defined offence under the law?
 - A. Anti- Corruption and Economics Crimes Act, 2003
 - B. Public Finance Management Act,2012
 - C. Bribery Act, 2016
 - D. POCAMLA Act,2009(1 mark)

7. Which one of the following is an offence of strict liability?
A. Forgery
B. Misrepresentation of material facts
C. Bribery
D. Concealment of material facts (1 mark)

8. Which one of the following is **NOT** an offence under the Computer Misuse and Cybercrime Act?
A. Forgery
B. Computer fraud
C. Misrepresentation of material statement
D. Unauthorised access to a computer (1 mark)

9. Which one of the following is **MOST** accurate in regards to the Bribery Act 2016?
A. The Bribery Act 2016 has a wide implication even for an entity that is not established in Kenya, but do business in Kenya.
B. Because of the hefty penalties, the implications should be factored into business activities with high risk of bribery and corruption
C. The Bribery Act has far-reaching implications for those doing business in Kenya only
D. To prove bribery, the prosecution must prove the criminal intent (1 mark)

10. Which one of the following is an offence committed by an accountant for intentional disbursement of fraudulent payments using their opportunity?
A. Abuse of office
B. Embezzlement
C. Misappropriation of funds
D. Breach of trust (1 mark)

11. Which one of the following statements is **ACCURATE** in regards to breach of trust?
A. The defendant, in a breach of trust case, must be an agent
B. The defendant was trusted with the organisation's funds
C. A breach of trust case is usually taken to court as a criminal case
D. A breach of trust involves deceiving the principal (1 mark)

12. Which one of the following statements **BEST** describes the legal elements of forgery?
A. The defendant represents a document with false contents
B. The defendant represented a false document which has a legal significance
C. The document was made or altered with the intent to mislead
D. The defendant made material misrepresentation (1 mark)

13. Causing a computer or any other electronic machinery to perform any function that directly or indirectly results in a loss or adversely, affects any public revenue, is defined by which one of the following Kenya laws?
A. Computer Misuse and Cybercrime Act
B. Public Finance Management Act
C. Anti- Corruption and Economics Crime
D. Penal Code (1 mark)

14. Which one of the following Kenyan laws focus only on soliciting or receiving an inducement as an offence?
A. Anti- Corruption and Economics Crime Act
B. Penal Code
C. Public Finance Management Act
D. Bribery Act (1 mark)

15. Which one of the following Kenyan laws **BEST** describes bid rigging as a substantive offence?
A. Public Procurement and Assets Disposal Act
B. Penal Code
C. Public Finance Management Act
D. Anti-Corruption and Economics Crime Act (1 mark)

16. Which one of the following is a type of financial misconduct under the Public Financial Management Act?
A. Conflict of interest
B. Conspiracy
C. Failure of protection of government or revenue
D. Failure to pay into bank account any public money (1 mark)

17. Which one of the following is an example of insider-trading?
A. Corporate officers, directors and employees trade their corporate's securities based on information already known to the public
B. Directors and employees trade their corporate securities based on information on the issuer's management accounts
C. Employees of law firms, accounting firms or stock brokers traded their securities based on information obtained from the corporates audited financial statements
D. Employees of law firms, accounting firms or stock brokers traded their securities based on information obtained from the corporates prospectus (1 mark)

18. Which one of the following statements is **ACCURATE** in regards to exemptions of government to conduct searches and seizure?
A. A police officer can conduct a searches based on reasonable grounds that the suspect committed the offence
B. A police officer can conduct searches if he has evidence that is beyond reasonable doubt to prove the suspect committed the offence
C. A person is in possession of incriminating evidence
D. The person is in possession of contraband (1 mark)

19. Which one of the following statements in regards to false claims and statement to government is **NOT** accurate?
A. To violate a law criminalising false claims to government agencies, the claims does not need to be made directly to the government
B. A claim made to a third party does not violate laws related to false statements to the government.
C. To violate laws related false statements to government, the government does not have to suffer loss
D. An offence of false statement to the government occurs, even when the government did not rely on the false statement (1 mark)

20. Which one of the following **BEST** describes the offence of bribing a witness?
A. Obstruction of justice
B. Corruption offence
C. Fraudulent activity
D. Hindering a government auditor in the performance of their official duties (1 mark)

21. Which one of the following statements in regards to Bribery ACT 2016 is **ACCURATE**?
A. The Bribery Act 2016 has broader application than the UK Bribery Act
B. The Bribery Act 2016 criminalises facilitation payments
C. The Bribery Act 2016 does not criminalise commercial bribery
D. The Bribery Act 2016 does not criminalise bribery of public foreign officials (1 mark)

22. Which one of the following is **NOT** a type of computer fraud?
A. Distributing hoax emails
B. Computer forgery
C. Hacking
D. Unauthorised access (1 mark)

23. Which one of the following is **NOT** covered under the United Nations Convention against corruption – preventive measures?
A. Anti-money laundering
B. Repatriation of guilty individuals
C. Public procurement
D. Codes of conduct (1 mark)

24. Which one of the following is **NOT** a legal element that must be shown to prove a claim for commercial bribery?

- The defendant acted with corrupt intent
- The defendant gave or received something of value
- The principal suffered damages because of the bribe
- The defendant acted without the victim's knowledge or consent

(1 mark)

25. Which one of the following statements is a fraudulent activity under the Tax Procedure Act?

- Any person who, in relation to a tax period, unknowingly omits from his or her return any amount which should have been included
- Any person who, in relation to a tax period, unknowingly claims any relief or refund to which he or she is not entitled
- Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- Any person who, in relation to a tax period, deliberately omits from his or her return any amount which should have been included

(1 mark)

26. Which one of the following Kenya laws criminalises making payments from government resources for goods not supplied or services not rendered?

- Anti- Corruption and Economics Crimes Act
- Public Finance Management Act
- Computer Misuse and Cybercrime Act
- Penal Code

(1 mark)

27. Which one of the following Kenya laws defines legal elements of bid rigging and conspiracy?

- Anti- Corruption and Economics Crimes Act
- Bribery Act, 2016
- Public Finance Management Act
- Public Procurement and Assets Disposal Act

(1 mark)

28. Which one of the following **BEST** describes an offence that involves a board of director's divided loyalty?

- Corruption
- Breach of trust
- Conflict of interest
- Disloyalty

(1 mark)

29. Which one of the following is **ACCURATE** in regards to the Organisation for Economic Co-operation and Development (OECD) recommendation on combating bribery in international business?

- OECD addresses the "giving, offering and promising side"
- OECD addresses the "receiving and soliciting side"
- OECD focuses on both the "offering" and "demand side"
- OECD focuses on both foreign public officials and country's public officials

(1 mark)

30. Computer Misuse and Cybercrime Act has objects. Which one of the following is **NOT** one of them?

- Protect the confidentiality, integrity, and availability of computer systems, programs and data
- Prevent the unlawful use of computer systems
- Facilitate international co-operation on matters covered under this Act
- Protect international transparency on cybercrime matters

(1 mark)

31. Which one of the following statements is **MOST** accurate in regards to unauthorised access under the Computer Misuse and Cybercrimes Act?

- A person who causes, permanently, a computer system to perform a function, by infringing security measures, commits an offence
- Intent to gain access, unknowingly that such access is unauthorised, commits an offence and is liable
- Unauthorised access to a computer or computer system is an offence, even if no further offence was occasioned by the unauthorised access
- On conviction, there is a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years

(1 mark)

32. Which one of the following statements is **MOST** accurate in regards to unauthorised access with intent to commit further offence?

- A. Intentional unauthorised access to commit further offence under this law, is an offence
- B. The further offence under any law committed through the unauthorised access will be an extra offence
- C. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years
- D. The further offence under any law committed through the unauthorised access will not be an extra offence

(1 mark)

33. Which one of the following statements is **ACCURATE** in regards to unauthorised interference to a computer system program or data?

- A. Unauthorised interference can be committed by a person with authorised or unauthorised access
- B. Unauthorised interference can only be committed by a person with authorised access
- C. Unauthorised interference can only be committed by a person with unauthorised access
- D. Unauthorised interference with a computer or computer system is offence of computer fraud

(1 mark)

34. Which one of the following statements is **ACCURATE** in regards to money laundering and terrorism financing?

- A. The Financial Action Task Force (FATF) is a set of standards and policies to combat money laundering and terrorist financing at international levels
- B. The Financial Action Task Force (FATF) purpose is for developing and promoting standards and policies to combat money laundering and terrorist financing at international levels
- C. Most of the Financial Action Task Force (FATF) members have fully implemented the FATF Standards
- D. Only a few members of the Financial Action Task Force have fully implemented the FATF standards and recommendation

(1 mark)

35. In regards to criminal intent under the Anti-Corruption and Economic Crimes Act, which one of the following statements is **NOT** accurate?

- A. The offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act, require prove of criminal intent
- B. It is not a defence in prosecution that the receiving, soliciting, giving or offering of any benefit under the Anti-Corruption and Economic Crimes Act was unintentional
- C. It is not a defense in prosecution that the act or omission was not within a person's power or that the person did not intend to do the act
- D. It is a defence in prosecution that the act or omission did not occur

(1 mark)

36. Which one of the following statements in regards to Computer Misuse and Cybercrime is **NOT** accurate?

- A. A person who knowingly and without authority discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence
- B. The person who unknowingly disclose a password, will not be liable of a criminal intent
- C. A person who unknowingly through negligence discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence under the Computer Misuse and Cybercrime
- D. A person who knowingly through negligence discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence under the Computer Misuse and Cybercrime

(1 mark)

37. Felix Odhiambo is an accountant at Maendeleo state corporation. In the course of his duties, he enters fraudulent invoices in the computer payment system. The fraudulent invoice was detected before payment was disbursed. Which one of the following **BEST** describes the offences committed by Felix Odhiambo?

- A. Computer forgery and attempt to commit crime and conspiracy
- B. Computer forgery and conspiracy
- C. Forgery and attempt to commit crime
- D. Computer forgery and misappropriation of funds

(1 mark)

38. Which one of the following **BEST** describes an offence by a public officer of making payments for goods not delivered or services rendered?

- A. Breach of trust
- B. Economic crime
- C. Corruption offence
- D. Kickbacks

(1 mark)

39. Which one of the following **BEST** describes the type of evidence of unexplained assets acquired through proceed of alleged corruption?
 A. Direct evidence
 B. Circumstantial evidence
 C. Real Evidence
 D. Exhibits (1 mark)

40. Which one of the following statements is **ACCURATE** in regards to underlying substantive offences?
 A. Substantive corruption offences usually have no additional offence
 B. An attempt to commit a corruption offence, is not an additional offence
 C. Conspiracy offence, is an offence on its own, with no other underlying offence
 D. Abuse of office is a substantive offence on its own, with an underlying offence (1 mark)

41. During Sally Nyamboke's fraud court proceedings, the prosecution introduced Sally' confession. Which one of the following **BEST** describes this form of evidence?
 A. Direct testimonial evidence
 B. Oral direct evidence
 C. Circumstantial evidence
 D. Exhibit evidence (1 mark)

42. Which one of the following investigators should obtain a search warrant to collect evidence directly from a suspect's office?
 A. A police officer
 B. A private investigator
 C. A presiding judge
 D. Prosecution (1 mark)

43. Which one of the following is a legal element of perjury offence in adversarial jurisdiction?
 A. The defendant made a false statement unknowingly
 B. The defendant made a false statement
 C. The defendant made the false statement during pre- trial proceedings
 D. A suspect made a false statement during investigations (1 mark)

44. Which one of the following is a legal element of perjury offence in civil law jurisdiction?
 A. The defendant made a false statement unknowingly
 B. The defendant made a false statement
 C. The defendant made the false statement during examination phase
 D. A suspect made a false statement during investigations (1 mark)

45. Which one of the following laws has defined concealment of material information as an offence?
 A. Computer Misuse and Cybercrime
 B. Public Finance Management Act
 C. Bribery Act,2016
 D. Public Procurement and Assets Disposal Act (1 mark)

46. Which one of the following laws has **NOT** defined corrupt intent as an offence?
 A. Bribery Act
 B. Public Finance Management Act
 C. Tax procedure Act
 D. Proceeds of crime and Anti- money laundering Act (1 mark)

47. Which one of the following offence is an offence in itself and in addition to another underlying offence?
 A. Conflict of interest
 B. Misappropriation of funds
 C. Deceiving principal
 D. Compounding and neglect (1 mark)

48. Concealment or omission of material information is as an offence under which one of the following laws?
 A. Public Finance Management Act and Capital Markets Act
 B. Bribery
 C. Computer Misuse and Cybercrime Act
 D. Anti- Corruption and Economic Crimes Act (1 mark)

49. Some Kenya Laws have two laws in one. Which one of the following is one of those laws?
A. Capital Markets Act
B. Public Finance Management Act
C. Computer Misuse and Cybercrime
D. The POCAMLA (1 mark)

50. Which one of the following **BEST** describes an attempt to commit an offence?
A. Criminal intent to commit an offence
B. Criminal offence
C. Corrupt intent
D. Fraudulent conduct (1 mark)

51. Which one of the following statements is **NOT** accurate in regards to entities obligation to put procedures in place to prevent bribery and corruption?
A. The Bribery Act 2016 criminalises failure to put procedures in place to prevent bribery and corruption, but can impose a fine
B. Failure to put procedures in place will be presumed as consent by the entity's senior officer not to prevent bribery and corruption in their organisation
C. The Bribery Act 2016 does not criminalise failure to put procedures in place to prevent bribery and corruption, but can impose a fine
D. Failure to put procedures in place, to prevent bribery and corruption under the bribery Act, 2016, is a criminal offence (1 mark)

52. Which one of the statements is **ACCURATE** in regards to legal element of the POCAMLA Act?
A. If a person, did not know that the property forms part of the proceeds of crime, is not an offence
B. Enters into any agreement or engages in any arrangement or transaction with anyone in connection with that property
C. Performs any other act in connection with such property, independently
D. If a person unknowingly enters into any agreement or engages in any arrangement or transaction with anyone in connection with that property. (1 mark)

53. The Public Finance Management Act has defined offences by public officers. Which one of the following statements is **ACCURATE** in regard to those offences?
A. A public officer commits an offence if that officer misapply public funds or assets
B. A public officer commits an offence incur expenditure
C. A public officer commits an offence if that officer solicits or receive an inducement.
D. A public officer commits an offence if that officer conceals information on public finances regardless of the circumstance (1 mark)

54. Which one of the following offences under the Public Finance Management Act is similar to the Anti-Corruption economic crime?
A. Bribery
B. Misrepresentation of material facts
C. Making fraudulent payments from government revenue
D. Corrupt conduct (1 marks)

55. Which one of the following is a type of forgery offence?
A. A fraudulent invoice submitted for payment purposes
B. An unauthentic document
C. A document with misrepresented facts
D. A document with misleading information (1 mark)

56. Which one of the following statements **BEST** describes abuse of office?
A. Any person who has responsibility for the administration and management of public funds, and then misappropriates those funds, can be prosecuted for abuse of office
B. A person who is entrusted with public resources, and then misappropriates the resources can be charged with abuse of office in addition to misappropriation of resources
C. Only an accounting officer can be charged and prosecuted for abuse of office
D. Any agent to a principal can be charged and prosecuted for abuse of office (1 mark)

57. Which one of the following principal categories of fraud is not defined under Bribery Act?

- Activities to enable bribery
- Receiving a bribe
- Paying a bribe
- Conflict of interest

(1 mark)

58. Which one of the following statements is **NOT** accurate in regards to the Bribery Act 2016?

- A person convicted for bribery and given penalties of a fine and imprisonment is required to pay the benefit received to the victim
- Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
- Under the Bribery Act, disqualification from serving as a director or partner of a private organisation would not be in addition to penalties of a fine and imprisonment
- Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment

(1 mark)

59. Which one of the following is **NOT** an offence by a public officer under the Public Finance Management Act?

- A public officer spending public money otherwise than authorised by the Constitution, an Act of Parliament or County legislation
- A public officer raising revenues other than in accordance with the Constitution, an Act of Parliament or an Act of a County Assembly
- A public officer enters into any obligation that has financial implications for the national government budget or a county government budget unless the obligation is authorised by the Constitution, an Act of Parliament or an Act of a County Assembly
- A public officer, spending public money authorised by the Constitution, an Act of Parliament or County legislation

(1 mark)

60. Which one of the following elements constitutes concealment of material facts?

- The defendant had a duty to investigate the material facts.
- The defendant had a duty in the circumstances to disclose.
- The victim had a duty in the circumstances to disclose.
- The victim relied on the misrepresentation

(1 mark)

61. If management engages in massive misappropriation of an organisation's funds because of inadequate oversight by the board, which one of the following offences can the board be held responsible for the misappropriation of the funds by the management?

- Breach of trust because of not exercising due care in safeguarding the organisations resources
- Board can be held responsible for misappropriation of the funds though they were not directly involved because they must have benefited
- Board can be held responsible for abuse of office
- Board can be held responsible for conspiracy

(1 mark)

62. Which one of the following statements is **NOT** accurate in regards to activities intended to enable bribery?

- Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
- Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
- Activities intended to enable bribery, are crimes of strict liability
- Activities intended to enable bribery, require prove of intent

(1 mark)

63. Which one of the following statements is **ACCURATE** in regards to offence of bribery?

- All bribery offences are of strict liability
- Giving and receiving of bribes
- The prosecution must prove intent in all bribery offences
- The prosecution must prove intent giving and receiving of bribes

(1 mark)

64. Which one of the following offences is easier to prove in regards to an external auditor failure to detect material fraud in the course of an audit of financial statement?

- Gross negligence
- Concealment of material facts
- Misrepresentation of material facts
- Negligent misrepresentation

(1 mark)

65. Which one of the following is an offence that can be alleged against management in regard to financial statements' fraud?
A. Gross negligence
B. Concealment of material facts
C. Misrepresentation of material facts
D. Negligent misrepresentation (1 mark)

66. Which one of the following **BEST** describes the legal action for professional negligence?
A. Criminal prosecution
B. Civil litigation
C. Administrative justice
D. Mediation (1 mark)

67. Which one of the following Kenyan laws has **NOT** defined soliciting or receiving an inducement as an offense?
A. Bribery Act 2016
B. Anti-corruption and Economic Crimes Act
C. Public Finance Management Act
D. Tax procedure Act (1 mark)

68. Which one of the following is **NOT** a legal element of proof for deceiving a principal?
A. The defendant made a false material statement to the principal
B. The defendant knew that the statement is false
C. The defendant intentionally made a false material statement
D. The defendant made a false material statement to the detriment of the principal (1 mark)

69. An offence involving dishonesty in connection with any tax rate or imposed levy is known as _____.
A. economic crime
B. corruption offence
C. financial crime
D. both economic crime and corruption offence (1 mark)

70. Which one of the following offences under the Bribery Act 2016 requires prove of intent?
A. Giving a bribe
B. Receiving a bribe
C. Failure to prevent bribery and corruption
D. Activities to enable bribery (1 mark)

71. Which one of the following statements is **ACCURATE** in regards to false or misleading statements under the Tax Procedure Act?
A. False or misleading statements under the Tax Procedure Act require prove of intent
B. False or misleading statements under the Tax Procedure Act is an offence of strict liability
C. False or misleading statements under the Tax Procedure Act is an economic crime
D. False or misleading statements under the Tax Procedure Act is a financial crime (1 mark)

72. The Corruption court has jurisdiction over several types of offences. Which one of the following is **NOT** one of them?
A. Economic crime
B. Corruption offences
C. Financial crimes
D. Financial misconduct (1 mark)

73. Which one of the following offences or crimes **CANNOT** be tried by the Corruption Court?
A. Misappropriation of public funds
B. Payment for goods not supplied is a corruption offence
C. Forgery
D. Fraud and embezzlement of public funds (1 mark)

74. Rogers Kelio a finance officer of a government entity fraudulently and unlawfully used the government payment system to make payments for goods not supplied. Which one of the following **BEST** describes the type of offence committed by Rogers?

- A. Economic crime
- B. Corruption offence
- C. Financial crime
- D. Procurement fraud

(1 mark)

75. Which one of the following statements is **NOT** accurate under the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA)?

- A. The POCAMLA obligations include establishing and maintaining internal reporting procedures
- B. Upon the coming into force of this Act (POCAMLA), a reporting institution shall undertake customer due diligence on the existing customers
- C. The POCAMLA make it an obligation for financial institution to undertake customer due diligence on new customers and existing customers
- D. The POCAMLA does not make it an obligation for, Non-financial designated reporting institution to develop an anti-money laundering program

(1 mark)

76. Which one of the following acts would **NOT** constitute an offence under the Bribery Act 2016?

- A. To promise to pay a foreign official \$100,000 to expedite a process
- B. A U.S company makes a payment of \$200,000 to a Kenyan official to influence the official to award a public contract
- C. Unknowingly enabling an activity to give a bribe
- D. A Japanese company that is conducting business into Kenya from Japan transfers \$300,000 to a Kenyan official to influence the official to award it a public construction contract

(1 mark)

77. Which of the following organisations is established under the POCAMLA?

- A. Central Bank of Kenya
- B. The Financial Reporting Centre
- C. The Ethics and Anti-Corruption Commission
- D. The Capital Markets Authority

(1 mark)

78. Which one of the following is **NOT** a type of corruption offence under the Anti-corruption and Economic Crimes Act?

- A. Misappropriation of public funds
- B. Fraud
- C. Abuse of office
- D. Payments for goods not supplied

(1 mark)

79. Which one of the following individuals **CANNOT** legally deceive a principal?

- A. Agent
- B. Accounting officer
- C. Chief executive officer
- D. Finance manager

(1 mark)

80. Which of the following statements is **NOT** accurate in regard to giving a bribe under the Bribery Act 2016?

- A. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person, who does not know or believes the acceptance of the financial or other advantage would itself constitute the improper performance of a relevant function or activity
- B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
- C. It shall not matter whether the person to whom the advantage is offered promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned
- D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party

(1 mark)

81. Which one of the following **BEST** describes tax liability for unintentional act?

- A. Tax liability
- B. No tax liability
- C. Criminal liability
- D. Evasion liability

(1 mark)

82. Which one of the following is **NOT** a legal element that must be shown to prove a claim for fraudulent misrepresentation of material facts in criminal prosecution?
A. The statement was false
B. The statement was material
C. The victim suffered damages as a result of the misrepresentation
D. The defendant knew the representation was false (1 mark)

83. Which one of the following is **NOT** an offence under the Proceeds of Crime and Anti-Money laundering (POCAMLA)?
A. Financial misconduct
B. Concealment of information
C. Misrepresentation
D. Hindering a person in performance of functions under this Act (1 mark)

84. Which one of the following is **NOT** a recommendation that the OECD made to their member states on combating bribery in international business.?
A. To enhance only criminal laws
B. To enhance banking and accounting requirements and practice
C. To enhance tax systems and regulations
D. To enhance both criminal, civil, and administrative laws (1 mark)

85. Which one of the following statements is **ACCURATE** in regards to embezzlement of public funds?
A. The prosecution does not have to prove the defendant's intent to embezzle public funds
B. Embezzlement of public funds is an economic crime
C. The prosecution must prove that the defendant breached their trust
D. The prosecution must prove the defendant's intent to embezzle the money or property (1 mark)

86. Which one of the following is an offence under another law, that is, in addition to unauthorised access to a computer or computer system?
A. Corruption offence
B. Economic crime
C. Misappropriation of funds
D. Forgery (1 mark)

87. Which one of the following statements **DOES NOT** describe legal elements of criminal activities intended to enable bribery?
A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
C. Any person, who unintentionally assists a person or a private entity to give or receive a bribe by recording property which was obtained as a result of or in connection with bribery
D. Any person, who intentionally assists a person or a private entity to give or receive a bribe by recording property which was obtained as a result of or in connection with bribery (1 mark)

88. Which one of the following statements describes the offence related to the requirement of putting in place procedures for prevention of bribery and corruption under the Bribery Act, 2016?
A. Under the Bribery Act, private entities are not, now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations
B. Under the Bribery Act, only public entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations
C. Failure of private entities to put in place such procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations attracts individual liability for the director or a senior officer
D. Failure of private entities to put in place the prevention of bribery and corruption appropriate to the size, scale and nature of their operations attracts vicarious liability only (1 mark)



89. Which one of the following is **NOT** a criminal offence under the Tax Procedure Act, 2015?

- A. Any person who in relation to a tax period knowingly omits from his or her return any amount which should have been included
- B. Any person who in relation to a tax period knowingly claims any relief or refund to which he or she is not entitled
- C. Any person who in relation to a tax period knowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- D. Any person who in relation to a tax period unintentionally claims any relief or refund to which he or she is not entitled

(1 mark)

90. Which one of the following laws is **NOT** a legal statute for financial crime?

- A. Common law
- B. Criminal Procedure Code
- C. Evidence Act
- D. Civil Procedure Act

(1 mark)

91. Which one of the following laws **CANNOT** be applied in a corruption offence?

- A. Common law
- B. Case law
- C. Bribery Act
- D. Public finance management Act

(1 mark)

92. Which one of the following laws can be used to interpret a substantive law related to an economic and corruption offence?

- A. Common law
- B. Legal regulations
- C. Case law
- D. Procedural law

(1 mark)

93. Which one of the following justice systems would effectively combat bribery and fraudulent activities?

- A. Criminal justice system
- B. Civil justice system
- C. Mediation
- D. Arbitration

(1 mark)

94. Which one of the following is **NOT** a legal element that must be shown to prove bribery involving agents?

- A. The defendant is a public official
- B. The defendant received a reward or an advantage
- C. The defendant acted with corrupt intent
- D. The defendant engaged in a corrupt conduct

(1 mark)

95. Which one of the following is **NOT** a legal element that the government must show to prove a conspiracy offence?

- A. The conspirator knowingly committed at least one direct act in facilitate the conspiracy
- B. The defendant knew the purpose of the agreement and intentionally joined in the agreement
- C. The defendant entered into an agreement to commit an illegal act
- D. The defendant unknowingly entered into an agreement to commit an illegal act

(1 mark)

96. Which one of the following types of law would a judge usually apply on fraud or corruption trials in adversarial jurisdiction where the judge does not find a suitable statute?

- A. Case law
- B. Substantive law
- C. Common law
- D. Statutory law

(1 mark)

97. Which one of the following laws is both administrative and substantive law?

- A. Public Procurement and Asses Disposal Act
- B. Anti- Corruption and Economics Crimes Act
- C. Computer Misuse and Cybercrime Act
- D. Bribery Act

(1 mark)

98. Which one of the following fraudulent activities is **NOT** defined under the Anti –corruption and Economics Act?

- A. Bribery
- B. Concealment of material facts
- C. Conflict of interest
- D. Fraudulent payments

(1 mark)

99. Which one of the following is a type of forgery?

- A. A fraudulent invoice presented for payment
- B. A fictitious invoice presented for payment
- C. A document with false contents
- D. A document with concealed information

(1 mark)

100. Which one of the following statements is **NOT** a legal element of abuse of office?

- A. The defendant is a public officer
- B. The defendant is an agent
- C. The defendant conferred a benefit to himself or another person
- D. The defendant intentionally abused his office

(1 mark)

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 24 April 2024. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Which one of the following Kenya laws has **NOT** defined misrepresentation of facts as an offence?
A. Computer Misuse and Cybercrime Act
B. Penal Code
C. Public Procurement and Assets Disposal Act
D. Capital markets Act (1 mark)

2. Which one of the following statements is **NOT** accurate in regard to international laws related to preventing and combating corruption?
A. United Nations Convention against corruption(UNCAC) has been integrated into the Kenya legal system
B. The African Union Convention on Preventing and Combating Corruption has been integrated into the Kenya legal system
C. United Nations Convention against Corruption(UNCAC) is yet to be integrated into the Kenya legal system
D. The international code of conduct for public officials is recognised by Kenya law (1 mark)

3. Which one of the following is **NOT** a legal element to prove misrepresentation of facts as a legal offence?
A. The defendant concealed material facts
B. The defendant knew the statement or document was false
C. The defendant presented a material false statement or document
D. The victim relied on the misrepresentation (1 mark)

4. Which one of the following statements is **NOT** accurate in regard to legal elements that must be shown to prove misrepresentation of material facts in a criminal trial?
A. The victim relied on the false statement and suffered financial loss
B. The defendant knew the statement or document was false
C. The defendant presented a material false statement or document
D. None of the above (1 mark)

5. A public officer in charge of preparing financial statements, deliberately failed to provide all the financial information that related to the public entity. Which one of the following legal offences **BEST**, define the offence committed by the public officer?
A. Misrepresentation of material facts
B. Concealment of material facts
C. Gross negligence
D. All the above (1 mark)

6. Which one of the following is **NOT** a legal element of computer forgery?
A. Intentional input, alteration, deletion suppression of computer data, resulting in inauthentic data
B. With intent to consider and acted upon for legal purposes
C. With intent to consider and acted upon to make a decision
D. All the above (1 mark)

7. Which one of the following statements is **NOT** accurate in regard to penalty under the Bribery Act 2016?

- A. Imprisonment (maximum of ten years); and Imposition of a fine (not exceeding KES 5,000,000) plus any other penalty or punishment
- B. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and/or loss) but in addition to imprisonment
- C. Where the person received a quantifiable benefit and any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and five times amount quantifiable loss in addition to the initial fine and imprisonment
- D. Where the person received a quantifiable benefit and any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and five times amount quantifiable loss, but, not in addition to the initial fine and imprisonment

(1 mark)

8. Which one of the following statements is **NOT** accurate in regard to the Bribery Act 2016?

- A. A person convicted for bribery and given penalties of a fine and imprisonment is required to pay the benefit received to the Government in addition
- B. Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
- C. Under the Bribery Act, disqualification from serving as a director or partner of a private organisation, would not be in addition to penalties of a fine and imprisonment
- D. Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment

(1 mark)

9. Which one of the following is **NOT** a type of procurement offence under the Public Procurement and Assets Disposal Act?

- A. A fraudulent act
- B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
- C. An attempt to commit an offence
- D. Corrupt conduct

(1 mark)

10. Which one of the following is **NOT** accurate in regard to the Bribery Act 2016?

- A. The Bribery Act 2016 does not have wide implications for an entity that is not established in Kenya, but do business in Kenya
- B. Because of the hefty penalties, the implications should be factored into all business activities, and businesses need to establish an effective bribery and corruption prevention policy
- C. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities, alongside other extra-territorial statutes on bribery
- D. All the above

(1 mark)

11. Alex is an agent of XYZ government agency. Alex makes a statement to the principal indicating that the agency need to buy laptops for their employees. There are laptops in the store that are yet to be given out. The agent budgeted for laptops and the bought the laptops. The agent received a reward from the vendor for influencing the procurement. Which one of the following is **NOT** an offence committed by the agent?

- A. Abuse of office
- B. Deceiving principle
- C. Misappropriation of funds
- D. Bribery

(1 mark)

12. Which one of the following statements is **NOT** accurate in regard to the legal elements to prove breach of trust?

- A. The defendant was in a position of trust
- B. The defendant was entrusted with the organisation's funds
- C. The defendant did not act in the best interest of the principal
- D. All the above

(1 mark)

13. Which one of the following statements is **NOT** accurate in regard to the legal elements of forgery?

- A. The defendant represents a document with false contents
- B. The defendant represents a document with false contents and the document has legal significance
- C. The document was made or altered with the intent to defraud
- D. The defendant made material alterations that affected the legal significance

(1 mark)

14. Which one of the following is an example of an economic crime under the Anti-Corruption and Economic Crimes?

- A. Causing a computer or any other electronic machinery to perform any function that directly or indirectly results in a loss or adversely affects any public revenue or service
- B. Asset misappropriation
- C. Fraud
- D. Conflict of interest

(1 mark)

15. Which one of the following Kenya laws defines soliciting or receiving an inducement as an offence?

- A. Proceeds of crime and Anti-money laundering Act
- B. Capital Markets Act
- C. Public Finance Management Act
- D. All the above

(1 mark)

16. Which one of the following offences is **NOT** a substantive offence?

- A. Conspiracy
- B. Bid rigging
- C. Asset misappropriation
- D. Computer fraud

(1 mark)

17. The Capital Markets Act prohibits insider trading. Which one of the following is an example of inside-trading?

- A. Corporate officers, directors and employees trade their corporate's securities based on information already known to the public
- B. Family members, friends and business associates of corporate officers, directors and employees trade their corporate securities based on information on the issuer's prospectus
- C. Employees of law firms, accounting firms or stock brokers trade their securities based on information obtained in the course of their engagement
- D. All the above

(1 mark)

18. Which one of the following is an exemption of the requirements for government to conduct searches and seizures?

- A. A police officer believes, based on reasonable grounds, that the suspect committed the offence
- B. A police officer believes beyond reasonable doubt, the suspect committed the offence
- C. A person commits an offence in the presence of a police officer
- D. All the above

(1 mark)

19. Which one of the following statements in regard to false statement to government is **NOT** accurate?

- A. To violate a law criminalising false statements to government agencies, the statements does not need to be made directly to the government
- B. A statement made to a third party does not violate laws related to false statements to the government
- C. To violate laws related false statements to government, the government does not have to suffer loss
- D. An offence of false statement to the government occurs, even when the government did not rely on the false statement

(1 mark)

20. Which one of the following is **NOT** a type of obstruction of justice offence?

- A. Contempt of court
- B. Bribing a witness
- C. Destroying documents
- D. Impeding a government auditor in the performance of their official duties

(1 mark)

21. Which one of the following statements is **NOT** accurate in relation to the UK Bribery Act and Bribery Act, 2016?

- A. The UK Bribery Act has broader application than the Bribery Act 2016 in regard to commercial bribery
- B. Unlike the FCPA, the UK Bribery Act and Bribery 2016 criminalise facilitation payments
- C. The UK Bribery Act exercise jurisdiction over all individuals for acts of corruption when any part of the offences occurs in the UK
- D. If an organisation's anti-corruption programme complies with the FCPA, it will not be adequate for the purpose of complying with the Bribery Act 2016

(1 mark)

22. Which one of the following statements is **NOT** accurate in regard to computer forgery?

- A. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes, as if it were authentic
- B. Computer forgery involves a person who intentionally inputs, alters, deletes or suppresses computer data
- C. Computer forgery is a separate offence in addition to the underlying crime
- D. Computer forgery is a type of computer misuse offence

(1 mark)

23. Which one of the following statements is **NOT** accurate in relation to the fight against bribery?

- A. Before the Bribery Act 2016, the Anti-Corruption and Economic Crimes Act did not impose significant responsibilities on the private sector to put anti-corruption measures in place
- B. The Bribery Act 2016 imposes express duties on private entities and individuals to prevent and report incidents of bribery
- C. Like the UK Bribery Act, the Bribery Act 2016 has extra-territorial application in relation to bribery-related offenses carried outside Kenya
- D. The Bribery Act 2016 does not criminalise facilitation fees to expedite the process but rather an inducement to influence decision

(1 mark)

24. The U.S. Foreign Corrupt Practices Act's (FCPA) does **NOT** criminalise which one of the following acts?

- A. A U.S company promises to pay a foreign official \$100,000 as a facilitation fee
- B. A U.S company transfers \$500,000 to a foreign official to influence the official to award it a public construction contract
- C. A UK company that is trading securities on the New York Stock Exchange transfers \$500,000 to a foreign official to influence the official to award it a public contract
- D. All of the above

(1 mark)

25. The Tax Procedure Act criminalises which one of the following fraudulent activities?

- A. Any person who, in relation to a tax period, unknowingly omits from his or her return any amount which should have been included
- B. Any person who, in relation to a tax period, unknowingly claims any relief or refund to which he or she is not entitled
- C. Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- D. Any person who, in relation to a tax period, intentionally omits from his or her return any amount which should have been included

(1 mark)

26. Which one of the following statements is **NOT** accurate in regard to false or misleading statements under the Tax Procedure Act?

- A. A person commits an offence when the person deliberately makes a statement to an authorised officer that is false or misleading in a material particular
- B. A person commits an offence when the person unintentionally omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular.
- C. A person does not commit an offence of false or misleading statements when the person intentionally conceals from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular
- D. All the above

(1 mark)

27. Under the Anti-corruption and Economic Crimes Act, which one of the following statements is **ACCURATE**?

- A. Misappropriation of public funds is defined a corruption offence
- B. Making payment for goods not supplied is a corruption offence
- C. Fraud and embezzlement are defined as economic crimes
- D. Conflict of interest is an economic crime

(1 mark)

28. Claud Johnson is a finance officer of Energy and lighting company, a government corporation, he fraudulently and unlawfully used the government payment system to make payments for goods not supplied. Which of the following Kenya laws were violated by this conduct?

- A. Anti-Corruption and Economic Crimes Act and Computer Misuse and Cyber-Crime Act
- B. Penal code and Anti-Corruption and Economic Crimes Act
- C. Anti-Corruption and Economic Crimes and Public Finance Management Act
- D. All the above

(1 mark)

29. Which one of the following statements is **NOT** accurate in regard to conflicts of interest, under the Bribery Act 2016?

- A. The agent knows or has reason to believe that the principal is unaware of the interest and the agent fail to disclose the interest the agent will have committed an offence
- B. The agent votes or participates in the proceedings of his principal in relation to the decision.
- C. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent will not constitute a conflict of interest
- D. If an agent of a public body knowingly acquires or holds, directly or indirectly, private interest in any contract agreement or investment, will not be guilty of an offence if the principal authorise the agent to participate or make a decision on behalf of the principal (1 mark)

30. Which one of the following statements is **NOT** accurate in regard to money laundering under the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA)?

- A. The POCAMLA obligations include, establishing and maintaining internal reporting procedures
- B. Upon the coming into force of this Act (POCAMLA), a reporting institution shall undertake customer due diligence on the existing customers
- C. The POCAMLA make it an obligation for financial institution to undertake customer due diligence on new customers and existing customers
- D. The POCAMLA does not make it an obligation for Non-financial designated reporting institution to undertake customer due diligence on new customers and existing customers (1 mark)

31. Which one of the following acts would **NOT** constitute an offence under the Bribery Act 2016?

- A. To promise to pay a foreign official \$100,000 to expedite a process
- B. A U.S company makes a payment of \$200,000 to a Kenyan official to influence the official to award a public contract
- C. A Japanese company that is conducting business into Kenya from Japan transfers \$3000,000 to a Kenyan official to influence the official to award it a public construction contract
- D. None of the above (1 mark)

32. Which of the following statements in regard to the Bribery Act 2016 and UK Bribery Act is **NOT** accurate?

- A. The Bribery Act 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act
- B. Unlike the Bribery Act 2016, the UK Bribery Act criminalise payment of commercial bribery
- C. Unlike the US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalise payment of facilitation fees
- D. All the above (1 mark)

33. Which one of the following is **NOT** a type of corruption offence under the Anti-corruption and Economic Crimes Act?

- A. Fraud
- B. Bid rigging
- C. Abuse of office
- D. Protection of government property or revenue (1 mark)

34. An agent who, to the detriment of his principal, uses, or gives to his principal, a document that he knows contains anything that is false or misleading in any material respect is guilty of an offence. Which one of the following offences under the Anti-corruption and Economic Crimes Act **BEST** describe the offence?

- A. Misrepresentation of material facts
- B. Forgery
- C. Deceiving principal
- D. Breach of trust (1 mark)

35. Which one of the following statements is **NOT** accurate in relation to giving a bribe as stipulated under the Bribery Act 2016?

- A. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person, who does not know or believes the acceptance of the financial or other advantage would itself constitute the improper performance of a relevant function or activity
- B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
- C. It shall not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned
- D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party (1 mark)

36. Which one of the following is the **BEST** defence against a tax fraud liability?
A. Death of the tax payer
B. No of tax liability
C. Unintentional failure to pay taxes
D. Reliance on a tax expert (1 mark)

37. Which one of the following is **NOT** a legal element that must be shown to prove a claim for fraudulent misrepresentation of material facts in civil suit?
A. The victim relied on the misrepresentation
B. The victim suffered damages as a result of the misrepresentation
C. The defendant knew the representation was false
D. None of the above (1 mark)

38. Which one of the following is **NOT** an offence under the Proceeds of Crime and Anti-Money laundering (POCMLA)?
A. Failure to comply with a court order
B. Concealment of facts
C. Misrepresentation of facts
D. Misuse of information (1 mark)

39. Which one of the following is **NOT** a recommendation that the OECD made to their member countries on combating bribery in international business?
A. To enforce the existing criminal laws
B. To enhance banking and accounting requirements and practice
C. To enhance tax systems and regulations
D. All the above (1 mark)

40. Which one of the following is **NOT** a legal element of official bribery?
A. The defendant offers, promises or gives financial or other advantage
B. To a person who knows or believes the acceptance of the financial or other advantage would itself constitute improper performance of a relevant function or activity
C. The advantage is offered, promised or given through a third party
D. None of the above (1 mark)

41. Under the Bribery Act 2016, which one of the following does **NOT** constitute a bribe?
A. Interest in a property
B. Liquidation of any loan
C. Discharge of any obligation or other liability
D. None of the above (1 mark)

42. Which one of the following statements is **NOT** accurate about embezzlement?
A. The prosecution does not have to prove the defendant's intent to embezzle the money
B. The prosecution must prove that the defendant was entrusted with the money or property
C. The prosecution must prove that the defendant took away and denied the owner use of the money or property
D. The prosecution must prove the defendant's intent to embezzle the money or property (1 mark)

43. Which one of the following statements is **NOT** accurate with regard to Computer Misuse and Cybercrime?
A. Unauthorised access is an offence on its own, under the Computer Misuse and Cybercrime
B. Unauthorised offence with the intent to commit further offence is an additional offence
C. The offence committed under, any other law by gaining unauthorised access will not be an additional offence to the unauthorised access
D. All the above (1 mark)

44. Which one of the following organisations receive reports from reporting financial institutions in Kenya?
A. Central Bank of Kenya
B. Financial Reporting Centre (FRC)
C. The Asset Recovery Agency
D. All the above (1 mark)

45. Which one of the following stages of money laundering, is easier to detect money laundering?
A. Layering
B. Integration
C. Placement
D. All the above (1 mark)

46. Which one of the following statements is **ACCURATE** in regard to Financial Action Task Force?
A. Kenya is a member of the Financial Action Task Force
B. Kenya is not a member of the Financial Action Task Force, but benchmarks in developing anti-money laundering programs
C. Financial Action Task Force, membership requirements are very stringent and not all countries have been able to meet the requirements
D. None of the above (1 mark)

47. Which one of the following statements is **NOT** accurate under the POCAMLA Act?
A. This act does not apply to professional firms preparing or carrying out transactions on behalf of their clients
B. This act put an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
C. This act put an obligation on the reporting institutions to establish and maintain customers' records
D. None of the above (1 mark)

48. Which one of the following statements is **NOT** accurate in regard to bid rigging under the Anti-Corruption and Economic Crimes Act?
A. Bid rigging is a type of a corruption offence that is perpetrated by bidders
B. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
C. Withdrawing or changing a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
D. Refraining from submitting a tender, proposal, quotation or bid is a bid rigging offence (1 mark)

49. The capital Markets Act has defined securities market manipulation, as a securities offence. Which of the following is **NOT** a securities market manipulation?
A. Increase, or are likely to increase the price with the intention of inducing another person to purchase, subscribe for, or to refrain from selling securities issued by the same company or a related company or such other listed securities
B. Employees trading their shares based on inside information that is not known by the public
C. Stabilise or are likely to stabilise the price with the intention of inducing another person to sell, purchase, or subscribe for or to refrain from selling, purchasing or subscribing for securities issued by the same company or by a related company or such other listed securities
D. All the above (1 mark)

50. Which one of the following statements about securities laws and regulations like the Capital Markets Act is **ACCURATE**?
A. National securities laws and regulations have extraterritorial reach
B. Most securities markets are regulated on an international basis
C. Securities exchanges are regulated entities that have regulatory authority
D. National securities laws and regulations does not have extra territorial reach (1 mark)

51. Which one of the following is **NOT** a legal element that must be proven in a claim of official bribery under the Bribery Act 2016?
A. The criminal defendant received an advantage
B. The criminal defendant's criminal intent
C. The criminal defendant is a government official
D. The criminal defendant engaged in a corrupt conduct (1 mark)

52. Under the Bribery Act 2016, which one of the following is a relevant function or activity?
A. Any function carried out by a state officer or public officer outside of his/her official duties
B. Any function that is not of public nature
C. Any activity performed by or on behalf of a body of persons whether corporate or otherwise
D. All the above (1 mark)

53. Which one of the following statement is **NOT** accurate in regard to Protection of Whistle-blowers and Witnesses under the Bribery Act 2016?

- Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
- The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
- Under this Act, it is not an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness
- None of the above

(1 mark)

54. The Bribery Act imposes heavy penalties for bribery-related offenses. Which one of the following is **NOT** accurate in regard to a penalty under the Bribery Act?

- Imprisonment (maximum of ten years);
- Imposition of a fine (not exceeding KES 5,000,000)
- Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of a fine (five times the amount of the benefit and/or loss) but not in addition to the initial fine
- None of the above

(1 mark)

55. The Bribery Act imposes heavy penalties for bribery-related offenses, which one of the following statements is **NOT** accurate in regard to penalty under the Bribery Act?

- Requirement to pay the benefit received to the Government
- Confiscation of property acquired through proceeds of bribery
- Being barred from holding public office or being a director or partner in Kenya
- Disqualification from holding a public office if one is charged with a bribery offence

(1 mark)

56. Which one of the following statements is **NOT** accurate in regard to proving conspiracy?

- At least one of the conspirators knowingly committed at least one overt act in furtherance of the conspiracy
- The defendant knew all the other conspirators
- The defendant entered in an agreement to commit an illegal act
- None of the above

(1 mark)

57. Which one of the following is **NOT** accurate in relation to objects of the Computer Misuse and Cybercrime?

- Protect the confidentiality, integrity and availability of computer systems, programs and data
- Facilitate for prevention, investigation, prosecution and punishment of cybercrimes
- Facilitate international co-operation on matters covered under this Act
- None of the above

(1 mark)

58. Which one of the following statements is **NOT** accurate under the Computer Misuse and Cybercrimes Act 2018?

- If the person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data the action will not be considered as unauthorised access
- It is immaterial that the unauthorised access is not directed at any particular program or data program or data of any kind
- If the unauthorised access is not directed at any program or data held in any particular computer system, the action will not be considered as unauthorised access offence
- None of the above

(1 mark)

59. Which one of the following statements is **NOT** accurate in regard to unauthorised access with intent to commit further offence?

- Unauthorised access with the intent to commit further offence under any law or to facilitate the commission of a further offence by that person or any other person, commits an offence
- On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years or to both
- The further offence under any law committed through the unauthorised access will not be an additional offence
- None of the above

(1 mark)

60. Which one of the following statements is **ACCURATE** in regard to an unauthorised interference to a computer system, program or data?

- Unauthorised interference can only be committed by a person with authorised access
- Unauthorised interference can be committed by a person with unauthorised access using technical means to gain access
- Unauthorised interference can only be committed by a person with unauthorised access
- All the above

(1 mark)

61. Which one of the following statements in regard to the United Nations Convention Against Corruption (UN Convention) is **NOT** accurate?

- Member states must implement procedures and mechanisms to detect and prevent the transfer of assets obtained through illicit activities
- Member states must establish independent anti-corruption bodies that provide oversight on the implementation of the UN Convention policies
- Member states criminalise some acts of corruption committed within their territories or by their nationals
- None of the above

(1 mark)

62. If an accounting officer authorised payments for goods not supplied, which one of the following law has not defined this kind of offence?

- Anti-Corruption and Economic Crimes Act
- Bribery Act
- Public Finance Management Act
- Public Procurement and Assets Disposal Act

(1 mark)

63. Rosy, a revenue officer, works in a big organisation with several cash points. Rosy observe that the revenue surrendered by cashiers is not commensurate with services offered. However, all the revenue received is surrendered. Which one of the following **BEST** describes the offence that is being committed by the employees?

- Theft of cash
- Fraud
- Misappropriation of funds
- None of the above

(1 mark)

64. Which one of the following is **NOT** an element that must be established to prove fraud based on the concealment of material facts?

- The defendant acted with intent to mislead or deceive the victim(s)
- The defendant did not disclose material facts to all interested parties
- The defendant had knowledge of a material fact, and had a duty to disclose and failed to disclose the material facts
- None of the above

(1 mark)

65. Which one of the following statements is **NOT** accurate in regard to conflict-of-interest offense under the Anti-corruption and Economic Crimes Act?

- If an agent has a direct or indirect private interest in a decision that his principal is to make the agent is guilty of an offense if the agent knows or has reason to believe that the principal is unaware of the interest and the agent fails to disclose the interest
- If an agent votes or participates in the proceedings of his principal in relation to the decision
- A public body may authorise its agent to vote or participate in the proceedings of the public body and the voting or participation of an agent as so authorised
- A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent as so authorised

(1 mark)

66. Which one of the following is **NOT** accurate Under the Tax Procedure Act 2015, in regard to criminalising tax related actions?

- The law criminalise schemes designed for tax avoidance
- The law criminalises tax evasion
- The law does not criminalise tax avoidance
- None of the above

(1 mark)

67. Which one of the following statements is **ACCURATE** in regard to bribery under the Bribery Act 2016?

- Under the Bribery Act 2016, the prosecution must prove that the defendant engaged in a corrupt conduct by offering or receiving a bribe
- Under the Bribery Act 2016, the prosecution must prove that the defendant acted improperly because of the bribe received
- Under the Bribery Act 2016, the prosecution must prove that the defendant received something of value capable of influencing his official act or a commercial business decision
- None of the above

(1 mark)

68. Terry is serving in two boards of companies that compete in road construction Terry, has not disclosed the information to the two companies. Which of the following offences did Terry engage in?
A. Corruption
B. Breach of trust
C. Conflict of interest
D. All the above (1 mark)

69. Which one of the following is **NOT** accurate in regard to OECD Recommendation on Combating Bribery in International Business (Recommendation)?
A. OECD focuses on the “offering side”
B. OECD focuses on the “demand side”
C. OECD focuses on both the “offering” and “demand side”
D. None of the above (1 mark)

70. Which one of the following is **NOT** accurate in relation to objects of Computer Misuse and Cybercrime?
A. Protect the confidentiality, integrity and availability of computer systems, programs and data
B. Prevent the unlawful use of computer systems
C. Facilitate international co-operation on matters covered under this Act
D. None of the above (1 mark)

71. Which one of the following statements is **NOT** accurate in regard to unauthorised access under the Computer Misuse and Cybercrimes Act 2018?
A. A person who causes, whether temporarily or permanently, a computer system to perform a function, by infringing security measures, commits an offence
B. Intent to gain access, and knowing such access is unauthorised, commits an offence and is liable
C. Gaining unauthorised access to a computer or computer system is not an offence, if no further offence was occasioned by the unauthorised access
D. On conviction, there is a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years or to both (1 mark)

72. Which one of the following statements is **NOT** accurate in regard to unauthorised access with intent to commit further offence?
A. Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
B. The further offence under any law committed through the unauthorised access will be an additional offence
C. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both
D. The further offence under any law committed through the unauthorised access will not be an additional offence (1 mark)

73. Which one of the following statements is **ACCURATE** about an unauthorised interference, to a computer system, program or data?
A. Unauthorised interference can be committed by a person with authorised or unauthorised access
B. Unauthorised interference can only be committed by a person with authorised access
C. Unauthorised interference can only be committed by a person with unauthorised access
D. Unauthorised interference with a computer or computer system is offence of computer forgery (1 mark)

74. Which one of the following statements is **NOT** accurate in regard to the Financial Action Task Force and Anti-money laundering efforts?
A. The Financial Action Task Force (FATF) is a set of standards and policies to combat money laundering and terrorist financing at both the national and international levels
B. Its purpose is for developing and promoting standards and policies to combat money laundering and terrorist financing at both the national and international levels
C. The FATF’s Recommendations, revised in 2012, created the most comprehensive legal framework for its members
D. Only a few of its members have fully implemented the FATF standards and recommendation (1 mark)

75. In regard to intent under the Anti-Corruption and Economic Crimes Act, which one of the following statements is **NOT** accurate?

- A. The offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act, require prove of intent, unlike under the Bribery Act, 2016
- B. It is not a defence in prosecution of an offence of receiving, soliciting, giving or offering of any benefit, under the Anti- Corruption and Economic Crimes Act, that it is customary in any business, undertaking, office, profession or calling
- C. “It is not a defence in prosecution that the act or omission was not within a person’s power or that the person did not intend to do the act
- D. It is not a defence that the act or omission did not occur

(1 mark)

76. Which one of the following statements in regard to Computer Misuse and Cybercrime is **ACCURATE**?

- A. A person who knowingly and without authority discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence
- B. The person who unknowingly disclose a password is liable on conviction
- C. A person who unknowingly through negligence discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence under the Computer Misuse and Cybercrime
- D. All the above

(1 mark)

77. Fatuma is an accounts payable accountant at XYZ State Corporation. In the course of her duties she enters fraudulent invoices in the computer payment system. Which one of the following **BEST** describes the offences committed by Fatuma?

- A. Computer forgery and failure to protect government property or revenue
- B. Forgery and economic crime
- C. Economic crime and cybercrime
- D. Misappropriation of funds

(1 mark)

78. Carey is a principal accountant at XYZ government agency. Carey is responsible for authorising creditors’ payments. In collusion with the procurement manager, they agreed that Carey authorise payments for goods that were not supplied and then later shared the proceeds between themselves and the vendors. Which one of the following is **ACCURATE** in regard to the principal accountant’s ‘offences’?

- A. The principal accountant, if proved, will be guilty of conspiracy and breach of trust
- B. The principal accountant, if proved, will be guilty of conspiracy and misappropriation of funds
- C. The principal accountant, if proved, will be guilty of conspiracy and Conflict of interest
- D. All the above

(1 mark)

79. Which one of the following statements is **NOT** accurate in relation to evidence of corruption under the Anti-corruption and Economic Crimes Act?

- A. Unexplained asset acquired at or around the time the person was reasonably suspected of corruption or economic crime, and where there is no satisfactory explanation of the sources of income used to acquire the assets
- B. Unexplained sources of funds for acquiring the assets is circumstantial evidence of corruption
- C. Unexplained assets are type of circumstantial evidence of corruption
- D. Unexplained assets are type of direct evidence of corruption

(1 mark)

80. Which one of the following statements is **ACCURATE** in regard to corruption offences?

- A. Corruption offences usually have no additional offence
- B. An attempt to commit a corruption offence, where the offence is not completed is an offence under the Anti- Corruption and Economics Crime Act
- C. Conspiracy offence, is an offence on its own and there is no other underlying offence
- D. Abuse of office is a type of corruption offence on its own, and there is no other underlying offence

(1 mark)

81. Sean a fraud suspect, confesses to commission of fraud. During Sean’s fraud trial, the prosecution introduces Seans’ confession as evidence of his fraudulent act. In which jurisdictions would the confession be admitted as evidence?

- A. Inquisitorial jurisdictions
- B. Adversarial jurisdictions
- C. Common law jurisdiction
- D. All the above

(1 mark)

82. Which one of the following should be determined in regard to requirement for a search warrant in a jurisdiction with laws granting people the right to be free from unreasonable search and seizure?
A. If the police officer is conducting the search
B. If it is a criminal offence
C. If there is sufficient evidence
D. If the suspect is known (1 mark)

83. Which one of the following statements is **NOT** accurate in regard to perjury offence?
A. The defendant made the statement with knowledge of its falsity
B. The defendant made a false statement that was material
C. The defendant made the false statement during pre- trial proceedings
D. A statement can only be perjury, if it is made during trial proceedings (1 mark)

84. Which one of the following laws has **NOT** defined misrepresentation of facts as an offence?
A. Capital Markets Act
B. Public Finance Management Act
C. Bribery Act, 2016
D. Public Procurement and Assets Disposal Act (1 mark)

85. Which one of the following laws has **NOT** defined corrupt conduct as an offence?
A. Anti-Corruption and Economics Crimes Act
B. Public Finance Management Act
C. Bribery Act
D. Proceeds of crime and Anti-money laundering Act (1 mark)

86. Which one of the following offences is **NOT** an offence in addition to another underlying offence?
A. Abuse of office
B. Conspiracy
C. Computer forgery
D. Bid rigging (1 mark)

87. Which one of the following laws has defined concealment or omission of material information as an offence?
A. Public Finance Management Act
B. Bribery
C. Computer Misuse and Cybercrime Act
D. All the above (1 mark)

88. Which one of the following law has two laws in one?
A. Capital Markets Act
B. Public Finance Management Act
C. Anti-Corruption and Economics Crimes Act
D. All the above (1 mark)

89. Which one of the following laws has defined an attempt to commit a crime as an offence?
A. Tax Procedure Act
B. Public Finance Management Act
C. Public Procurement and Assets Disposal Act
D. Anti-Corruption and Economics Crimes Act (1 mark)

90. Which one of the following statements in regard to legal elements of criminal activities intended to enable bribery is **NOT** accurate?
A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
C. Any person, unintentionally assists a person or a private entity to give or receive a bribe by recording property which was obtained as a result of or in connection with bribery
D. All the above (1 mark)

91. Which one of the following statements under the Bribery Act 2016 is **NOT** accurate?

- A. Under the Bribery Act, private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations
- B. Under the Bribery Act, public entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations
- C. Failure of private entities to put in place such procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations attracts individual liability for the director or a senior officer
- D. Failure of private entities, to put in place for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations attracts vicarious liability only

(1 mark)

92. Which one of the following is **NOT** one of the IOSCO Objectives and Principles of Securities Regulation?

- A. Protection of investors
- B. Protection of issuers of securities
- C. The reduction of systemic risk
- D. Ensuring that markets are fair, efficient and transparent

(1 mark)

93. Which one of the following statements is **NOT** accurate in regard to professional negligence?

- A. Cases of professional negligence are usually brought to court as criminal offences
- B. Cases of professional negligence are hard to prove
- C. Failure to exercise due care in the performance of a duty by a professional is an example of professional negligence
- D. It is easier to prove misrepresentation of material facts by a professional, than to prove professional negligence

(1 mark)

94. Which one of the following statements is **ACCURATE** in regard to the private and public entities obligation to put procedures in place to prevent bribery and corruption?

- A. The Bribery Act, 2016 does not criminalise failure to put procedures in place to prevent bribery and corruption, because failure to put procedures in place is not a criminal offence
- B. Failure to put procedures in place will be presumed as consent by the entity's senior officer not to prevent bribery and corruption in their organisation
- C. Failure to put procedures in place, will not be presumed as consent by the entity's senior officer, not to prevent bribery
- D. Failure to put procedures in place, to prevent bribery and corruption under the bribery Act, 2016, is a civil offence

(1 mark)

95. Which one of the following statements is **NOT** accurate in regard to legal element of money laundering under the POCAMLA Act?

- A. A person who knows or who ought reasonably to have known that property forms part of the proceeds of crime
- B. Enters into any agreement or engages in any arrangement or transaction with anyone in connection with that property
- C. Performs any other act in connection with such property, whether it is performed independently or with any other person,
- D. If a person unknowingly enters into any agreement or engages in any arrangement or transaction with anyone in connection with that property

(1 mark)

96. Which one of the following statements is **NOT** accurate in regard to offences by public officers under the Public Finance Management Act?

- A. A public officer commits an offence if that officer misappropriates public funds or assets
- B. A public officer commits an offence if that officer conceals information on public finances to obtain a financial benefit
- C. A public officer commits an offence if that officer solicits or receive an inducement
- D. A public officer commits an offence if that officer offers or pays a bribe to influence a financial decision

(1 mark)

97. Which one of the following principal categories of fraud is not defined under the Public Finance Management Act?

- A. Bribery
- B. Misrepresentation of material facts
- C. Forgery
- D. Concealment of material facts

(1 mark)

98. Which one of the following statements describe the legal elements of forgery?

- A. A fraudulent invoice presented to a procuring entity to demand payment
- B. A document with alterations, rendering the document not authentic
- C. A document that is false and is material in nature
- D. All the above

(1 mark)

99. Which one of the following statements is **NOT** accurate in regard to abuse of office offence?

- A. A criminal defendant being prosecuted for abuse of office can successfully use legal impossibility as a defence if the criminal defendant is not an agent to the principal
- B. Any person who has responsibility for the administration and management of public funds and then misappropriates those funds, can be prosecuted for abuse of office
- C. A person who is entrusted with public resources and then misappropriates the resources can be charged with abuse of office in addition to misappropriation of
- D. None of the above

(1 mark)

100. Which one of the following principal categories of fraud, is not defined under the Anti-corruption and Economics Act?

- A. Bribery
- B. Concealment of material facts
- C. Conflict of interest
- D. Fraudulent payments

(1 mark)

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 6 December 2023. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Which one of the following statements related to criminal activities intended to enable bribery is **NOT** accurate?
 - A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
 - B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
 - C. Any person who unknowingly assists a person or a private entity to give or receive a bribe by recording property which was obtained as a result of or in connection with bribery
 - D. All the above

(1 mark)
2. Which of the following statements under the Bribery Act 2016 is **ACCURATE**?
 - A. Under the Bribery Act, only private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations
 - B. Under the Bribery Act, only public entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations
 - C. Failure of private entities to put in place such procedures is an offense on part of director or a senior officer
 - D. None of the above

(1 mark)
3. Which of the following statements is **NOT** accurate in regard to penalty under the Bribery Act 2016?
 - A. Imprisonment (maximum of ten years); and Imposition of a fine (not exceeding KES 5,000,000/- plus any other penalty or punishment
 - B. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and/or loss) but in addition to imprisonment
 - C. Where the person received a quantifiable benefit and any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and five times amount quantifiable loss in addition to the initial fine and imprisonment
 - D. None of the above

(1 mark)
4. Which of the following statements is **NOT** accurate in regard to the Bribery Act 2016?
 - A. A person convicted for bribery and given penalties of a fine and imprisonment is required to pay the benefit received to the Government in addition
 - B. Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
 - C. Under the Bribery Act, disqualification from serving as a director or partner would not be in addition to penalties of a fine and imprisonment
 - D. Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment

(1 mark)

5. Which of the following is **NOT** a type of procurement offence under the Public Procurement and Assets Disposal Act?
A. A fraudulent act
B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
C. Sign a contract contrary to the requirements of this Act
D. None of the above (1 mark)

6. Which of the following is **NOT** accurate in regard to the Bribery Act 2016?
A. The Bribery Act 2016 does not have wide implications for an entity operating into Kenya from abroad
B. Because of the hefty penalties, the implications should be factored into all business activities, and businesses need to establish an effective bribery and corruption prevention policy
C. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities, alongside other extra-territorial statutes on bribery
D. All the above (1 mark)

7. Harold is an agent of ABC government agency. Harold makes a statement to the principal indicating that the agency requires a computer system with a higher capacity than the one it had. During budgeting, the agent budgeted for the computer system and a budget of two billion was approved. It was common knowledge that the entity does not need such a big computer system. The current system was still working effectively and efficiently. The agent received an award from the vendor for influencing the procurement. Which of the following is **NOT** an offence committed by the agent?
A. Abuse of office
B. Deceiving principle
C. Bribery
D. None of the above (1 mark)

8. Which of the following statements is **NOT** accurate in regard to the law of Breach of Trust or fiduciary duty?
A. Employees who can commit an offence of breach of trust are, officers, directors and executives only
B. Employees entrusted with receiving organisation's funds and making payments can be liable of breach of trust, if they embezzled the funds
C. Employees who are in position of trust owe the principal a duty of loyalty and care
D. Offences of breach of trust are usually brought to court as civil cases, for damages remedy (1 mark)

9. Which of the following statements is **ACCURATE** in regard to forgery?
A. A fraudulent invoice presented to a procuring entity is a forgery committed by the contractor or vendor
B. A fraudulent invoice presented to a procuring entity is misrepresentation of facts
C. A fraudulent invoice presented to a procuring entity is misappropriation of assets
D. None of the above (1 mark)

10. Which of the following is a method used for sending money to a co-conspirator in a foreign country without sending funds through a financial institution? The party pays Broker A, the funds, and Broker A then directs Broker B, who lives in the foreign country, to pay the co-conspirator. Later, Broker A offsets his debt to Broker B by paying someone at the direction of Broker B. Which of the following **BEST** describes this payment scheme?
A. Pre-paid credit cards
B. Money services business
C. Mortgage down-payments
D. Alternative remittance services (1 mark)

11. Any institution dealing with money can be ideal for laundering money, which of the following is **NOT** a reporting institution under the POCAMLA Act?
A. Commercial banks
B. Micro finances
C. SACCOs
D. None of the above (1 mark)

12. Which of the following is **NOT** an example of an Economic crime under the Anti – Corruption and Economic Crimes?
A. Causing a computer or any other electronic machinery to perform any function that directly or indirectly results in a loss or adversely affects any public revenue or service is an economic crime
B. Dishonesty in relation to taxes
C. Making payments for goods to be supplied
D. None of the above (1 mark)

13. Which of the following Kenyan laws does **NOT** define soliciting or receiving an inducement as an offense?
A. Bribery Act 2016
B. Anti-corruption and Economic Crimes Act
C. Public Finance Management Act
D. None of the above (1 mark)

14. Which of the following offense that does **NOT** have another underlying offence?
A. Computer forgery
B. Conspiracy
C. Abuse of office
D. None of the above (1 mark)

15. The Capital Markets Act prohibits insider trading. Which of the following is an example of insider-trading?
A. Corporate officers, directors and employees trade their corporate's securities based on material confidential information related to new business developments
B. Family members, friends and business associates of corporate officers, directors and employees trade their corporate securities based on public information
C. Employees of law firms, accounting firms or stock brokers trade their securities based on public information
D. All the above (1 mark)

16. Which of the following **BEST** describes the requirements for government to conduct searches and seizures?
A. Those facts that would induce a person of reasonable caution to believe that a crime has been committed and that the accused committed the crime
B. The set of facts showing proof beyond all doubt that a crime has been committed and that the accused committed the crime
C. The set of facts showing that its more likely than not that a crime has been committed and that the accused committed the crime
D. It is a general requirement for government officers to obtain search warrants (1 mark)

17. Which of the following statements in relation to false statement to government is **ACCURATE**?
A. To violate a law criminalising false statements to government agencies, the statement need be made directly to the government
B. A statement made to a third party does not violate laws related to false statements to the government.
C. To violate laws related false statements to government the government does not have to suffer loss
D. None of the above (1 mark)

18. Which of the following is considered obstruction of justice?
A. Bribing a witness
B. Contacting a government investigator
C. Subpoenaing a government witness
D. None of the above (1 mark)

19. Which of the following statements in relation to the UK Bribery Act and Bribery ACT 2016 is **ACCURATE**?
A. The UK Bribery Act has broader application than the FCPA because, unlike the FCPA, it makes commercial bribery a crime
B. Unlike the FCPA, the UK Bribery Act and Bribery 2016 has an explicit exception for facilitation payments
C. The UK Bribery Act does not exercise jurisdiction over all individuals for acts of corruption when any part of the offences occurs in the UK
D. If an organisation's anti-corruption programme complies with the FCPA, it will be adequate for the purpose of complying with the Bribery Act 2016 (1 mark)

20. Which of the following is **NOT** accurate in regard to computer forgery?
A. Computer forgery involves a person who intentionally inputs, alters, deletes, or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes, as if it were authentic
B. Computer forgery is a type of cybercrime
C. Computer forgery is a separate offence in addition to the underlying crime facilitated by the forgery
D. All the above (1 mark)

21. ABC Bank has an anti-money laundering program that has put in place internal controls, procedures to prevent money laundering, money laundering awareness training for employees, and a regular independent audit function to evaluate the effectiveness of the bank's anti money laundering program. Which of the following is missing in the ABC anti-money laundering program?

- A. A senior designated compliance officer
- B. Reports of all foreign bank transfers to the government
- C. A mandatory waiting period before cash deposits can be transferred
- D. All the above

(1 mark)

22. Red Corporation filed a bankruptcy proceeding in which all of its assets will be sold and the proceeds distributed to creditors. Under the World Bank Principles and Guidelines for Effective Insolvency and Creditor Rights Systems, which of the following parties is an appropriate option for managing Red's estate in the proceedings?

- A. Red Corporation directors
- B. Red's creditors
- C. Red Corporation's bankers
- D. None of the above

(1 mark)

23. In a planned bust-out scheme, which of the following is a type of asset that the fraudster typically purchases on credit and then sells prior to closing the business?

- A. Business insurance policies
- B. Legal or accounting services
- C. Health services
- D. Inventory

(1 mark)

24. Which of the following is **TRUE** in regard to the International Organisation of Securities Commissions (IOSCO)?

- A. One of the objectives of the International Organisation of Securities Commissions (IOSCO) is to ensure that markets are fair, efficient and transparent
- B. Enhancing the financial system's growth
- C. Harmonising securities laws and standards across the global
- D. None of the above

(1 mark)

25. Which of the following statement is **NOT** accurate in regard to the Bribery Act 2016?

- A. The Bribery Act, 2016 (the Bribery Act) came into force in 2016
- B. The Bribery Act comes in the wake of changes and new appointments to the Ethics and Anti-Corruption Commission (EACC) in an initiative to combat corruption in all sectors of the country's economy
- C. The Act applies to individuals and entities in the public and private sectors
- D. All the above

(1 mark)

26. Which of the following statements is **ACCURATE** in relation to the fight against bribery?

- A. Before the Bribery Act 2016, the Anti-Corruption and Economic Crimes Act did impose significant responsibilities on the private sector to put anti-corruption measures in place
- B. The Bribery Act 2016 imposes express duties on private entities and individuals to prevent and report incidents of bribery
- C. Unlike the UK Bribery Act, the Bribery Act 2016 has no extra-territorial application in relation to bribery-related offenses carried outside Kenya
- D. The Bribery Act 2016 has not made it a requirement for private entities to have in place procedures for the prevention of bribery

(1 mark)

27. The U.S. Foreign Corrupt Practices Act's (FCPA) Anti-bribery Act does **NOT** criminalise which one of the following acts?

- A. A U.S company promises to pay a foreign official \$100,000 as a facilitation fee
- B. A U.S company transfers \$100,000 to a foreign official to influence the official to award it a public construction contract
- C. A UK company that is trading securities on the New York Stock Exchange transfers \$100,000 to a foreign official to influence the official to award it a public contract
- D. All of the above

(1 mark)

28. The Tax Procedure Act criminalises which one of the following fraudulent activities?

- A. Any person who, in relation to a tax period, unknowingly omits from his or her return any amount which should have been included
- B. Any person who, in relation to a tax period, unknowingly claims any relief or refund to which he or she is not entitled

C. Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
D. None of the above (1 mark)

29. Which of the statements is **ACCURATE** in regard to false or misleading statements under the Tax Procedure Act?
A. A person commits an offence when the person deliberately makes a statement to an authorised officer that is false or misleading in a material particular
B. A person commits an offence when the person unintentionally omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular
C. A person commits an offence when the person deliberately omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular
D. All the above (1 mark)

30. Under the Anti-corruption and Economic Crimes Act, which of the following statements is **ACCURATE**?
A. Misappropriation of public funds is defined as an economic crime
B. Failure to protect public property and revenue is defined as an economic crime
C. Fraud and embezzlement are defined as economic crimes
D. None of them is accurate (1 mark)

31. Cliff is a public officer of ABC Ministry. Cliff fraudulently and unlawfully used the government payment system to make payments for services that were not rendered. Which of the following is the offence that was committed by Cliff?
A. An economic crime
B. Corruption
C. Failure to protect public property or revenue
D. None of the above (1 mark)

32. Which of the following statements is **NOT** accurate in regard to conflicts of interest, under the Bribery Act 2016?
A. The agent knows or has reason to believe that the principal is unaware of the interest and the agent fail to disclose the interest the agent will have committed an offence
B. The agent votes or participates in the proceedings of his principal in relation to the decision
C. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent will not constitute a conflict of interest
D. If an agent of a public body knowingly acquires or holds, directly or indirectly, private interest in any contract agreement or investment, will not be guilty of an offence if the interest is disclosed to the principal (1 mark)

33. Which of the following statements is **NOT** accurate in regard to money laundering under the Proceeds of Crime and Anti-Money Laundering Act (POCMLA)?
A. The POCMLA obligations include, establishing and maintaining internal reporting procedures
B. Upon the coming into force of this Act (POCMLA), a reporting institution shall undertake customer due diligence on the existing customers
C. The POCMLA make it an obligation for a reporting institution to undertake customer due diligence only on new customers
D. None of the above (1 mark)

34. Which of the following acts would **NOT** constitute violations under the U.S. Foreign Corrupt Practices Act's (FCPA) anti-bribery provisions?
A. To promise to pay a foreign official \$100,000 to expedite process
B. A U.S company makes a payment of \$200,000 to a foreign official to influence the official to award a public contract
C. A German company that is publicly traded on the New York Stock Exchange transfers \$230,000 to a foreign official to influence the official to award it a public construction contract.
D. None of the above (1 mark)

35. Which of the following statement in regard to the Bribery Act 2016 and UK Bribery Act, is **ACCURATE**?
A. The Bribery Act 2016 and the UK Bribery Act do not have broader applications than the US Foreign Corrupt Practice Act
B. Unlike the Bribery Act 2016, the UK Bribery Act criminalise payment of commercial bribery
C. Unlike the US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalise payment of facilitation fees
D. All the above (1 mark)

36. Which one of the following is **NOT** a type of corruption offence under the Anti-corruption and Economic Crimes Act?
A. Fraud
B. Conflict of interest
C. Abuse of office
D. None of the above (1 mark)

37. An agent who, to the detriment of his principal, uses, or gives to his principal, a document that he knows contains anything that is false or misleading in any material respect is guilty of an offence. Which of the following offence under the Anti-corruption and Economic Crimes Act **BEST** describe the offence?
A. Abuse of office
B. Conflict of interest
C. Corruption
D. None of the above (1 mark)

38. Which of the following statements is **NOT** accurate in relation to giving a bribe as stipulated under the Bribery Act 2016?
A. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person, who does not know or believes the acceptance of the financial or other advantage would itself constitute the improper performance of a relevant function or activity
B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
C. It shall not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned
D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party (1 mark)

39. Which of the following statements is **NOT** accurate about the U.S. Foreign Corrupt Practices Act (FCPA)?
A. The first part criminalises the bribery of both foreign public official and private officers to obtain or retain business
B. The second part require that publicly traded companies to adopt policies, procedures, and internal controls to prevent bribery
C. The U.S. Foreign Corrupt Practices Act (FCPA) applications are not as broad as the Bribery Act 2016 and the UK Bribery Act
D. All the above (1 mark)

40. Which of the following is **NOT** a proper defense against a tax fraud charge?
A. Death of the tax payer
B. No of tax liability
C. Unintentional failure to pay taxes
D. Reliance on a tax expert (1 mark)

41. Which of the following is **NOT** a legal element that must be shown to prove a claim for fraudulent misrepresentation of material facts in criminal case?
A. The victim relied on the misrepresentation
B. The victim suffered damages as a result of the misrepresentation
C. The defendant knew the representation was false
D. All of the above (1 mark)

42. Which of the following is **NOT** an offence under the Proceeds of Crime and Anti-Money laundering (POCMLA)?
A. Money laundering
B. Failure to report all transactions over one million Kenya shillings
C. Financial promotion of an offence
D. All the above (1 mark)

43. Which of the following is **NOT** a recommendation that the OECD made to their member countries on combating bribery in international business.?
A. To enhance only criminal laws
B. To enhance banking and accounting requirements and practice
C. To enhance tax systems and regulations
D. All the above (1 mark)

44. Which of the following is **NOT** a legal element of official bribery?

- A. The defendant offers, promises, or gives financial or other advantage
- B. To a person who knows or believes the acceptance of the financial or other advantage would itself constitute improper performance of a relevant function or activity
- C. The advantage is offered, promised, or given through a third party
- D. None of the above

(1 mark)

45. Under the Bribery Act 2016, which of the following does **NOT** constitute a bribe?

- A. A loan
- B. Liquidation of any loan
- C. Discharge of any obligation or other liability
- D. All of the above

(1 mark)

46. Which of the following statement is **NOT** accurate about embezzlement?

- A. The prosecution must prove that perpetrator was in a position of trust with the principal
- B. The prosecution must prove that the perpetrator was entrusted with the money or property
- C. The prosecution must prove that the perpetrator took away and denied the owner use of the money or property
- D. The prosecution must prove that the perpetrator's intent to embezzle the money or property

(1 mark)

47. Which of the following statements is **NOT** accurate with regard to Computer Misuse and Cybercrime?

- A. Unauthorised access is an offence on its own under the Computer Misuse and Cybercrime
- B. Unauthorised offence with the intent to commit further offence is an additional offence
- C. The offence committed under any other law by gaining unauthorised access will not be an additional offence in addition to the unauthorised access
- D. All the above

(1 mark)

48. Which of the following organisations receive reports from reporting financial institutions in Kenya?

- A. Central Bank of Kenya
- B. Financial Reporting Centre (FRC)
- C. The Financial Action Task Force (FATF)
- D. None of the above

(1 mark)

49. Money laundering has three stages. In which of the following stages is it harder to detect money laundering?

- A. Layering
- B. Integration
- C. Placement
- D. All the above

(1 mark)

50. Which of the following statements is **ACCURATE** in regard to Financial Action Task Force?

- A. Kenya is a member of the Financial Action Task Force
- B. Kenya is not a member of the Financial Action Task Force, but benchmarks in developing anti-money laundering programs
- C. Financial Action Task Force, membership requirements are very stringent and not all countries have been able to meet the requirements
- D. None of the above

(1 mark)

51. Which of the following statements is **NOT** accurate under the POCAMLA?

- A. This act does not apply to accountants or advocates preparing or carrying out transactions on behalf of their clients
- B. This act put an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
- C. This act put an obligation on the reporting institutions to establish and maintain customers' record
- D. None of the above

(1 mark)

52. Which of the following statements is **NOT** accurate in regard to bid rigging under the Anti – Corruption and Economic Crimes Act?

- A. Bid rigging is a type of a corruption offence that is perpetrated by bidders
- B. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
- C. Withdrawing or changing a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
- D. Refraining from submitting a tender, proposal, quotation or bid

(1 mark)

53. Which of the following is **NOT** a type of securities market manipulation?

- A. Increase, or are likely to increase the price with the intention of inducing another person to purchase, subscribe for, or to refrain from selling securities issued by the same company or a related company, or such other listed securities
- B. Directors trading their shares based on inside information that is not known by the public
- C. Stabilise, or are likely to stabilise, the price with the intention of inducing another person to sell, purchase, or subscribe for, or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company, or such other listed securities
- D. None of the above

(1 mark)

54. Which of the following statements about securities laws and regulations is **ACCURATE**?

- A. National securities laws and regulations have no extraterritorial reach
- B. Most securities markets are regulated on an international basis
- C. Securities exchanges are regulated entities that have regulatory authority
- D. None of the above

(1 mark)

55. Which of the following tax avoidance schemes would be accurately classified as an income and wealth tax avoidance scheme?

- A. Smuggling goods into a jurisdiction to avoid excise taxes
- B. Fraudulently claim for refund of a value-added tax
- C. Transferring assets to another person or entity to lower tax liability
- D. All of the above

(1 mark)

56. Which of the following is **NOT** a legal element that must be proven in a claim of official bribery under the Bribery Act 2016?

- A. The recipient received a reward
- B. The criminal defendant intent
- C. The recipient is a government official
- D. The recipient engaged in a corrupt conduct

(1 mark)

57. Under the Bribery Act 2016 which of the following is **NOT** a relevant function or activity?

- A. Any function carried out by a state officer or public officer even outside their official duties
- B. Any function carried out by a state officer or public officer, pursuant to his or her duties
- C. Any activity performed by or on behalf of a body of persons whether corporate or otherwise
- D. All the above

(1 mark)

58. Which of the following statements is **NOT** accurate in regard to prevention of bribery under the Bribery Act 2016?

- A. Public and private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations.
- B. Failure of private entities to put in place such procedures is an offence on the part of the director or senior officer.
- C. Only public entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations.
- D. All the above

(1 mark)

59. Which of the following statements is **NOT** accurate in regard to Protection of Whistle-blowers and Witnesses under the Bribery Act 2016?

- A. Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
- B. The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
- C. Under this Act, it is an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness
- D. EACC is charged with the responsibility to assist any entity and interested persons to develop and put in place procedures to protect whistle-blowers

(1 mark)

60. The Bribery Act imposes heavy penalties for bribery-related offenses. Which of the following is **NOT** accurate in regard to a penalty under the Bribery Act?

- A. Imprisonment (maximum of ten years)
- B. Imposition of a fine (not exceeding KES 5,000,000)
- C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (two times the amount of the benefit and/or loss)
- D. None of the above

(1 mark)

61. The Bribery Act imposes heavy penalties for bribery-related offenses, which of the following statements is **NOT** accurate in regard to penalty under the Bribery Act
A. Requirement to pay the benefit received to the Government
B. Confiscation of property acquired through proceeds of bribery
C. Being barred from holding public office or being a director or partner in Kenya
D. Disqualification from an elective person but not from serving as a director or partner in Kenya (1 mark)

62. Which of the following statements is **NOT** accurate in regard to proving conspiracy?
A. At least one of the conspirators knowingly committed at least one overt act in furtherance of the conspiracy
B. The defendant knew the purpose of the agreement and intentionally joined in the agreement
C. The defendant entered in an agreement to commit an illegal act
D. None of the above (1 mark)

63. Which one of the following is **NOT** accurate in relation to objects of the Computer Misuse and Cybercrime?
A. Protect the confidentiality, integrity and availability of computer systems, programs and data
B. Facilitate for prevention, investigation, prosecution and punishment of cybercrimes
C. Facilitate international co-operation on matters covered under this Act
D. None of the above (1 mark)

64. Which of the following is **NOT** accurate in regard to unauthorised access by a person to a computer system, under the Computer Misuse and Cybercrimes Act 2018?
A. If the person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data the action will not be considered as unauthorised access
B. It is immaterial that the unauthorised access is not directed at any particular program or data program or data of any kind
C. If the unauthorised access is not directed at any program or data held in any particular computer system, the action will not be considered as unauthorised access
D. None of the above (1 mark)

65. Which of the following statements is **NOT** accurate in regard to unauthorised access with intent to commit further offence?
A. Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
B. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both
C. The further offence under any law committed through the unauthorised access will be an additional offence
D. None of the above (1 mark)

66. Which of the following statements is **NOT** accurate in regard to an unauthorised interference, to a computer system, program or data?
A. Unauthorised interference can only be committed by a person with authorised access
B. Unauthorised interference can be committed by a person with authorised or unauthorised access
C. Unauthorised interference can be committed by a person with unauthorised access
D. All the above (1 mark)

67. Which of the following statement in regard to the United Nations Convention Against Corruption (UN Convention) is **NOT** accurate?
A. Member states must implement procedures and mechanisms to detect and prevent the transfer of assets obtained through illicit activities
B. Member states must establish independent anti-corruption bodies that provide oversight on the implementation of the UN Convention policies
C. It is not a must that member states criminalise acts of corruption committed within their territories or by their nationals
D. None of the above (1 mark)

68. If an accounting officer authorised payments for goods not supplied, which law **BEST** stipulates this kind of offence?
A. Anti-Corruption and Economic Crimes Act
B. Bribery Act
C. Public Finance Management Act
D. None of the above (1 mark)

69. Rosalind, a chief cashier, works in a big organisation with several cash points. The other cashiers surrender the cash collected to Rosalind at the close of business. When going home in the evening Rosalind took some money with her, to return after a few days. Which of the following **BEST** describes the offence committed?

- A. Theft
- B. Fraud
- C. Skimming
- D. None of the above

(1 mark)

70. Which of the following is **NOT** an element that must be established to prove fraud based on the concealment of material facts?

- A. The defendant failed to disclose a material fact
- B. The defendant acted with intent to mislead or deceive the victim(s)
- C. The defendant had knowledge of a material fact that he had a duty to disclose
- D. All of the above

(1 mark)

71. Which of the following statements is **NOT** accurate in regard to conflict-of-interest offense under the Anti-corruption and Economic Crimes Act?

- A. If an agent has a direct or indirect private interest in a decision that his principal is to make the agent is guilty of an offense if the agent knows or has reason to believe that the principal is unaware of the interest and the agent fails to disclose the interest
- B. If an agent votes or participates in the proceedings of his principal in relation to the decision
- C. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent as so authorised
- D. A public body may authorise its agent to vote or participate in the proceedings of the public body and the voting or participation of an agent as so authorised

(1 mark)

72. Which of the following is **NOT** accurate Under the Tax Procedure Act 2015, in regard to criminalising tax related actions?

- A. The law does not criminalise schemes designed for tax avoidance
- B. The law criminalises tax evasion
- C. The law does criminalise fraudulent claims
- D. All the above

(1 mark)

73. Which of the following statement is **ACCURATE** in regard to bribery under the Bribery Act 2016?

- A. Under the Bribery Act 2016, the prosecution must prove that the defendant acted with a corrupt intent in offering or receiving a bribe
- B. Under the Bribery Act 2016, the prosecution must prove that the defendant acted improperly because of the bribe received or promised
- C. Under the Bribery Act 2016, the prosecution must prove that the defendant received something of value capable of influencing his official act or a commercial business decision
- D. None of the above

(1 mark)

74. Collins is on the boards of two companies that compete in the high road construction. Collins does not disclose this conflict, and he did not step down from the board of either company. Which of the following offences did Collins commit?

- A. Corruption
- B. Breach of due care
- C. Conflict of interest
- D. Lack of loyalty

(1 mark)

75. Which of the following is **ACCURATE** in regard to OECD Recommendation on Combating Bribery in International Business?

- A. OECD focuses on the “offering side”
- B. OECD focuses on the “demand side”
- C. OECD focuses on both the “offering” and “demand side”
- D. None of the above

(1 mark)

76. Which one of the following is **NOT** accurate in relation to objects of Computer Misuse and Cybercrime?

- A. Protect the confidentiality, integrity, and availability of computer systems, programs, and data
- B. Prevent the unlawful use of computer systems
- C. Facilitate only detection, investigation, prosecution, and punishment of cybercrimes
- D. Facilitate international co-operation on matters covered under this Act

(1 mark)

77. Which of the following is **NOT** accurate in regard to unauthorised access under the Computer Misuse and Cybercrimes Act 2018?

- A. A person who causes, whether temporarily or permanently, a computer system to perform a function, by infringing security measures, commits an offence
- B. Intent to gain access, and knowing such access is unauthorised, commits an offence and is liable
- C. On conviction, there is a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years or to both
- D. None of the above

(1 mark)

78. Which of the following statements is **NOT** accurate in regard to unauthorised access with intent to commit further offence?

- A. Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
- B. The further offence under any law committed through the unauthorised access will be an additional offence
- C. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both
- D. The further offence under any law committed through the unauthorised access will be **NOT** be an additional offence

(1 mark)

79. Which of the following statement is **ACCURATE** about an unauthorised interference, to a computer system, program, or data?

- A. Unauthorised interference can be committed by a person with authorised or unauthorised access
- B. Unauthorised interference can only be committed by a person with authorised access
- C. Unauthorised interference can be committed by a person with unauthorised access
- D. All of the above

80. Which of the following statement is **NOT** accurate in regard to the Financial Action Task Force and Anti-money laundering efforts?

- A. The Financial Action Task Force (FATF) is an international law that was established at the G-7 Summit in 1989
- B. Its purpose is for developing and promoting standards and policies to combat money laundering and terrorist financing at both the national and international levels
- C. The FATF's Recommendations, revised in 2012, created the most comprehensive standard and a basic framework that its members should have.
- D. All the above

(1 mark)

81. To prove a criminal case in a court of law in the common law jurisdictions, the prosecution must prove intent. In regard to intent under the Anti-Corruption and Economic Crimes Act, which of the following statements is **ACCURATE**?

- A. Offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act does not require prove of intent
- B. It is a defence in prosecution of an offence of receiving, soliciting, giving or offering of any benefit, under the Anti- Corruption and Economic Crimes Act, that it is customary in any business, undertaking, office, profession or calling
- C. "It shall be a defence in prosecution that the act or omission was not within a person's power or that the person did not intend to do the act or make the omission; or that the act or omission did not occur"
- D. None of the above

(1 mark)

82. Which of the following statements in regard to Computer Misuse and Cybercrime is **NOT** accurate?

- A. A person who knowingly and without authority discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence
- B. The person who knowingly discloses a password is liable, on conviction, to a term to be determined by a court of competent jurisdiction
- C. A person who unknowingly through negligence discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence under the Computer Misuse and Cybercrime Law
- D. None of the above

(1 mark)

83. Conrad is an accounts payable accountant at XYZ state corporation. In the cause of his duties of preparing the disbursements, he enters fraudulent invoices and makes the payments. Which of the following **BEST** describes the offences committed by Conrad?

- A. Computer forgery and failure to protect government property or revenue
- B. Corruption and Cybercrime
- C. Economic Crime and Cybercrime
- D. None of the above

(1 mark)

84. Smith is a principal accountant at ABC government agency. Smith is responsible for authorising creditors' payments. In collusion with the procurement manager, they agreed that Smith authorise payments for goods that were not supplied and then later shared the proceeds between themselves and the vendors. Which of the following is **NOT** accurate in regard to the principal accountant's 'offences'?

- A. The principal accountant, if proved, will be guilty of conspiracy and breach of trust
- B. The vendors, if proved, will be guilty of conspiracy, economic crime under the protection of government property and revenue, for fraudulently acquiring public property
- C. The procurement manager if proved, will be guilty of conspiracy and bribery offences defined as conspiracy and deceiving principal
- D. All the above

(1 mark)

85. Which of the following statements is **NOT** accurate in relation to evidence of corruption under the Anti-corruption and Economic Crimes Act?

- A. Unexplained asset acquired at or around the time the person was reasonably suspected of corruption or economic crime at or around that time and for which there is no satisfactory explanation whose value is disproportionate to his known sources of income
- B. Unexplained sources of funds for acquiring the assets is circumstantial evidence of corruption
- C. Unexplained assets are type of circumstantial evidence of corruption
- D. None of the above

(1 mark)

86. Which of the following statements is **NOT** accurate in regard to corruption offences?

- A. Corruption offences usually has an additional offence of conspiracy
- B. An attempt to commit a corruption offence, where the offence is not accomplished is not an offence under the Anti- Corruption and Economics Crime Act
- C. For every conspiracy offence, there must be an underlining offence
- D. Abuse of office is a type of corruption offence, which is in addition to an underlying offence

(1 mark)

87. The Public Finance Management Act is an Act of Parliament. Which of the following is **NOT** a purpose of this Act?

- A. Provide for the effective management of public finances by the national and county governments
- B. Provide for oversight responsibility of Parliament and county assemblies
- C. Provide for management responsibility of Parliament and county assemblies
- D. None of the above

(1 mark)

88. Which of the following is **NOT** accurate in regard to the responsibilities of the accounting officers for national government entities, Parliament and the Judiciary?

- A. An accounting officer for a national government entity, Parliamentary Service Commission and the Judiciary shall be accountable to the National Assembly
- B. Ensure that the resources of the respective entity for which he or she is the accounting officer are used in a way that is lawful and authorised
- C. Only ensure that the resources used are budgeted and planned for
- D. Ensure that all expenditure made by the entity are authorised and lawful

(1 mark)

89. Which of the following statements is **NOT** accurate under the Public Finance Management Act.

- A. The accounting officer must ensure that the entity keeps financial and accounting records that comply with this Act
- B. The accounting officer must ensure that all financial and accounting records the entity keeps in any form, including in electronic form are adequately protected and backed up
- C. The accounting officer must ensure that all contracts entered into by the entity are lawful
- D. The accounting officer cannot be liable for misappropriation perpetrated by employees

(1 mark)

90. Stone a fraud suspect, confesses to commission of fraud. During Stone's trial for fraud, the government introduces the confession as evidence of Stone's fraudulent act for which he is charged. What type of evidence is Stone's confession?
A. Testimonial
B. Circumstantial
C. Character
D. Direct evidence (1 mark)

91. Which of the following should be determined in regard to requirement for a search warrant in a jurisdiction with laws granting people the right to be free from unreasonable search and seizure?
A. If the government officers are involved
B. If it is a criminal offence
C. If there is sufficient suspicion
D. None of the above (1 mark)

92. John Mwangangi, a business man with no taxation experience, completed tax returns documents for his new business. The information required was complex and therefore the returns were improperly completed. The act was unintentional. Which of the following statements is most **ACCURATE**?
A. John will not be liable for criminal penalties if the government suffered loss
B. John will be liable for criminal penalties if he wilfully completed the documents improperly
C. John will be liable for criminal penalties whether he intentionally or unintentionally completed the documents improperly
D. None of the above (1 mark)

93. Which of the following is **NOT** an element that must be proven to establish a perjury offence?
A. The defendant made the statement with knowledge of its falsity
B. The defendant made a false statement that was material
C. The defendant made a false statement while under oath
D. None of the above (1 mark)

94. Which of the following laws has **NOT** defined misrepresentation as an offence?
A. Capital Markets Act
B. Public Finance Management Act
C. Public Procurement and Assets Disposal Act
D. None of the above (1 mark)

95. Which of the following laws has **NOT** defined corrupt conduct as an offence?
A. Anti - Corruption and Economics Crimes Act
B. Public Finance Management Act
C. Bribery Act
D. Computer Misuse and Cybercrime (1 mark)

96. Which of the following offences is **NOT** in addition to an under lying offence?
A. Abuse of office
B. Conspiracy
C. Computer forgery
D. None of the above (1 mark)

97. Which of the following laws has defined concealment of material information as an offence?
A. Public Finance Management Act
B. Bribery
C. Computer Misuse and Cybercrime Act
D. None of the above (1 mark)

98. Which of the following laws has two laws in one?
A. Capital Markets Act
B. Public Finance Management Act
C. Computer Misuse and Cybercrime Act
D. None of the above (1 mark)

99. Which of the following laws has **NOT** defined obstruction as an offence?
A. Tax Procedure Act
B. Public Finance Management Act
C. Public Procurement and Assets Disposal Act
D. None of the above (1 mark)

100. Which of the following laws has **NOT** defined forgery as an offence?
A. Computer Misuse and Cybercrime Act
B. Penal Code
C. Public Procurement and Assets Disposal Act
D. None of the above (1 mark)

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 23 August 2023. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Which of the following statements is **NOT** accurate in regard to the Bribery Act 2016?
 - A. Before the Bribery Act 2016 the Anti- corruption and Economic Crimes Act had also imposed significant anti- bribery responsibilities on the private sector
 - B. The Bribery Act 2016 imposes express duties on private entities and individuals to prevent and report incidents of bribery
 - C. The Bribery Act 2016 has extra-territorial application in relation to bribery-related offenses carried outside Kenya
 - D. The Bribery Act 2016 has made it a requirement for private entities to have in place procedures for the prevention of bribery(1 mark)
2. Which of the following statements is **ACCURATE** in regard to why other jurisdictions out of the U.S should be familiar with the U.S. Foreign Corrupt Practices Act's (FCPA)?
 - A. Jurisdictions outside U.S need to understand the U.S. Foreign Corrupt Practices Act's (FCPA) because the law has extra territorial application
 - B. Jurisdictions, outside U.S need to understand the U.S. Foreign Corrupt Practices Act's (FCPA) because the law has broader applications than other anti- bribery laws
 - C. Jurisdictions outside U.S need to understand the U.S. Foreign Corrupt Practices Act's (FCPA) because unlike the other anti- bribery laws, the law addresses bribery in the private sector
 - D. None of the above(1 mark)
3. Which of the following activities is **NOT** criminalised by the Tax Procedure Act?
 - A. Any person who, in relation to a tax period, knowingly omits from his or her return any amount which should have been included
 - B. Any person who, in relation to a tax period, knowingly claims any relief or refund to which he or she is not entitled
 - C. Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
 - D. All the above(1 mark)
4. Which of the following statements is **NOT** accurate in regard to false or misleading statements under the Tax Procedure Act?
 - A. A person commits an offence when the person deliberately makes a statement to an authorised officer that is false or misleading in a material particular
 - B. A person commits an offence when the person intentionally omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in immaterial particular
 - C. A person commits an offence when the person deliberately omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular
 - D. None of the above(1 mark)

5. Under the Anti-corruption and Economic Crimes Act, which of the following statements is **NOT** accurate?
A. Misappropriation of public funds is defined a corruption offence
B. Failure to protect public property and revenue is defined as an economic crime
C. Fraud and embezzlement are defined as corruption offence
D. Abuse of office to confer an economic benefit is an economic crime (1 mark)

6. Jean, a tax payer who has no tax returns experience, completed tax documents for her new business. The information required was complex and therefore the returns were improperly completed. Which of the following statements is **NOT** accurate?
A. Jean will be liable for criminal penalties even if the government did not suffer loss, if the act was intentional
B. Jean will have tax liability even if she unintentionally completed the documents improperly
C. Jean will not have tax liability if she unintentionally completed the documents improperly
D. None of the above (1 mark)

7. Which of the following activities intended to enable bribery is **NOT** accurate?
A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
C. Any person who knowingly assists a person or a private entity to give or receive a bribe by recording property which was obtained as a result of or in connection with bribery
D. None of the above (1 mark)

8. Which of the following statements under the Bribery Act 2016 is **NOT** accurate?
A. Under the Bribery Act, private and public entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations
B. Under the Bribery Act, directors of private entities can personally be held responsible for failure to put in place procedures for the prevention of bribery and corruption
C. Failure of private entities to put in place such procedures can only be held vicariously liable
D. None of the above (1 mark)

9. Which of the following is **NOT** a penalty under the Bribery Act 2016?
A. Imprisonment (maximum of ten years)
B. Imposition of a fine (not exceeding Sh.5,000,000)
C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and or loss) in addition to the initial fine of Sh.5,000,000
D. None of the above (1 mark)

10. Which of the following statements is **NOT** accurate in regard to the Bribery Act 2016?
A. Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
B. Under the Bribery Act, a person cannot be disqualified from serving as a director or partner of a private entity, in addition to penalties of a fine and imprisonment
C. Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment
D. None of the above (1 mark)

11. Which of the following is **NOT** a type of fraudulent or corrupt procurement offence under the Public Procurement and Assets Disposal Act?
A. Misrepresentation of material facts related to a procurement process
B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
C. Delay without justifiable cause the opening or evaluation of tenders, and the awarding of contract beyond the prescribed period
D. None of the above (1 mark)

12. Which of the following is **NOT** accurate in regard to the Bribery Act 2016?
A. The Bribery Act 2016 has wide implications for clients in Kenya, or operating into Kenya from abroad.
B. Since penalties are hefty, the implications should be factored only in high risk areas like procurement functions and businesses need to establish effective compliance programmes
C. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities, alongside other extra-territorial statutes on bribery
D. None of the above (1 mark)

13. Bob is an agent of XYZ government agency. Bob makes a document to the principal indicating that the agency requires a computer system with a higher capacity to increase efficiency. Bob prepares the procurement documents and the procurement is authorised. The agency has utilised only fifty of the modules and the system is working efficiently according to the users. The procurement of the system cost the agency two billion Kenya shillings, which was not necessary. The agent received a benefit from the procurement. Under the Anti-Corruption and Economic Crimes Act, which of the following is **NOT** an offence in regard to the scenario above?

- A. Bribery of agents
- B. Conflict of interest
- C. Abuse of office
- D. Kickback

(1 mark)

14. Allen is a public servant of XYZ Ministry. Allen fraudulently and unlawfully used the government payment system to make payments for goods that were not supplied. Which of the following, under the Anti-Corruption and Economic Crimes Act, is **NOT** an offence related to the above scenario?

- A. Abuse of office
- B. Failure to protect government property and revenue
- C. Misappropriation of public funds
- D. None of the above

(1 mark)

15. Which of the following statements is **NOT** accurate in regard to conflicts of interest, under the Anti- Corruption and Economic Crimes Act?

- A. The agent knows or has reason to believe that the principal is unaware of the interest and the agent fail to disclose the interest, the agent will have committed an offence
- B. The agent votes or participates in the proceedings of his principal in relation to the decision
- C. If an agent of a public body knowingly acquires or holds, directly or indirectly, private interest in any contract agreement or investment, will not be guilty of an offence if the interest is disclosed to the principal
- D. None of the above

(1 mark)

16. Which of the following statements is **NOT** accurate in regard to money laundering under the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA)?

- A. Upon the coming into force of this Act (POCAMLA), a reporting institution shall undertake customer due diligence on the existing customers
- B. The POCAMLA does not make it an obligation for a reporting institution to undertake customer due diligence on the existing customers
- C. The offences under the POCAMLA include, money laundering, failure to report suspicious regarding proceeds of crime, misrepresentation and failure to comply with the provisions of this Act
- D. None of the above

(1 mark)

17. Which of the following acts would **NOT** constitute violations under the U.S. Foreign Corrupt Practices Act's (FCPA) anti-bribery provisions?

- A. To promise to pay a foreign official \$100,000 to induce an award of a contract
- B. A U.S company makes a payment of \$100,000 to a foreign official to influence the official to award a public contract
- C. A German company that is publicly traded on the New York Stock Exchange transfers \$230,000 to a foreign official to influence the official to award it a public construction contract.
- D. None of the above

(1 mark)

18. Which of the following statements in regard to the Kenya's Bribery Act 2016, UK Bribery Act, and the US Foreign Corrupt Act is **NOT** accurate?

- A. The Bribery Act 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act
- B. Unlike the US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalise payment of bribes to foreign officials
- C. Unlike the US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalise payment of facilitation fees
- D. All the above are correct

(1 mark)

19. Which of the following is an economic crime under the Anti-corruption and Economic Crimes Act?

- A. Embezzlement or misappropriation of public funds
- B. Fraud
- C. Abuse of office
- D. None of the above

(1 mark)

20. An agent who, to the detriment of his principal, uses, or gives to his principal, a document that he knows contains anything that is false or misleading in any material respect is guilty of which of the following offence under the Anti-corruption and Economic Crimes Act
A. Conflict of interest
B. Corruption
C. Forgery
D. None of the above (1 mark)

21. Which of the following statements is **ACCURATE** in regard to giving an inducement or reward under the Bribery Act 2016?
A. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person, who does not know or believes the acceptance of the financial or other advantage would itself constitute the improper performance of a relevant function or activity.
B. A person does not commit an offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person if the person's performance of a relevant function is not improper
C. It shall matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned.
D. None of the above (1 mark)

22. Which of the following statements is **NOT** accurate about the U.S. Foreign Corrupt Practices Act (FCPA)?
A. The first part criminalises the bribery of a foreign public official to obtain or retain business
B. The second part requires that publicly traded companies to adopt policies, procedures, and internal controls to prevent bribery
C. The U.S. Foreign Corrupt Practices Act (FCPA) applications are not as broad as the Bribery Act 2016 and the UK Bribery Act
D. None of the above (1 mark)

23. Which of the following defences would remove tax liability against a tax payer?
A. Reliance on an auditors advise
B. Unintentional failure to pay taxes
C. Reliance on a tax expert
D. None of the above (1 mark)

24. Which of the following is a legal element, that is **NOT** a must to be shown, to prove a claim for fraudulent misrepresentation of material facts, in a criminal proceeding?
A. The misrepresentation was material
B. The victim suffered damages as a result of the misrepresentation
C. The defendant knew the representation was false
D. All of the above (1 mark)

25. Which of the following is **NOT** an offence under the Proceeds of Crime and Anti-Money laundering (POCMLA)?
A. Tipping off
B. Failure to report suspicion regarding proceeds of crime
C. Financial promotion of an offence
D. None of the above (1 mark)

26. Which of the following is **NOT** a recommendation that the OECD made to their member countries on combating bribery in international business in relation to bribery of foreign public officials?
A. To enhance criminal, civil, and administrative laws
B. To enhance banking and accounting requirements and practice
C. To enhance tax systems and regulations
D. To enhance only criminal and civil laws (1 mark)

27. Which of the following statements is **NOT** accurate about official and commercial bribery in Kenya and the U.S?
A. Official bribery refers to the corruption of a public official to induce an official act of government both Kenya and U.S
B. Bribery Payments to public officials can be prosecuted as criminal offences both in Kenya and U.S. and carries hefty penalties
C. Kenya Bribery Act 2016 and US Foreign Corrupt Practice Act do not prohibit facilitation fees
D. US anti-bribery Act does not prohibit facilitation fees (1 mark)

28. Under the Bribery Act 2016, which of the following is **NOT** a method of paying bribes?
A. Payment of credit cards by the vendor
B. Shareholding in a business
C. Loans guaranteed and paid by the vendor
D. None of the above (1 mark)

29. Which of the following statements is **NOT** accurate about prosecution of an embezzlement case?
A. The prosecution must prove that perpetrator was in a position of trust
B. The prosecution must prove that the perpetrator was entrusted with the money or property
C. The prosecution must prove that the perpetrator's intent to embezzle the money or property
D. All the above (1 mark)

30. Which of the following statements is **ACCURATE** in regard to laws criminalising false statements to government agencies?
A. A person can be found guilty of making a false statement even if the false statement was unintentional
B. A person can be found guilty of making a false statement only if the government suffer a loss
C. A person can be found guilty of making a false statement only if the statement is made directly to a governmental department or agency
D. None of the above (1 mark)

31. Which of the following statements is **NOT** accurate with regard to Computer Misuse and Cybercrime?
A. Unauthorised access is an offence under the Computer Misuse and Cybercrime
B. Unauthorised offence with the intent to commit further offence, the offence committed is an additional offence
C. The offence committed under any other law by gaining unauthorized access is another offence in addition to the unauthorised access
D. None of the above (1 mark)

32. Which of the following statements is **NOT** accurate in regard to bid rigging under the Anti- Corruption and Economic Crimes Act?
A. Bid rigging is a type of a corruption offence that is perpetrated by bidders and procuring entity employees
B. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
C. Withdrawing or changing a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
D. None of the above (1 mark)

33. Which of the following statements in regard to the Kenya's Bribery Act 2016 and UK Bribery Act, and is **NOT** accurate?
A. The Bribery Act 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act
B. Unlike the Bribery Act 2016, the UK Bribery Act criminalize payment of commercial bribery
C. Unlike the US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalize payment of facilitation fees
D. None of the above (1 mark)

34. Which of the following is **NOT** a type of corruption offence under the Anti-corruption and Economic Crimes Act?
A. Bid rigging
B. Bribery of agents
C. Abuse of office
D. Protection of public property and revenue (1 mark)

35. An agent who, to the detriment of his principal, uses, or gives to his principal, a document that he knows contains anything that is false or misleading in any material respect is guilty of an offence. Which of the following offence under the Anti-corruption and Economic Crimes Act, **BEST** describe the offence?
A. Abuse of office
B. Conflict of interest
C. Corruption
D. None of the above (1 mark)

36. Which of the following statements is **ACCURATE** in relation to giving a bribe as stipulated under the Bribery Act 2016?

- A. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
- B. It shall matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned
- C. It shall matter whether the advantage is offered, promised or given by a person directly or through a third party
- D. None of the above

(1 mark)

37. Which of the following statements is **NOT** accurate about the U.S. Foreign Corrupt Practices Act (FCPA)?

- A. The law applies to all traded companies even those operating outside U.S if they are trading their securities in the U.S
- B. The second part require that publicly traded companies to adopt policies, procedures, and internal control to protect the company's resources
- C. The U.S. Foreign Corrupt Practices Act (FCPA) applications are not as broad as the Bribery Act 2016 and the UK Bribery Act
- D. None of the above

(1 mark)

38. Which of the following statements in regard to allegations of tax is **NOT** accurate?

- A. Tax liability survives a tax payer; therefore, the death of a tax payer is not a proper defence
- B. No tax liability is the best defence against allegations of tax fraud liability
- C. Reliance on a tax expert can properly be used as a defence against criminal penalties
- D. None of the above

(1 mark)

39. Which of the following is a legal element that must be shown to prove a claim for fraudulent misrepresentation of material facts in civil trial?

- A. The victim relied on the misrepresentation
- B. The victim suffered damages as a result of the misrepresentation
- C. The defendant knew the representation was false
- D. All of the above

(1 mark)

40. Which of the following is **NOT** an offence under the Proceeds of Crime and Anti-Money laundering (POCAMLA)?

- A. Misrepresentation
- B. Malicious reporting
- C. Misuse of information
- D. None of the above

(1 mark)

41. Which of the following is **NOT** a type of securities market manipulation?

- A. Increase, or are likely to increase the price with the intention of inducing another person to purchase, subscribe for, or to refrain from selling securities issued by the same company or a related company, or such other listed securities
- B. Trading shares based on inside information for their own benefit
- C. Stabilize, or are likely to stabilize, the price with the intention of inducing another person to sell, purchase, or subscribe for, or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company, or such other listed securities
- D. None of the above

(1 mark)

42. Which of the following statements about securities laws and regulations is **NOT** true?

- A. National securities laws and regulations have no extraterritorial reach
- B. Most securities markets are regulated on an international basis
- C. Securities exchanges are regulated entities that have regulatory authority
- D. All the above

(1 mark)

43. Which of the following is **NOT** tax avoidance scheme?

- A. Smuggling goods to another jurisdiction
- B. Fraudulent claim for refund of a value-added tax
- C. Transferring assets to another person or entity to lower tax liability
- D. None of the above

(1 mark)

44. Which of the following is **NOT** a legal element that must be proven in a claim of official bribery under the Bribery Act 2016?
A. The recipient received an inducement or a reward
B. The defendant acted with corrupt intent
C. The recipient is a government official
D. None of the above (1 mark)

45. Under the Bribery Act 2016, which of the following is **NOT** a relevant function or activity.
A. A function of a public nature
B. Any function carried out by a state officer or public officer, pursuant to his or her duties
C. Any activity performed by or on behalf of a body of persons whether corporate or otherwise
D. All the above (1 mark)

46. Which of the following statements is **ACCURATE** in regard to prevention of bribery under the Bribery Act 2016?
A. Only public and big private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations.
B. Failure of private entities to put in place such procedures is only a corporate offence.
C. The Bribery Act has broader applications in relation to anti bribery than the Anti- Corruption and Economic Crimes Act
D. All the above (1 mark)

47. Which of the following statements is **NOT** accurate in regard to Protection of Whistle-blowers and Witnesses under the Bribery Act 2016?
A. Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
B. The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
C. Under this Act, it is not an offence for an organisation to punish a whistle-blower or witness for offences committed by the whistle-blower or witness
D. None of the above (1 mark)

48. The Bribery Act imposes heavy penalties for bribery-related offenses. Which of the following is **NOT** correct in regard to a penalty under the Bribery Act?
A. Imprisonment (maximum of ten years)
B. Imposition of a fine (not exceeding Sh.5,000,000)
C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (two times the amount of the benefit and or loss)
D. None of the above (1 mark)

49. The Bribery Act imposes heavy penalties for bribery-related offenses, which of the following statements is **NOT** accurate in regards to penalty under the Bribery Act
A. Requirement to pay five times the benefit received
B. Confiscation of property acquired through proceeds of bribery
C. Being barred from holding public office or being a director or partner in Kenya
D. None of the above (1 mark)

50. Which of the following statements is **NOT** a legal element of conspiracy?
A. At least one of the conspirators knowingly committed at least one overt act in furtherance of the conspiracy
B. The defendant knew the purpose of the agreement and intentionally joined in the agreement
C. The defendant entered in an agreement to commit an illegal act
D. The defendant knew all the details of the illegal act (1 mark)

51. Which of the following is **NOT** accurate in relation to objects of the Computer Misuse and Cybercrime?
A. Protect the confidentiality, integrity and transparency of computer systems, programs and data
B. Prevent the unlawful use of computer systems
C. Facilitate for prevention, investigation, prosecution and punishment of cybercrimes
D. Facilitate international co-operation on matters covered under this Act (1 mark)

52. Which of the following is **NOT** accurate in regard to unauthorised access by a person to a computer system, under the Computer Misuse and Cybercrimes Act 2018?

- If the person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data the action will be considered as unauthorised access
- It is immaterial that the unauthorised access is not directed at any particular program or data program or data of any kind
- If the unauthorised access is not directed at any program or data held in any particular computer system, the action will still be considered as unauthorised access
- None of the above

(1 mark)

53. Which of the following statements is **NOT** accurate in regard to unauthorised access with intent to commit further offence?

- Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
- The further offence under any law committed through the unauthorised access will not be in addition to the unauthorised access offence
- On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both.
- None of the above

(1 mark)

54. Which of the following statements in regard to the United Nations Convention Against Corruption (UN Convention) is **NOT** accurate?

- Member states must implement procedures and mechanisms to detect and prevent the transfer of assets obtained through illicit activities
- Member states must establish independent anti-corruption bodies that provide oversight on the implementation of the UN Convention policies
- Member states must criminalise acts of corruption committed within their territories or by their nationals
- None of the above

(1 mark)

55. Which of the following statements is **NOT** accurate in regard to unauthorised access under the Computer Misuse and Cybercrimes Act 2018?

- A person who causes, whether temporarily or permanently, a computer system to perform a function, by infringing security measures, commits an offence
- Intent to gain access, and knowing such access is unauthorised, commits an offence and is liable
- On conviction, there is a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years or to both
- None of the above

(1 mark)

56. Which of the following statements is **NOT** accurate in regard to access with intent to commit further offence?

- Authorised access with the intent to commit an offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits a computer misuse offence
- The further offence under any law committed through the access will be an additional offence
- Authorised access with the intent to commit an offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits a computer cybercrime
- None of the above

(1 mark)

57. Which of the following statements is **NOT** accurate in regard to unauthorised interference, to a computer system, program, or data?

- Unauthorised interference can be committed by a person with both authorised and unauthorised access
- Unauthorised interference can be committed by a person with authorised access
- Unauthorised interference can be committed by a person with unauthorised access
- None of the above

(1 mark)

58. Which of the following statements is **NOT** accurate in regard to the Financial Action Task Force and Anti-money laundering efforts?

- The Financial Action Task Force (FATF) is an international law making body
- The FATF recommendations are standards but not a law
- The FATF's Recommendations, revised in 2012, created the most comprehensive standard and a basic framework that its members should have.
- None of the above

(1 mark)

59. To prove a criminal case in a court of law in the common law jurisdictions, prosecution must prove intent. In regard to intent under the Anti- Corruption and Economic Crimes Act, which of the following statement is **ACCURATE**?

- A. An offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act require prove of intent just like any other criminal offence
- B. It is a defence in prosecution of an offence of receiving, soliciting, giving or offering of any benefit, under the Anti- Corruption and Economic Crimes Act, that it is customary in any business, undertaking, office, profession or calling
- C. It shall not be a defence in prosecution that the act or omission was not within a person's power or that the person did not intend to do the act or make the omission; or that the act or omission did not occur
- D. An offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act is an offence of strict liability

(1 mark)

60. John is a revenue accountant at XYZ state corporation. In the course of his duties, he entered fictitious sales invoices into the system. Which of the following **BEST** describes the offenses committed by John?

- A. Misrepresentation of material facts computer fraud
- B. Corruption and Cybercrime
- C. Economic Crime and Cybercrime
- D. Misappropriation

(1 mark)

61. Phares is a principal accountant at XYZ government agency. Phares is responsible for authorising payments. In collusion with the procurement manager, they agreed that Phares enter fraudulent invoices into the system to be considered for payments. Which of the following is **NOT** accurate in regard to the offence committed by Phares and the vendors?

- A. The vendors, would be charged with conspiracy and economic crime under the protection of government property or revenue and revenue and forgery
- B. Phares would be charged with computer forgery, economic crime and conspiracy
- C. The procurement manager would be charged with conspiracy and economic crime
- D. None of the above

(1 mark)

62. Which of the following statements is **NOT** accurate in regard to corruption offences?

- A. Corruption offences are usually accompanied by a conspiracy offence
- B. An attempt to commit a corruption offence, where the offence is not accomplished is an offence under the Anti-Corruption and Economic Crime Act
- C. Abuse of office is a type of corruption offence which incorporates all other associated offences and are charged as one offence
- D. None of the above

(1 mark)

63. Which of the following organisations is established under the POCAMLA?

- A. Central Bank of Kenya
- B. Financial Reporting Centre
- C. The Ethics and Anti-Corruption Commission
- D. Asset recovery agency

(1 mark)

64. At which of the following stages is it harder to detect money laundering

- A. At the placement stage
- B. At the integration
- C. At the detection
- D. At the layering stage

(1 mark)

65. Which of the following statements is **NOT** accurate under the POCAMLA?

- A. This Act applies only to financial institutions
- B. This Act puts an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
- C. This Act puts an obligation on the reporting institutions to establish and maintain customers record
- D. None of the above

(1 mark)

66. Which of the following is **NOT** a purpose of the Public Finance Management Act?

- A. Provide for the effective management of public finances by the national and county governments
- B. Provide for oversight responsibility of Parliament and county assemblies
- C. Provide for management responsibility of Parliament and county assemblies
- D. All the above

(1 mark)

67. Which of the following is **NOT** accurate in regard to the responsibilities of the accounting officers for national government entities, Parliament and the Judiciary?

- A. An accounting officer for a national government entity, Parliamentary Service Commission and the Judiciary shall be accountable to the National Assembly
- B. Ensure that the resources of the respective entity for which he or she is the accounting officer are used in a way that is lawful and authorised
- C. If an accounting officer fails to ensure that the resources of the respective entity are used in a way that is lawful and authorised, they will be liable for a legal offence
- D. None of the above

(1 mark)

68. Which of the statements is **NOT** accurate in regard to accounting officers?

- A. The accounting officer would be held responsible for the loss of resource of their entity
- B. The accounting officer must ensure the financial statements are accurately presented
- C. The accounting officer has the primary responsibility for the management of the resources of their entity, and therefore would be personally held responsible for any mismanagement of the entity's resources
- D. None of the above

(1 mark)

69. Which of the following statements is **ACCURATE** in regard to requirement for a search warrant, when conducting an investigation in jurisdictions with laws granting people the right to be free from unreasonable search and seizure?

- A. Both government officers and private investigators must obtain search warrants
- B. Law enforcement officers are required to obtain search warrants to conduct searches and seizure
- C. All government officers must obtain search warrants to conduct any investigations
- D. None of the above

(1 mark)

70. Which of the following statements under the Bribery Act 2016 is **NOT** accurate?

- A. Under the Bribery Act, all entities private and public are now required to put in place equal procedures for the prevention of bribery and corruption
- B. Under the Bribery Act, both public and private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations
- C. Failure of private entities to put in place such procedures is an offense on the part of director or a senior officer
- D. Failure of private entities to put in place such procedures will attract corporate liability in addition to the director's personal liability

(1 mark)

71. Which of the following statements is **NOT** accurate, under the POCAMLA Act, in regard to financial institutions?

- A. Under the POCAMLA Act, financial institution includes designated non-financial institutions
- B. Under the POCAMLA Act, designated non-financial institutions do not have reporting obligations
- C. Under the POCAMLA Act, financial institution does not include designated non-financial institutions
- D. None of the above

(1 mark)

72. Which of the following statements related to bribery activities is **NOT** Accurate?

- A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
- B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
- C. Any person who knowingly assists a private or public entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
- D. All the above

(1 mark)

73. Which of the following statement is **NOT** accurate in regard to foreign official as defined under the Bribery Act 2016?

- A. A person holding a legislative, administrative or judicial office of a foreign country, whether appointed or elected
- B. Any person exercising a public function for a foreign country, including for a public agency or public enterprise
- C. An international civil servant or any person who is authorised by such an organisation to act on behalf of that organisation
- D. None of the above

(1 mark)

74. Which of the following statements under the Anti-Corruption and Economics Crime is **NOT** accurate?

- A. A person who attempts to commit an offence involving corruption or an economic crime is not guilty of a criminal offence if the commission of the offence did not occur
- B. For the purposes of this section, a person attempts to commit an offence of corruption or an economic crime if the person, with the intention of committing the offence, does or omits to do something designed to its fulfilment but does not fulfil the intention to such an extent as to commit the offence.
- C. A person who conspires with another to commit an offence of corruption or economic crimes is guilty of an offence in addition to the underlying offence
- D. A person who incites another to do any act or make any omission of such a nature that, if that act was done or the omission were made, an offence of corruption or an economic crime would thereby be committed, is guilty of an offence

(1 mark)

75. Which of the following is **NOT** a bid rigging offence under the Anti- Corruption and Economic Crimes Act?

- A. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward
- B. Withdrawing or changing a tender, proposal, quotation or bid because of an inducement or reward
- C. Withdrawing or changing a tender, proposal, quotation or bid
- D. Submitting a tender, proposal, quotation or bid with a specified price or with any specified inclusions or exclusions because of an inducement or reward

(1 mark)

76. Which of the following statements is **ACCURATE** in regard to prosecution of embezzlement?

- A. The prosecution must prove that perpetrator owed the principal fiduciary duty when he/she embezzled the funds
- B. The prosecution must prove that the perpetrator was officially the custodian of the money or property that he/she embezzled
- C. The prosecution is not required to prove that the perpetrator's intent to embezzle the money or property
- D. None of the above

(1 mark)

77. In prosecution of an offence that involves receiving a benefit that is an inducement or reward for doing an act or making an omission, which of the following is a defence under the Anti-Corruption and Economic Crimes Act?

- A. That the act or omission was not within a person's power
- B. Person did not intend to do the act or make the omission
- C. That the act was not completed
- D. None of the above

(1 mark)

78. Which of the following is **NOT** accurate in regard to legal element of perjury?

- A. The defendant made a false statement
- B. The defendant made the false statement while under oath
- C. The false statement was material or relevant to the proceeding
- D. The defendant cannot be found guilty of perjury for false statement made outside the court

(1 mark)

79. Which of the following Kenyan law has **NOT** defined obstruction or hindering an authorised person in performing their duty under any law as an offence

- A. Capital Markets Act
- B. POCAMLA Act
- C. Public Procurement and Assets Disposal Act
- D. Computer Misuse and Cybercrime Act

(1 mark)

80. Which of the following is **NOT** a legal element of false claims to the government?

- A. Making a false claim even if the claim was not made directly to government department or agency
- B. Making a false statement or claim even if the government was not deceived by the falsity
- C. Making a false statement or claim even if the government did not rely on the falsity
- D. None of the above

(1 mark)

81. Which of the following statements is **NOT** correct in regard to professional negligence?

- A. Cases of professional negligence are usually civil actions
- B. Cases of professional negligence are hard to prove
- C. Failure to exercise due care in the performance of a duty by a professional is an example of professional negligence
- D. An accountant can be held liable for professional negligence for misrepresentation of the organisation's financial performance

(1 mark)

82. Which of the following statements is **ACCURATE** in regard to the private and public entities obligation to put procedures in place to prevent bribery

- The Bribery Act,2016 has not criminalised failure to put procedures in place to prevent bribery, because failure to put procedures in place is a civil action
- Failure to put procedures in place will be presumed as consent by the entity's senior officer not to prevent bribery
- EACC has not yet published guidelines to assist both private and public to put in place to prevent bribery
- None of the above

(1 mark)

83. The Tax Procedure Act does **NOT** criminalise which of the following fraudulent activities?

- Any person who, in relation to a tax period, knowingly omits from his or her return any amount which should have been included
- Any person who, in relation to a tax period, knowingly claims any relief or refund to which he or she is not entitled
- Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- None of the above

(1 mark)

84. Which of the following statements is **NOT MOST** accurate in regard to the Bribery Act 2016?

- The Bribery Act, 2016 (the Bribery Act) came into force in 2017 with the object of providing a framework for the investigation, and punishment of bribery and related offenses
- The Bribery Act 2016, come in awake with an initiative to combat corruption in all sectors of the country's economy
- The Act applies to both private and public sectors.
- None of the above

(1 mark)

85. Which of the following statements under the Anti- Corruption and Economic Crime is **NOT** accurate?

- A public officer or state officer who is charged with corruption or economic crime shall be suspended, at half pay, with effect from the date of the charge until the conclusion of the case
- A public officer or state officer who is convicted with corruption or economic crime shall be suspended, at half pay, until the outcome of the appeal
- A public officer or state officer who is convicted of corruption or economic crime shall be dismissed immediately without any pay
- None of the above

(1 mark)

86. Which of the following statements is **NOT** accurate in regard to evidence of corruption under the Anti-corruption and Economic Crimes Act?

- Unexplained assets acquired at or around the time the person was reasonably suspected of corruption or economic crime at or around that time and for which there is no satisfactory explanation whose value is disproportionate to his known sources of income
- Unexplained sources of funds for acquiring the assets is evidence of corruption
- An oral direct testimony is evidence of corruption
- None of the above

(1 mark)

87. Which of the following is **NOT** a recommendation that the United Nations Convention made to their member countries on combating bribery in international business.?

- To enhance only criminal laws
- To enhance banking and accounting requirements and practice
- To enhance tax systems and regulations
- None of the above

(1 mark)

88. Which of the following statements is **NOT** accurate in regard to official and commercial bribery under the Foreign Practice act, UK Bribery Act and the Bribery Act 2016?

- Official bribery refers to the corruption of a public official, to induce an official act of government under the three anti-bribery laws above
- Receiving of bribes by public officials in positions of trust in Kenya can be charged with abuse of office in addition to bribery
- Bribery Act, 2016 criminalise commercial bribery
- Bribery Act, 2016 does not criminalise commercial bribery

(1 mark)

89. Which of the following is **NOT** a legal element of official bribery?

- A. The defendant offers, promises, or gives financial or other advantage
- B. To a person who knows or believes the acceptance of the financial or other advantage would itself constitute improper performance of a relevant function or activity
- C. The advantage is offered, promised, or given through a third party
- D. None of the above

(1 mark)

90. Under the Bribery Act 2016, which of the following does **NOT** constitute a bribe?

- A. Promise for future employment or contract
- B. Payment made to shell companies
- C. Discharge of any obligation or other liability
- D. None of the above

(1 mark)

91. Which of the following statements is **ACCURATE** in regard to misappropriation?

- A. The prosecution must prove that perpetrator was in a position of trust with the principal
- B. The prosecution must prove that the perpetrator was entrusted with the money or property
- C. The prosecution must prove that the perpetrator took away and denied the owner use of the money or property for their benefit or another person's benefit
- D. All the above

(1 mark)

92. Which of the following statements is **ACCURATE** in regard to laws criminalising false statements to government agencies?

- A. A person can be found guilty of making a false statement only if the prosecution can prove that the statement was intentional and the statement was material
- B. A person can be found guilty of making a false statement only if the government did suffered loss
- C. A person cannot be found guilty of making a false statement if the government did not rely on the statement
- D. None of the above

(1 mark)

93. Which of the following statements is **ACCURATE** with regard to Computer Misuse and Cybercrime?

- A. All computer related offences are cybercrimes
- B. Computer misuse and cybercrime are the same
- C. Computer Misuse and Cybercrime are two laws in one, computer misuse is a law against misusing computer and cyber cybercrime is a law against the use of computer and internet to perpetrate a crime
- D. All the above

(1 mark)

94. Financial institutions are under obligation to report any suspicious transactions. Which of the following statements is **ACCURATE** in regard to reporting?

- A. The report should be made to the Central Bank of Kenya
- B. The report should be made to the Financial Reporting Centre (FRC)
- C. The reporting institutions should only report suspicious transactions of new customers
- D. None of the above

(1 mark)

95. Know your customer/Anti-Money Laundering (AML)/CFT guidelines are measures to prevent the bank from being used, intentionally or unintentionally, by criminal elements for money laundering or terrorist financing activities. What does "C" stand for in "CFT"?

- A. Countering
- B. Case
- C. Current
- D. Combating

(1 mark)

96. Which of the following statements is **ACCURATE** in regard to Financial Action Task Force?

- A. Kenya is a member of the Financial Action Task Force
- B. Financial Action Task Force, membership requirements are very stringent and not all countries including Kenya, have been able to meet the requirements
- C. Only a few countries globally are not full members of the Financial Action Task Force
- D. None of the above

(1 mark)

97. Which of the following statements is **NOT** accurate under the POCAMLA law?

- A. This act does not apply to stock brokers and saccos carrying out transactions on behalf of their clients
- B. This act put an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
- C. This act put an obligation on the reporting institutions to establish and maintain customers record
- D. None of the above

(1 mark)

98. Which of the following statements is **NOT** accurate in regard to bid rigging?
A. Bid rigging is a type of a corruption offence under the Bribery Act 2016
B. Refraining from submitting a tender, proposal, quotation or bid because of a promise of a sub contract is a bid rigging offence
C. Withdrawing or changing a tender, proposal, quotation or bid because of an advantage or benefit
D. None of the above (1 mark)

99. Which of the following Kenyan laws is **NOT** related to fraudulent financial reporting in a government entity?
A. Public Finance Management Act
B. Computer Misuse and Cybercrime Act, 2018
C. Capital Markets Act
D. Public Procurement and Assets Disposal Act (1 mark)

100. Which of the following statements is **ACCURATE** in regard to money laundering?
A. Money laundering is a type of a corruption offence
B. Money laundering is a type of an economic crime
C. Money laundering offences are tried by the anti- corruption courts
D. None of the above (1 mark)

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 26 April 2023. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Which of the following statements in regard to the law against fraudulent financial reporting in government entities in Kenya is **NOT** accurate?
 - A. An accounting officer of a government entity would be liable for furnishing false financial statements and can be charged under the Penal Code Cap 63 section 331.
 - B. An accountant will be liable for making any false entry in any such book, document or account that would result in fraudulent financial reporting. If convicted shall be liable to imprisonment for seven years
 - C. An accounting officer convicted of fraudulent financial reporting under the penal code shall be liable to a fine not exceeding one million shillings or to imprisonment for a term not exceeding ten years or both
 - D. An accounting officer cannot be liable for fraudulent financial reporting under the penal code if they were not aware of the false accounting entries and financial statements prepared by the accountants
2. Which of the following Kenyan law is **NOT** one of the laws that are violated in relation to fraudulent financial reporting in the Government and private entities.
 - A. Penal Code
 - B. Computer Misuse and Cybercrime Act, 2018
 - C. Capital Markets Act
 - D. None of the above
3. Which of the following laws have **NOT** defined corrupt acts as an offence?
 - A. Anti-corruption and Economics Crimes Act 2003
 - B. Public Finance Management Act 2012
 - C. Public Procurement and Assets Disposal Act 2015
 - D. None of the above
4. The Public Procurement and Assets Disposal Act has defined fraudulent act as an offence under section 176(i), misrepresentation on material facts is a type of a fraudulent act which of the following is **NOT** a legal element related to misrepresentation of material facts?
 - A. Misrepresentation of material facts
 - B. The person making the representation knows that the statement is false
 - C. The user of the material statement relies on the misrepresentation
 - D. Failure to disclose material facts
5. Under the Public Finance Management Act 2012, Public officers are personally liable for losses incurred by the National and County government. Which of the following statements is **NOT** accurate in relation to above law?
 - A. The accounting officer will be personally liable for losses incurred in their ministry or government entity, even if he/she was not directly involved in action that led to the losses
 - B. The accounting officer will be personally liable for losses incurred in their ministry or government entity, if they engage in a fraudulent act
 - C. The accounting officer will be personally liable for losses incurred in their ministry or government entity if they engage in a corrupt act
 - D. None of the above

6. Which of the following statements is **NOT** accurate in regard to penalties under the Bribery Act 2016?

- Imprisonment (maximum of ten years);
- Imposition of a fine (not exceeding KES 5,000,000/-)
- Where the person received a quantifiable benefit or where any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and/or loss) but not in addition to imprisonment and the initial fine
- None of the above

7. Which of the following statements is **NOT** accurate in regard to the Bribery Act 2016?

- Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
- Under the Bribery Act, if a person is charged with bribery, he/she will be disqualified from serving as a director in addition to penalties of a fine and imprisonment
- Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment
- None of the above

8. Which of the following is **NOT** a type of a corrupt act under the Public Procurement and Assets Disposal Act 2015?

- Misrepresentation of material facts related to a procurement tender
- Knowingly withholds the notification of a ward to a successful tenderer
- Unduly influence or exert pressure on any member of an opening committee or any other committee established under this act
- All the above

9. Which of the following is **NOT** correct in regard to the Bribery Act 2016?

- The Bribery Act 2016 have wide implications for client in or operating into Kenya from abroad.
- Bribery attracts hefty penalties; therefore, the implications should be factored into procurement and finance business activities, and businesses need to establish effective compliance programmes
- The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities, alongside other extra-territorial statutes on bribery
- All the above

10. Which of the following statements is **ACCURATE** in regard to liability for misappropriation of assets by employees where management is not involved in fraudulent activities?

- Executives and directors cannot be held liable for any offence related to employees' misappropriation if they were not involved
- Any employee, entrusted with the custody and administration of the organisation assets can be charged for breach of trust if found guilty of misappropriation
- Offences of breach of trust related to misappropriation of organisation's assets can be brought to court as criminal offences against the executives
- None of the above

11. Which of the following laws have **NOT** defined misrepresentation of material facts as an offence?

- Capital Markets Authority Act
- Public Finance Management Act
- POCMLA
- None of the above

12. Which of the following law has **NOT** defined forgery as an offence?

- The Penal Code
- Computer Misuse and Cybercrime Act, 2018
- The Bribery Act
- All the above

13. Any institution dealing with money can be ideal for laundering money, which of the following institution would **NOT** provide a conducive environment for laundering money?

- Casinos
- Restaurants
- Real Estate
- None of the above

14. Causing a computer or any other electronic machinery to perform any function that directly or indirectly results in a loss or adversely affects any public revenue or service is an economic crime. Which of the following laws provides heavier penalties than the Anti-Corruption and Economic Crimes Act, for computer related offences?

- A. Penal Code
- B. Computer Misuse and Cybercrime Act
- C. Public Finance Management Act
- D. All the above

15. Which of the following Kenyan law does **NOT** define soliciting or receiving an inducement as an offense?

- A. Bribery Act 2016
- B. Anti-corruption and Economic Crimes Act
- C. Public Finance Management Act
- D. None of the above

16. Which of the following offenses **NOT** is accompanied by other offenses?

- A. Computer forgery
- B. Conspiracy
- C. Forgery
- D. None of the above

17. The Capital Markets Act prohibits insider trading. Which of the following is an example of inside-trading?

- A. Corporate officers, directors and employees trade their corporate's securities based on material public information related to new business developments
- B. Family members, friends and business associates of corporate officers, directors and employees trade their corporate securities based on public information
- C. Employees of law firms, accounting firms or stock brokers trade their securities based on public information
- D. None of the above

18. Which of the following is **NOT** a requirement for government to conduct searches and seizures?

- A. Those facts that would induce a person of reasonable caution to believe that a crime has been committed and that the accused committed the crime
- B. The set of facts showing proof beyond all doubt that a crime has been committed and that the accused committed the crime
- C. The set of facts showing that its more likely than not that a crime has been committed and that the accused committed the crime
- D. It is not a requirement for government officers to obtain search warrant if the offences are committed in the presence of a police officer

19. Which of the following is **NOT** an obstruction offence?

- A. Hindering an officer to perform their duty under any law
- B. Threatening a witness
- C. Destroying documents relevant to the facts in issue
- D. None of the above

20. Which of the following is **NOT** true in regard to computer forgery?

- A. Computer forgery involves a person who intentionally inputs, alters, deletes, or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes, as if it were authentic
- B. Computer forgery involve unauthorized access
- C. Computer forgery is an offence on its own in addition to the underlying crime facilitated by the forgery
- D. All the Above

21. XYZ Bank has an anti-money laundering program that has put in place internal controls, procedures to prevent money laundering and a regular independent audit function to evaluate the effectiveness of the bank's anti money laundering program. Which of the following should be included in the anti-money laundering program?

- A. Money laundering awareness training for employees
- B. Reports of all foreign bank transfers to the government
- C. A mandatory waiting period before cash deposits can be transferred
- D. All the above

22. Banana Corporation filed bankruptcy proceedings in which all of its assets will be sold and the proceeds distributed to creditors. Under the World Bank Principles and Guidelines for Effective Insolvency and Creditor Rights Systems, which of the following parties is an appropriate option for managing Banana's estate in the proceedings?

- A. Apple Corporation directors
- B. Apple creditors
- C. Apple Corporation's bankers
- D. None the above

23. In a planned bust-out scheme, which of the following is a type of assets that the fraudster typically purchases on credit and then sells prior to closing the business?

- A. Property
- B. Legal or accounting services
- C. Inventory
- D. None of the above

24. Which of the following is **ACCURATE** in regard to the International Organisation of Securities Commissions (IOSCO)?

- A. One of the objectives of the International Organisation of Securities Commissions (IOSCO) is to ensure that markets are fair, efficient and accountable to the IOSCO
- B. Enhancing the financial system's growth
- C. Harmonising securities laws and standards across the global
- D. None of the above

25. Which of the following statements is **NOT** accurate in regard to the Bribery Act 2016?

- A. The Bribery Act, 2016 is modelled to the UK Anti Bribery Act
- B. The Bribery Act comes in the wake of changes and new appointments to the Ethics and Anti-Corruption Commission (EACC) in an initiative to combat corruption in all sectors of the country's economy
- C. The Act applies to individuals and entities in the public and private sectors
- D. None of the above

26. Which of the following statements is **ACCURATE** in relation to the laws against bribery?

- A. Before the Bribery Act 2016, the Anti-Corruption and Economic Crimes Act did impose significant responsibilities on the private sector to put anti-corruption measures in place
- B. The Bribery Act 2016 does not impose express duties on private entities and individuals to prevent and report incidents of bribery
- C. The Bribery Act 2016 has not made it a requirement for private entities to have in place procedures for the prevention of bribery
- D. None of the above

27. Which one of the following acts is **NOT** criminalised by the Bribery Act 2016?

- A. A Kenya company promises to pay a foreign official \$ 100,000 as a facilitation fee
- B. A Kenya company transfers \$100,000 to a foreign official to influence the official to award it a public construction contract
- C. A Kenyan company pay a government official Kshs 100,000 as facilitation fees t
- D. None of the above

28. Which one of the following fraudulent activities does the Tax Procedures Act criminalise?

- A. Any person who, in relation to a tax period, unknowingly omits from his or her return any amount which should have been included
- B. Any person who, in relation to a tax period, unknowingly claims any relief or refund to which he or she is not entitled
- C. Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- D. None of the above

29. Which of the following statements is **ACCURATE** in regard to false or misleading statements under the Tax Procedures Act?

- A. A person commits an offence when the person deliberately makes a statement to an authorised officer that is false or misleading in a material particular
- B. A person commits an offence when the person unintentionally omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular.
- C. A person commits an offence when the person deliberately omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular
- D. None of the above

30. Under the Anti-corruption and Economic Crimes Act, which of the following statements is **NOT** accurate?

- A. Misappropriation of public funds is defined as a corruption offence
- B. Failure to protect public property and revenue is defined as an economic crime
- C. Fraud and embezzlement are defined as economic crimes
- D. None of the above

31. Claude is a public officer of XYZ Ministry. Claude fraudulently and unlawfully used the Government payment system to make payments for services that were not offered. Which of the following Kenya laws was **NOT** violated by Claude's conduct?

- A. Anti- Corruption and Economic Crimes Act
- B. Computer Misuse and Cybercrime Act
- C. Public Finance Management Act
- D. None of the above

32. Which of the following statements is **ACCURATE** in regard to conflicts of interest, under the Bribery Act 2016?

- A. The agent knows or has reason to believe that the principal is unaware of the interest and the agent discloses the interest the agent will have committed an offence.
- B. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent will constitute a conflict of interest
- C. If an agent of a public body knowingly acquires or holds, directly or indirectly, private interest in any contract agreement or investment, will be guilty of an offence
- D. All the above

33. Which of the following statements is **NOT** accurate in regard to money laundering under the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA)?

- A. The POCAMLA obligations include, establishing and maintaining internal reporting procedures
- B. Upon the coming into force of this Act (POCAMLA), a reporting institution shall undertake customer due diligence on the existing customers
- C. The POCAMLA make it an obligation for a reporting institution to undertake customer due diligence only on new customers
- D. None of the above

34. Which one of the following is **NOT** a type of corruption offence under the Anti-corruption and Economic Crimes Act?

- A. Embezzlement
- B. Conflict of interest
- C. Misappropriation of public funds
- D. None of the above

35. An agent who, to the detriment of his principal uses or gives to his principal a document that he knows contains anything that is false or misleading in any material respect is guilty of an offence. Which of the following offences under the Anti-corruption and Economic Crimes Act **BEST** describes the offence?

- A. Abuse of office
- B. Conflict of interest
- C. Corruption
- D. Deceiving the principal

36. Which of the following statements is **NOT** accurate in relation to giving a bribe as stipulated under the Bribery Act 2016?

- A. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person, who does not know or believes the acceptance of the financial or other advantage would itself constitute the improper performance of a relevant function or activity.
- B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
- C. It shall not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned.
- D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party.

37. Which of the following statements is **NOT** accurate about the U.S. Foreign Corrupt Practices Act (FCPA)?

- A. The first part criminalises the bribery of foreign public official officers to obtain or retain business
- B. The second part require that publicly traded companies to adopt policies, procedures, and internal controls to prevent bribery
- C. The U.S. Foreign Corrupt Practices Act (FCPA) applications are as broad as the Bribery Act 2016 and the UK Bribery Act
- D. A company operating in Kenya and trading securities in the US is subject to US Foreign Corrupt Act

38. Which of the following is **NOT** a proper defence against a tax fraud charge?

- A. No tax liability
- B. Unintentional failure to pay taxes
- C. Reliance on an accountant
- D. None of the above

39. Which of the following is a legal element that must be shown to prove a claim for fraudulent misrepresentation of material facts in civil litigation?

- A. The victim relied on the misrepresentation
- B. The victim suffered damages as a result of the misrepresentation
- C. The defendant knew the representation was false
- D. None of the above

40. Which of the following is **NOT** an offence under the Proceeds of Crime and Anti-Money laundering (POCMLA)?

- A. Misrepresentation
- B. Tipping off
- C. Malicious reporting
- D. None of the above

41. OECD urged their member countries to combat bribery in international business, which of the following is **NOT** one of the recommendations that they made?

- A. To enhance criminal and civil laws
- B. To enhance banking and accounting requirements and practice
- C. To enhance tax systems and regulations
- D. None of the above

42. Which of the following statements is **NOT** accurate in regard to official and commercial bribery under the Bribery Act 2016?

- A. Bribery Act 2016 makes commercial bribery an offence
- B. Bribery Act 2016 makes official bribery an offence
- C. Bribery Act 2016 does not stipulate commercial bribery as an offence
- D. None of the above

43. Which of the following is **NOT** a legal element of official bribery?

- A. The defendant offers, promises, or gives financial or other advantage
- B. To a person who knows or believes the acceptance of the financial or other advantage would itself constitute improper performance of a relevant function or activity
- C. The advantage is offered, promised, or given through a third party
- D. None of the above

44. Under the Bribery Act 2016, which of the following does **NOT** constitute a bribe?

- Interest in a business enterprise
- Liquidation of any loan
- Discharge of any obligation or other liability
- None of the above

45. Which of the statements below is **NOT** accurate in regard to laws criminalising false statements to government agencies?

- A person can be found guilty of making a false statement only if the statement was made intentionally
- A person can be found guilty of making a false statement only if the government suffered a loss
- A person can be found guilty of making a false statement even if the statement was not made directly to a governmental department or agency
- None of the above

46. Which of the following statements is **NOT** accurate with regard to Computer Misuse and Cybercrime?

- Unauthorised access is an offence on its own under the Computer Misuse and Cybercrime
- Unauthorised offence with the intent to commit further offence is an additional offence
- The offence committed under any other law by gaining unauthorized access will be in addition to the unauthorised access
- None of the above

47. Which of the following statements is **NOT** accurate in regard to bid rigging under the Bribery Act 2016?

- Bid rigging is a type of a corruption offence that is perpetrated by bidders and procuring entity employees
- Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
- Withdrawing or changing a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
- Refraining from submitting a tender, proposal, quotation or bid

48. Which of the following is **NOT** a type of securities market manipulation?

- Increase, or are likely to increase the price with the intention of inducing another person to purchase, subscribe for, or to refrain from selling securities issued by the same company or a related company, or such other listed securities;
- Stabilise, or are likely to stabilize, the price with the intention of inducing another person to sell, purchase, or subscribe for, or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company, or such other listed securities
- False trading and market rigging
- None of the above

49. Which of the following statements about securities laws and regulations is **CORRECT**?

- National securities laws and regulations have no extraterritorial reach
- Most securities markets are regulated on an international basis
- Securities exchanges are regulated entities that have regulatory authority
- None of the above

50. Which of the following tax avoidance schemes would be accurately classified as an income and wealth tax avoidance scheme?

- Smuggling goods into a jurisdiction to avoid excise taxes
- Fraudulently claim for refund of a value-added tax
- Transferring assets to another person or entity to lower tax liability
- All of the above

51. Which of the following is **NOT** a legal element that must be proven in a claim of official bribery under the Bribery Act 2016?

- The recipient received an inducement or a reward
- The defendant engaged in a with corrupt act
- The recipient is a government official
- None of the above

52. Under the Bribery Act 2016, which of the following is **NOT** a relevant function or activity.

- A. Function of a public or private nature
- B. Any function carried out by a state officer or public officer, pursuant to his or her duties
- C. Any activity performed by or on behalf of a body of persons whether corporate or otherwise
- D. None of the above

53. Which of the following statements is **NOT** accurate in regard to prevention of bribery under the Bribery Act 2016?

- A. Public and private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations.
- B. Failure of private entities to put in place such procedures is an offence on the part of the director or senior officer.
- C. Only private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations.
- D. None of the above

54. Which of the following statements is **NOT** correct in regard to Protection of Whistle-blowers and Witnesses under the Bribery Act 2016?

- A. Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
- B. The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
- C. Under this Act, it is an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness
- D. EACC is charged with the responsibility to assist any entity and interested persons to develop and put in place procedures to protect whistle-blowers

55. The Bribery Act imposes heavy penalties for bribery-related offenses. Which of the following is **NOT** accurate in regard to a penalty under the Bribery Act?

- A. Imprisonment (maximum of ten years);
- B. Imposition of a fine (not exceeding KES 5,000,000)
- C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (five) times the amount of the benefit and/or loss)
- D. None of the above

56. The Bribery Act imposes heavy penalties for bribery-related offences, which of the following statements is **NOT** correct in regards to penalty under the Bribery Act

- A. Requirement to pay the benefit received to the Government
- B. Confiscation of property acquired through proceeds of bribery
- C. Being barred from holding public office or being a director or partner in Kenya
- D. Disqualification from an elective position but not from serving as a director or partner in Kenya

57. Which of the following statements is **NOT** accurate in regard to proving conspiracy?

- A. At least one of the conspirators knowingly committed at least one overt act in furtherance of the conspiracy
- B. The defendant knew the purpose of the agreement and intentionally joined in the agreement
- C. The defendant entered in an agreement to commit an illegal act
- D. None of the above

58. Which one of the following is **NOT** accurate in relation to objects of the Computer Misuse and Cybercrime?

- A. Prevent the unlawful use of computer systems
- B. Facilitate for prevention, investigation, prosecution and punishment of cybercrimes
- C. Facilitate international co-operation on matters covered under this Act
- D. None of the above

59. Which of the following is **NOT** accurate in regard to unauthorised access by a person to a computer system, under the Computer Misuse and Cybercrimes Act 2018?

- A. If the person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data the action will not be considered as unauthorised access
- B. It is immaterial that the unauthorized access is not directed at any particular program or data program or data of any kind
- C. If the unauthorized access is not directed at any program or data held in any particular computer system, the action will still be considered as unauthorised access
- D. None of the above

60. Which of the following statements is **NOT** accurate in regard to unauthorised access with intent to commit further offence?

- A. Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
- B. The further offence under any law committed through the unauthorized access will be an additional offence
- C. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both
- D. The further offence under any law committed through the unauthorized access will not be an additional offence

61. Which of the following statements is **NOT** accurate in regard to an unauthorised interference, to a computer system, program or data?

- A. Unauthorised interference can be committed by a person with authorised access
- B. Unauthorised interference can be committed by a person with unauthorised access
- C. Unauthorised interference is an offence on its own and can result to another crime like theft of identity
- D. None of the above

62. Which of the following statements in regard to the United Nations Convention Against Corruption (UN Convention) is **NOT** accurate?

- A. Member states must implement procedures and mechanisms to detect and prevent the transfer of assets obtained through illicit activities
- B. Member states must establish independent anti-corruption bodies that provide oversight on the implementation of the UN Convention policies
- C. It is a must that member states criminalise acts of corruption committed within their territories or by their nationals
- D. None of the above

63. If an accounting officer authorized payments for goods not supplied, which of the following laws would provide the heaviest penalty as punish for the economic crime and also to act as a deterrence to potential offenders?

- A. Finance Act
- B. Anti-Corruption and Economic Crimes Act
- C. Public Finance Management Act
- D. None of the above

64. Which of the following is **NOT** an element that must be established to prove fraud based on the concealment of material facts?

- A. The defendant acted with a corrupt intent
- B. The defendant acted with intent to mislead or deceive the victim(s)
- C. The defendant had knowledge of a material fact that he had a duty to disclose
- D. All of the above

65. Which of the following statements is **NOT** accurate in regard to conflict-of-interest under the Anti-corruption and Economic Crimes Act?

- A. If an agent has a direct or indirect private interest in a decision that his principal is to make the agent is guilty of an offense if the agent knows or has reason to believe that the principal is unaware of the interest and the agent fails to disclose the interest
- B. If an agent votes or participates in the proceedings of his principal in relation to the decision.
- C. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent as so authorised.
- D. A public body may authorize its agent to vote or participate in the proceedings of the public body and the voting or participation of an agent as so authorised

66. Which of the following is **NOT** accurate Under the Tax Procedures Act 2015, in regard to criminalising tax related actions?

- A. The law criminalises schemes designed for tax avoidance
- B. The law criminalises tax evasion
- C. The law does criminalise fraudulent claims
- D. None of the above

67. Which of the following statement is **ACCURATE** in regard to bribery under the Bribery Act 2016?

- Under the Bribery Act 2016, the prosecution must prove that the defendant acted with a corrupt intent in offering or receiving a bribe
- Under the Bribery Act 2016, the prosecution must prove that the defendant acted improperly because of the bribe received or promised
- Under the Bribery Act 2016, the prosecution must prove that the defendant received something of value capable of influencing his official act or a commercial business decision
- None of the above

68. Ahmed is a board member of two companies that compete in the high road construction. Ahmed, failed to disclose this conflict. Which of the following **BEST** describes the offence that Ahmed committed?

- Corruption
- Breach of trust
- Economic crime
- None of the above

69. Which of the following is **ACCURATE** in regard to OECD recommendations on Combating Bribery in International Business?

- OECD focuses on the “the bribe payer”
- OECD focuses on the “demand side”
- OECD focuses on both the “supply side” and “demand side”
- None of the above

70. Which one of the following is **NOT** accurate in relation to objects of Computer Misuse and Cybercrime?

- Protect the confidentiality, integrity, and availability of computer systems, programs, and data
- Prevent the unlawful use of computer systems
- Facilitate international cooperation on matters covered under this Act
- None of the above

71. Which of the following is **NOT** accurate about unauthorized access under the Computer Misuse and Cybercrimes Act 2018?

- A person who causes, whether temporarily or permanently, a computer system to perform a function, by infringing security measures, commits an offence
- Intent to gain access, and knowing such access is unauthorised, commits an offence and is liable
- On conviction, there is a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years or to both
- None of the above

72. Which of the following statements is **NOT** accurate in regard to unauthorized access with intent to commit further offence?

- Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
- The further offence under any law committed through the unauthorized access will be an additional offence
- On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both.
- None of the above

73. Which of the following statements is **NOT** accurate in regard unauthorised interference, to a computer system, program, or data?

- Unauthorised interference can be committed by a person with authorised or unauthorised access
- Unauthorised interference can only be committed by a person with authorised access
- Unauthorised interference can be committed by a person with unauthorised access
- All the above

74. Which of the following statement is **NOT** accurate in regard to the Financial Action Task Force and Anti-money laundering efforts?

- The Financial Action Task Force (FATF) is an international policy making body
- The FATF recommendations are standards but not law
- The FATF's Recommendations, revised in 2012, created the most comprehensive standard and a basic framework that its members should have.
- None of the above

75. To prove a criminal case in a court of law in the common law jurisdictions, the prosecution must prove intent. In regard to intent under the Bribery Act, which of the following statements is **ACCURATE**?

- A. An offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act require prove of intent just like any other criminal offence
- B. It is a defence in prosecution of an offence of receiving, soliciting, giving or offering of any benefit, under the Anti- Corruption and Economic Crimes Act, that it is customary in any business, undertaking, office, profession or calling.
- C. It shall be a defence in prosecution that the act or omission was not within a person's power or that the person did not intend to do the act or make the omission; or that the act or omission did not occur
- D. None of the above

76. John is a revenue accountant at XYZ state corporation. In the course of his duties he entered fictitious sales invoices into the system. Which of the following **BEST** describes the offenses committed by John?

- A. Misrepresentation of material facts
- B. Corruption and Cybercrime
- C. Economic Crime and Cybercrime
- D. None of the above

77. Felistus is a principal accountant at XYZ government agency. Felistus is responsible for authorizing payments. In collusion with the procurement manager, they agreed that Felistus entered fraudulent invoices into the system and authorised payments. Which of the following is **NOT** accurate in regard to the offence committed by Felistus and the vendors?

- A. The vendors, if proved, will be guilty of conspiracy, economic crime under the protection of government property and revenue, for fraudulently acquiring public property
- B. Felistus, if proved, will be guilty of corruption offences and economic crime, conspiracy
- C. Felistus, if proved, will be guilty of computer forgery
- D. None of the above

78. Which of the following statements is **NOT** accurate in regard to evidence of corruption under the Anti-corruption and Economic Crimes Act?

- A. Unexplained assets acquired at or around the time the person was reasonably suspected of corruption or economic crime at or around that time and for which there is no satisfactory explanation whose value is disproportionate to his known sources of income
- B. Unexplained sources of funds for acquiring the assets is circumstantial evidence of corruption
- C. Unexplained assets are type of circumstantial evidence of corruption
- D. None of the above

79. Which of the following statements is **NOT** accurate in regard to corruption offences?

- A. Corruption offences usually is accompanied by conspiracy offence
- B. An attempt to commit a corruption offence, where the offence is not accomplished is an offence under the Anti-Corruption and Economics Crime Act
- C. Abuse of office is a type of corruption offence, which is in addition to an underlying offence
- D. None of the above

80. Which of the following organizations is **NOT** established under the POCAMLA?

- A. Central Bank of Kenya
- B. The Asset Recovery Agency
- C. The Ethics and Anti-Corruption Commission
- D. None of the above

81. Money laundering has three stages. In which of the following stages is it easier to detect money laundering?

- A. Layering
- B. Integration
- C. Detection
- D. None of the above

82. Which of the following statements is **NOT** accurate under the POCAMLA?

- A. This Act applies to accountants or advocates preparing or carrying out transactions on behalf of their clients
- B. This Act puts an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
- C. This Act puts an obligation on the reporting institutions to establish and maintain customers record
- D. None of the above

83. Which of the following is **NOT** a purpose of the Public Finance Management Act?

- A. Provide for the effective management of public finances by the national and county governments
- B. Provide for oversight responsibility of Parliament and county assemblies
- C. Provide for management responsibility of Parliament and county assemblies
- D. All the above

84. Which of the following is **NOT** accurate in regard to the responsibilities of the accounting officers for national government entities, Parliament and the Judiciary?

- A. An accounting officer for a national government entity, Parliamentary Service Commission and the Judiciary shall be accountable to the National Assembly
- B. Ensure that the resources of the respective entity for which he or she is the accounting officer are used in a way that is lawful and authorised
- C. If an accounting officer fails to ensure that the resources of the respective entity are used in a way that is lawful and authorised, they will not be liable for a legal offence but rather internal disciplinary action
- D. Ensure that all expenditure made by the entity are authorised and lawful

85. Which of the following statements is **NOT** accurate under the Public Finance Management Act?

- A. The accounting officer must ensure that the entity keeps financial and accounting records that comply with this Act
- B. The accounting officer must ensure that all financial and accounting records the entity keeps in any form, including in electronic form are adequately protected and backed up
- C. All contracts entered into as long as there was prior planning are lawful
- D. None of the above

86. Which of the following is **CORRECT** in regard to requirement for a search warrant, when conducting an investigation in jurisdictions with laws granting people the right to be free from unreasonable search and seizure?

- A. Both government officers and private investigators must obtain search warrants
- B. Government officers are required to obtain search warrants
- C. Government officers must always obtain search warrants
- D. None of the above

87. Which of the following statements under the Bribery Act 2016 is **NOT** accurate?

- A. Under the Bribery Act, all entities private and public are now required to put in place equal procedures for the prevention of bribery and corruption
- B. Under the Bribery Act, both public and private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations
- C. Failure of private entities to put in place such procedures is an offense on the part of director or a senior officer
- D. Failure of private entities to put in place such procedures is an additional offense on the part of the entity

88. Which of the following statement is **ACCURATE**, under the POCAMLA Act in regard to financial institutions?

- A. Under the POCAMLA Act, financial institution includes designated non-financial institutions
- B. Under the POCAMLA act, designated non-financial institutions do have reporting obligations
- C. Under the POCAMLA act, financial institution does not include designated non-financial institutions
- D. All the above

89. Which one of the following statements related to bribery activities is **NOT** accurate?

- A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
- B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
- C. Any person who unknowingly receives a bribe is not guilty of a bribery offence
- D. All the above

90. Which of the following is **NOT** accurate in regard to foreign official as defined under the Bribery Act 2016?

- A. A person holding a legislative, administrative or judicial office of a foreign country, whether appointed or elected
- B. Any person exercising a public function for a foreign country, including for a public agency or public enterprise
- C. An international civil servant or any person who is authorised by such an organisation to act on behalf of that organisation
- D. Any person exercising a private function for a foreign country, including for a public agency or public enterprise

91. Which of the following statements in relation to the Anti-Corruption and Economic Crimes Act is **NOT** accurate?

- A. A person who attempts to commit an offence involving corruption or an economic crime is not guilty of a criminal offence if the commission of the offence is completed
- B. For the purposes of this section, a person attempts to commit an offence of corruption or an economic crime if the person, with the intention of committing the offence, does or omits to do something designed to its fulfilment but does not fulfil the intention to such an extent as to commit the offence.
- C. A person who conspires with another to commit an offence of corruption or economic crimes is guilty of an offence.
- D. A person who incites another to do any act or make any omission of such a nature that, if that act were done or the omission were made, an offence of corruption or an economic crime would thereby be committed, is guilty of an offence

92. Which of the following is **NOT** a bid rigging offence?

- A. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward
- B. withdrawing or changing a tender, proposal, quotation or bid because of an inducement or reward
- C. submitting a tender, proposal, quotation or bid with a specified price or with any specified inclusions or exclusions because of an inducement or reward
- D. Refraining from submitting a tender, proposal or quotation

93. Which of the following statements is **ACCURATE** in regard to prosecution of embezzlement?

- A. The prosecution must prove that perpetrator was in a position of trust with the principal when he/she embezzled the funds
- B. The prosecution must prove that the perpetrator was not entrusted with the money or property
- C. The prosecution is not required to prove that the perpetrator's intent to embezzle the money or property
- D. None of the above

94. In a prosecution of an offence that involves a benefit that is an inducement or reward for doing an act or making an omission, which of the following is **NOT** accurate in regard to defence under the Anti-Corruption and Economic Crimes Act?

- A. That the act or omission was not within a person's power
- B. Person did not intend to do the act or make the omission
- C. That the act or omission did not occur
- D. It can only be an offence if the act or omission occurred

95. Which of the following is **NOT** accurate in regard to legal element of perjury?

- A. The defendant made a false statement
- B. The defendant made the false statement while under oath
- C. The false statement was material or relevant to the proceeding
- D. The defendant can only be found guilty of perjury for false statement made in court under oath

96. Which of the following Kenyan Laws has **NOT** defined obstruction or hindering an authorised person in performing their duty under any law as an offence?

- A. Capital Markets Act
- B. POCAMLA Act
- C. Public Procurement and Assets Disposal Act
- D. Bribery Act 2016

97. Which of the following is **NOT** legal element of false claims to the Government?

- A. Making a false claim even in the claim was not made directly to government department or agency.
- B. Making a false statement or claim even if the government was not deceived by the falsity
- C. Making a false statement or claim even if the government did not rely on the falsity
- D. Making a false statement or claim and the government suffered loss in reliance of the falsity

98. Which of the following statement is **NOT** correct in regard to professional negligence?

- A. Cases of professional negligence are usually civil actions
- B. Cases of professional negligence are hard to prove
- C. Failure to exercise due care in the performance of a duty by a professional is an example of professional negligence
- D. A clerk or a servant can be liable for professional negligence for failure to balance the books of account

99. Which of the following statement is **NOT** accurate in regard to the private and public entities obligation to put procedures in place to prevent bribery

- A. The Bribery Act,2016 has criminalised failure to put procedures in place to prevent bribery
- B. Failure to put measures in place will be presumed as consent by the entity's senior officer not to prevent bribery
- C. EACC has not yet published guidelines to assist both private and public to put in place to prevent bribery
- D. EACC has published guidelines to assist both private and public to put in place to prevent bribery

100. The Tax Procedures Act does **NOT** criminalise which one of the following fraudulent activities?

- A. Any person who, in relation to a tax period, knowingly omits from his or her return any amount which should have been included
- B. Any person who, in relation to a tax period, knowingly Claims any relief or refund to which he or she is not entitled
- C. Any person who, in relation to a tax period, knowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
- D. None of the above

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE TWO

LAW RELATED TO FRAUD

WEDNESDAY: 7 December 2022. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Rosa has no tax returns experience, she completed tax documents for her new business. The information required was complex and therefore the returns were improperly completed. Which of the following statements is most **ACCURATE**?
 - A. Rosa will not be liable for criminal penalties if the government suffered loss
 - B. Rosa will be liable for criminal penalties if she intentionally completed the documents improperly
 - C. Rosa will be liable for criminal penalties whether he intentionally or unintentional completed the documents improperly
 - D. All the above
2. Which one of the following statements related to (criminal) activities intended to enable bribery is **NOT** accurate?
 - A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
 - B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
 - C. Any person who unknowingly assists a person or a private entity to give or receive a bribe by recording property which was obtained as a result of or in connection with bribery
 - D. All the above
3. Which of the following statements under the Bribery Act of 2016 is **ACCURATE**?
 - A. Under the Bribery Act, only private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations
 - B. Under the Bribery Act, only public entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations
 - C. Failure of private entities to put in place such procedures is an offense on the part of director or a senior officer
 - D. All the above
4. Which of the following statement is **NOT** correct in regard to penalty under the Bribery Act of 2016?
 - A. Imprisonment (maximum of ten years)
 - B. Imposition of a fine (not exceeding KES 5,000,000/-)
 - C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and/or loss) but not in addition to imprisonment
 - D. All the above
5. Which of the following statements is **NOT** accurate in regard to the Bribery Act of 2016?

A. A person convicted for bribery and given penalties of a fine and imprisonment is required to pay the benefit received to the Government in addition

B. Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment

C. Under the Bribery Act, disqualification from serving as a director or partner would not be in addition to penalties of a fine and imprisonment

D. Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment

6. Which of the following is **NOT** a type of procurement offence under the Public Procurement and Assets Disposal Act?

A. A fraudulent act

B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act

C. Delay with justifiable cause the opening or evaluation of tenders, the awarding of contract beyond the prescribed period.

D. All the above

7. Which of the following is **NOT** correct in regard to the Bribery Act of 2016?

A. The Bribery Act 2016 does not have wide implications for client in or operating into Kenya from abroad.

B. Because of the hefty penalties, the implications should be factored into all business activities, and businesses need to establish effective compliance programmes.

C. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities, alongside other extra-territorial statutes on bribery

D. All the above

8. Harold is an agent of ABC government agency. Harold makes a statement to the principal indicating that the agency requires a computer system with a higher capacity than the one it had. During budgeting, the agent budgeted for the computer system and a budget of two billion is approved. It was common knowledge that the entity does not need such a big computer system. The current system was still working effectively and efficiently. Which of the following is **NOT** an offence committed by the agent?

A. Abuse of office

B. Deceiving principle

C. Conflict of interest

D. None of the above

9. Which of the following statement is **NOT** correct in regard to the law of Breach of Trust or fiduciary duty?

A. People who can commit an offence of breach of trust are, officers, directors and executives

B. Employees entrusted with receiving organisation's funds and making payments can be liable of breach of trust, if they embezzled the funds

C. People who are in position of trust owe the principal a duty of loyalty and care

D. Offences of breach of trust are usually brought to court as civil cases, for compensation of damages remedy

10. Which of the following statement is **CORRECT** in regard to forgery?

A. A fraudulent invoice presented to a procuring entity is a forgery committed by the contractor or vendor

B. A fraudulent invoice presented to a procuring entity is misrepresentation of facts

C. A fraudulent invoice presented to a procuring entity is embezzlement

D. All the above

11. Which of the following is a method used for sending money to co-conspirator in a foreign country without sending funds through a financial institution? The party pays Broker A, the funds, and Broker A then directs Broker B, who lives in the foreign country, to pay the co-conspirator. Later, Broker A offsets his debt to Broker B by paying someone at the direction of Broker B. Which of the following **BEST** describes this payment scheme?

A. Pre-paid credit cards

B. Money services business

C. Mortgage down-payments
D. None of the above

12. Any institution dealing with money can be ideal for money laundering. Which of the following financial institution would provide a conducive environment for money laundering?
A. Commercial banks
B. Micro finance banks
C. A SACCO
D. All the above

13. Which of the following is an example of an Economic crime under the Anti - Corruption and Economic Crimes?
A. Causing a computer or any other electronic machinery to perform any function that directly or indirectly results in a loss or adversely affects any public revenue or service is an economic crime
B. Late payment to pay taxes or levies payable to public body
C. Making deposit payment for goods to be supplied
D. All the above

14. Which of the following Kenyan law does define soliciting or receiving an inducement as an offense?
A. Bribery Act of 2016
B. Anti-corruption and Economic Crimes Act
C. Public Finance Management Act
D. All the above

15. Which of the following offense is accompanied by other offenses?
A. Computer forgery
B. Conspiracy
C. Abuse of office
D. All the above

16. The Capital Markets Act prohibits insider trading. Which of the following is an example of inside trading?
A. Corporate officers, directors and employees trade their corporate's securities based on material confidential information related to new business developments
B. Family members, friends and business associates of corporate officers, directors and employees trade their corporate securities based on public information
C. Employees of law firms, accounting firms or stock brokers trade their securities based on public information
D. All the above

17. Which of the following **BEST** describe the requirements for government to conduct searches and seizures?
A. Those facts that would induce a person of reasonable caution to believe that a crime has been committed and that the accused committed the crime
B. The set of facts showing proof beyond all doubt that a crime has been committed and that the accused committed the crime
C. The set of facts showing that its more likely than not that a crime has been committed and that the accused committed the crime
D. It is a general requirement for government officers to obtain search warrants

18. Which of the following statements in relation to false statement to government is **CORRECT**?
A. To violate a law criminalising false statements to government agencies, it need be made directly to the government
B. A statement made to a third party does not violate laws related to false statements to the government.
C. To violate laws related false statements to government the government does not have to suffered loss
D. All the above

19. Which of the following is considered an obstruction of justice?
A. Bribing a witness
B. Contacting a government investigator
C. Subpoenaing a government witness
D. Showing disrespect to a judge

20. The Kenya Anti-Corruption Advisory Board (KACC) was established to advise the commission generally on the exercise of its powers. Which of the following institutions is **NOT** represented on the KACC?

- A. Kenya Association of Manufacturers
- B. Central Organisation of Trade Unions
- C. The Judiciary
- D. International Federation of Women Lawyers

21. Which of the following is **NOT** true in regard to computer forgery?

- A. Computer forgery involves a person who intentionally inputs, alters, deletes, or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted on for legal purposes, as if it were authentic
- B. Computer forgery is a type of cybercrime
- C. Computer forgery is a separate offence in addition to the underlying crime facilitated by the forgery
- D. All the Above

22. ABC Bank has an anti-money laundering program that has put in place internal controls, procedures to prevent money laundering, money laundering awareness training for employees, and a regular independent audit function to evaluate the effectiveness of the bank's anti money laundering program. Which of the following is missing in the ABC Bank anti-money laundering program?

- A. A senior designated risk and compliance officer
- B. Reports of all foreign bank transfers to the government
- C. A mandatory waiting period before cash deposits can be transferred
- D. All the above

23. Red Corporation filed a bankruptcy proceeding in which all of its assets will be sold and the proceeds distributed to creditors. Under the World Bank Principles and Guidelines for Effective Insolvency and Creditor Rights Systems, which of the following parties is **NOT** an appropriate option for managing Red's estate in the proceedings?

- A. Red Corporation directors
- B. Red's creditors
- C. Red Corporation's bankers
- D. All of the above

24. In a planned bust-out scheme, which of the following is a type of assets that the fraudster typically purchases on credit and then sells prior to closing the business?

- A. Business insurance policies
- B. Legal or accounting services
- C. Health services
- D. None of the above

25. Which of the following is **TRUE** in regard to the International Organisation of Securities Commissions (IOSCO)?

- A. One of the objectives of the International Organisation of Securities Commissions (IOSCO) is to ensure that markets are fair, efficient and transparent
- B. Enhancing the financial system's growth
- C. Harmonising securities laws and standards across the global
- D. None of the above

26. Which of the following statements is **NOT** correct in regard to the Bribery Act 2016?

- A. The Bribery Act, 2016 (the Bribery Act) came into force in 2016
- B. The Bribery Act comes in the wake of changes and new appointments to the Ethics and Anti-Corruption Commission (EACC) in an initiative to combat corruption in all sectors of the country's economy
- C. The Act applies to individuals and entities in the public and private sectors
- D. All the above

27. Which of the following statements is **ACCURATE** in relation to the fight against bribery?

- A. Before the Bribery Act 2016, the Anti-Corruption and Economic Crimes Act did impose significant responsibilities on the private sector to put anti-corruption measures in place
- B. The Bribery Act 2016 imposes express duties on private entities and individuals to prevent and report incidents of bribery

C. Unlike the UK Bribery Act, the Bribery Act 2016 has no extra-territorial application in relation to bribery-related offenses carried outside Kenya

D. The Bribery Act 2016 has not made it a requirement for private entities to have in place procedures for the prevention of bribery

28. The main distinction between conflict of interest and corruption is that:

A. Conflict of interest is not regulated while corruption is regulated

B. Conflict of interest is not a crime while corruption is a crime

C. Conflict of interest results in a monetary gain while corruption is not necessarily gain related

D. None of the above

29. The Tax Procedure Act criminalises which one of the following fraudulent activities?

A. Any person who, in relation to a tax period, unknowingly omits from his or her return any amount which should have been included

B. Any person who, in relation to a tax period, unknowingly claims any relief or refund to which he or she is not entitled

C. Any person who, in relation to a tax period, unknowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records

D. None of the above

30. Which of the statements is **CORRECT** in regard to false or misleading statements under the Tax Procedure Act?

A. A person commits an offence when the person deliberately makes a statement to an authorised officer that is false or misleading in a material particular

B. A person commits an offence when the person unintentionally omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular.

C. A person commits an offence when the person deliberately omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular

D. All the above

31. Under the Anti-corruption and Economic Crimes Act, which of the following statements is **ACCURATE**?

A. Misappropriation of public funds is defined as an economic crime

B. Failure to protect public property and revenue is defined as an economic crime

C. Fraud and embezzlement are defined as economic crimes

D. None of them is accurate

32. Cliff is a public officer of ABC ministry. Cliff fraudulently and unlawfully used the government payment system to make payments for services that were not offered. Which of the following is the offence that was committed by Cliff?

A. An economic crime

B. Corruption

C. Failure to protect public property and revenue

D. None of the above

33. Which of the following statements is **NOT** correct in regard to conflicts of interest, under the Bribery Act 2016?

A. The agent knows or has reason to believe that the principal is unaware of the interest and the agent fail to disclose the interest the agent will have committed an offence

B. The agent votes or participates in the proceedings of his principal in relation to the decision.

C. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent will not constitute a conflict of interest

D. If an agent of a public body knowingly acquires or holds, directly or indirectly, private interest in any contract agreement or investment, will not be guilty of an offence if the interest is disclosed to the principal

34. Which of the following statements is **NOT** accurate in regard to money laundering under the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA)?

A. The POCAMLA obligations include, establishing and maintaining internal reporting procedures

B. Upon the coming into force of this Act (POCAMLA), a reporting institution shall undertake customer due diligence on the existing customers

C. The POCAMLA make it an obligation for a reporting institution to undertake customer due diligence only on new customers

D. None of the above

35. Which of the following is **NOT** covered under the United Nations Convention against Corruption – Preventive Measures?

- A. Anti-money laundering
- B. Repatriation of guilty individuals
- C. Public procurement
- D. Codes of conduct

36. Which of the following is **NOT** a key function of the Ethics and Anti-Corruption Commission?

- A. Preventive and advisory services
- B. Asset tracing and recovery
- C. Arbitration of cases
- D. Public education

37. Which one of the following is **NOT** a type of corruption offence under the Anti-corruption and Economic Crimes Act?

- A. Embezzlement
- B. Conflict of interest
- C. Abuse of office
- D. Protection of public property and revenue

38. An agent who, to the detriment of his principal, uses, or gives to his principal, a document that he knows contains anything that is false or misleading in any material respect is guilty of an offence. Which of the following offence under the Anti-corruption and Economic Crimes Act **BEST** describe the offence?

- A. Abuse of office
- B. Conflict of interest
- C. Corruption
- D. None of the above

39. Which of the following statements is **NOT** correct in relation to giving a bribe as stipulated under the Bribery Act 2016?

- A. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person, who does not know or believes the acceptance of the financial or other advantage would itself constitute the improper performance of a relevant function or activity.
- B. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person even if the person's performance of a relevant function is not improper
- C. It shall not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned.
- D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party.

40. Which of the following statement is **NOT** true about arbitration of corruption cases?

- A. Arbitration decisions can be appealed
- B. Arbitration costs are usually borne by both parties
- C. Arbitration is by mutual consent
- D. Arbitration decisions have to be made within ninety (90) days.

41. Which of the following is **NOT** a proper defence against a tax fraud charge?

- A. Death of the tax payer
- B. No tax liability
- C. Unintentional failure to pay taxes
- D. Reliance on a tax expert

42. Which of the following is **NOT** a legal element that must be shown to prove a claim for fraudulent misrepresentation of material facts in criminal case?

- A. The victim relied on the misrepresentation
- B. The victim suffered damages as a result of the misrepresentation
- C. The defendant knew the representation was false

D. All of the above

43. Which of the following is **NOT** an offence under the Proceeds of Crime and Anti-Money laundering (POCMLA)?
A. Money laundering
B. Failure to report all transactions over one million Kenya shillings
C. Financial promotion of an offence
D. All the above

44. Which of the following is **NOT** a recommendation that the OECD made to their member countries on combating bribery in international business.?
A. To enhance only criminal laws
B. To enhance banking and accounting requirements and practice
C. To enhance tax systems and regulations
D. All the above

45. Which of the following statements is **TRUE** on receiving of non-monetary gifts by public officials?
A. A state officer shall not receive monetary gifts
B. A state officer may receive non-monetary gifts if the value does not exceed Sh.50,000
C. A state officer shall report all attempts to award him a non-monetary gift
D. A state officer may receive non-monetary gifts if the value does not exceed Sh.20,000

46. Which of the following is a legal element of official bribery?
A. The defendant offers, promises, or gives financial or other advantage
B. To a person who knows or believes the acceptance of the financial or other advantage would itself constitute improper performance of a relevant function or activity
C. The advantage is offered, promised, or given through a third party
D. All the above

47. Under the Bribery Act 2016, which of the following does **NOT** constitute a bribe?
A. Valuable securities
B. Liquidation of any loan
C. Discharge of any obligation or other liability
D. None of the above

48. Which of the following statement is **NOT** true about embezzlement?
A. The prosecution must prove that perpetrator was in a position of trust with the principal
B. The prosecution must prove that the perpetrator was entrusted with the money or property
C. The prosecution must prove that the perpetrator took away and denied the owner use of the money or property
D. The prosecution must prove that the perpetrator's intent to embezzle the money or property

49. Which of the statement is **NOT** accurate in regard to laws criminalising false statements to government agencies?
A. A person can be found guilty of making a false statement only if the statement was made intentionally
B. A person can be found guilty of making a false statement even if the government did not suffer a loss
C. A person can be found guilty of making a false statement even if the statement was not made directly to a governmental department or agency
D. None of the above

50. Which of the following statements is **NOT** true with regard to Computer Misuse and Cybercrime?
A. Unauthorised access is an offence on its own under the Computer Misuse and Cybercrime
B. Unauthorised offence with the intent to commit further offence is an additional offence
C. The offence committed under any other law by gaining unauthorised access will not be an additional offence in addition to the unauthorised access
D. All the above

51. Which of the following organisation deals with anti- money laundering in Kenya?
A. Central bank of Kenya
B. Financial Reporting Centre (FRC)
C. The Financial Action Task Force (FATF)
D. None of the above

52. Money laundering has three stages. In which of the following stage is harder to detect money laundering?

- A. Layering
- B. Integration
- C. Placement
- D. All the above

53. Which of the following statement is **CORRECT** in regard to Financial Action Task Force?

- A. Kenya is a member of the Financial Action Task Force
- B. Kenya is not a member of the Financial Action Task Force
- C. Financial Action Task Force, membership requirements are very stringent and not all countries have been able to meet the requirements
- D. None of the above

54. Which of the following statement is **NOT** accurate under the Proceeds of Crime and Anti-money Laundering (POCAMLA)?

- A. This act does not apply to accountants or advocates preparing or carrying out transactions on behalf of their clients
- B. This act put an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
- C. This act put an obligation on the reporting institutions to establish and maintain customers record
- D. None of the above

55. Which of the following statement is **NOT** accurate in regard to Bid rigging under the Bribery Act 2016?

- A. Bid rigging is a type of a corruption offence that is perpetrated by bidders and procuring entity employees
- B. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
- C. Withdrawing or changing a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
- D. Refraining from submitting a tender, proposal, quotation or bid

56. Which of the following is **NOT** a type of securities market manipulation?

- A. Increase, or are likely to increase the price with the intention of inducing another person to purchase, subscribe for, or to refrain from selling securities issued by the same company or a related company, or such other listed securities;
- B. Directors trading their shares based on inside information for their own benefit
- C. Stabilise, or are likely to stabilise, the price with the intention of inducing another person to sell, purchase, or subscribe for, or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company, or such other listed securities
- D. All the above

57. Which of the following statements about securities laws and regulations is **NOT** true?

- A. National securities laws and regulations have no extraterritorial reach
- B. Most securities markets are regulated on an international basis
- C. Securities exchanges are regulated entities that have regulatory authority
- D. All the above

58. Which of the following tax avoidance schemes would be accurately classified as an income and wealth tax avoidance scheme?

- A. Smuggling goods into a jurisdiction to avoid excise taxes
- B. Fraudulently claim for refund of a value-added tax
- C. Transferring assets to another person or entity to lower tax liability
- D. All of the above
- E.

59. Which of the following is **NOT** a legal element that must be proven in a claim of official bribery under the Bribery Act 2016?

- A. The recipient received a reward
- B. The defendant acted with corrupt intent
- C. The recipient is a government official
- D. None of the above

60. Under the Bribery Act 2016 which of the following is **NOT** a relevant function or activity.

- A. Function of a public or private nature
- B. Any function carried out by a state officer or public officer, pursuant to his or her duties
- C. Any activity performed by or on behalf of a body of persons whether corporate or otherwise
- D. All the above

61. Which of the following statements is **NOT** accurate in regard to prevention of bribery under the Bribery Act 2016?

- A. Public and private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations.
- B. Failure of private entities to put in place such procedures is an offence on the part of the director or senior officer.
- C. Only public entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations.
- D. All the above

62. Which of the following statements is **NOT** correct in regard to Protection of Whistle-blowers and Witnesses under the Bribery Act 2016?

- A. Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
- B. The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
- C. Under this Act, it is an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness
- D. EACC is charged with the responsibility to assist any entity and interested persons to develop and put in place procedures to protect whistle-blowers

63. The Bribery Act imposes heavy penalties for bribery-related offenses. Which of the following is **NOT** correct in regard to a penalty under the Bribery Act?

- A. Imprisonment (maximum of ten years);
- B. Imposition of a fine (not exceeding KES 5,000,000)
- C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (two times the amount of the benefit and/or loss)
- D. All the above

64. The Bribery Act imposes heavy penalties for bribery-related offenses, which of the following statement is **NOT** correct in regards to penalty under the Bribery Act

- A. Requirement to pay the benefit received to the Government
- B. Confiscation of property acquired through proceeds of bribery
- C. Being barred from holding public office or being a director or partner in Kenya
- D. Disqualification from an elective person but not from serving as a director or partner in Kenya

65. Which of the following statements is **NOT** accurate in regard to proving conspiracy?

- A. At least one of the conspirators knowingly committed at least one overt act in furtherance of the conspiracy
- B. The defendant knew the purpose of the agreement and intentionally joined in the agreement
- C. The defendant entered in an agreement to commit an illegal act
- D. The defendant knew all the accomplices of the illegal act

66. Which one of the following is **NOT** accurate in relation to objects of the Computer Misuse and Cybercrime?

- A. Protect the confidentiality, integrity and transparency of computer systems, programs and data
- B. Prevent the unlawful use of computer systems
- C. Facilitate for prevention, investigation, prosecution and punishment of cybercrimes
- D. Facilitate international co-operation on matters covered under this Act

67. Which of the following is **NOT** accurate in regard to unauthorised access by a person to a computer system, under the Computer Misuse and Cybercrimes Act 2018?

- If the person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data the action will not be considered as unauthorised access
- It is immaterial that the unauthorised access is not directed at any particular program or data program or data of any kind
- If the unauthorised access is not directed at any program or data held in any particular computer system, the action will not be considered as unauthorised access
- None of the above

68. Which of the following statements is **NOT** correct in regard to unauthorised access with intent to commit further offence?

- Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
- The further offence under any law committed through the unauthorised access will be an additional offence
- On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both.
- The further offence under any law committed through the unauthorised access will not be an additional offence

69. Which of the following statements is **NOT** accurate in regard to an unauthorised interference, to a computer system, program or data?

- Unauthorised interference can only be committed by a person with authorised access
- Unauthorised interference can be committed by a person with authorised or unauthorised access
- Unauthorised interference can be committed by a person with unauthorised access
- All the above

70. Which of the following statements in regard to the United Nations Convention Against Corruption (UN Convention) is **NOT** accurate?

- Member states must implement procedures and mechanisms to detect and prevent the transfer of assets obtained through illicit activities
- Member states must establish independent anti-corruption bodies that provide oversight on the implementation of the UN Convention policies
- It is not a must that member states must criminalise acts of corruption committed within their territories or by their nationals
- None of the above

71. If an accounting officer authorised payments for goods not supplied, which law **BEST** stipulate this kind of offence?

- Anti-Corruption and Economic Crimes Act
- Bribery Act
- Public Finance Management Act
- None of the above

72. Rosalind, a chief cashier, works in a big organisation with several cash points. The other cashiers surrender the cash collected to Rosalind at the close of business. When going home in the evening Rosalind took some money with her, to return after a few days. Which of the following **BEST** describes the offence committed?

- Embezzlement
- Theft
- Fraud
- Shimming

73. Which of the following is **NOT** an element that must be established to prove fraud based on the concealment of material facts?

- The defendant failed to disclose a material fact
- The defendant acted with intent to mislead or deceive the victim(s)
- The defendant had knowledge of a material fact that he had a duty to disclose
- All of the above

74. Which of the following statements is **NOT** true in regard to conflict-of-interest offense under the Anti-corruption and Economic Crimes Act?

- A. If an agent has a direct or indirect private interest in a decision that his principal is to make the agent is guilty of an offense if the agent knows or has reason to believe that the principal is unaware of the interest and the agent fails to disclose the interest
- B. If an agent votes or participates in the proceedings of his principal in relation to the decision.
- C. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent as so authorised.
- D. A public body may authorise its agent to vote or participate in the proceedings of the public body and the voting or participation of an agent as so authorised

75. Which of the following is **NOT** accurate Under the Tax Procedure Act 2015, in regard to criminalizing tax related actions?

- A. The law does not criminalise schemes designed for tax avoidance
- B. The law criminalises tax evasion
- C. The law does criminalise fraudulent claims
- D. All the above

76. Which of the following statement is **ACCURATE** in regard to bribery under the Bribery Act 2016?

- A. Under the Bribery Act 2016, the prosecution must prove that the defendant acted with a corrupt intent in offering or receiving a bribe
- B. Under the Bribery Act 2016, the prosecution must prove that the defendant acted improperly because of the bribe received or promised
- C. Under the Bribery Act 2016, the prosecution must prove that the defendant received something of value capable of influencing his official act or a commercial business decision
- D. None of the above

77. Which of the following statements is **CORRECT** in regard to the US, UK and Kenya Bribery Acts?

- A. The U.S. Foreign Corrupt Practices Act has extra territorial application in offences committed in Kenya, if the offence involves bribe of a foreign official by public company trading its securities in the New York Stock Exchange.
- B. Both the U.S. Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act prohibits facilitation payments, made to foreign officials to expedite performance
- C. The Kenya Bribery Act does not prohibit facilitation payments, made to foreign officials to expedite performance
- D. None of the above

78. Tsuma is on the boards of two companies that compete in the high road construction Tsuma, does not disclose this conflict, and he does not step down from the board of either company. Which of the following offence did Tsuma commit?

- A. Corruption
- B. Breach of due diligence
- C. Conflict of interest
- D. None of the above

79. Which of the following is **CORRECT** in regard to OECD Recommendation on Combating Bribery in International Business (Recommendation)?

- A. OECD focuses on the “supply side”
- B. OECD focuses on the “demand side”
- C. OECD focuses on both the “supply side” and “demand side”
- D. All the above

80. Which one of the following is **NOT** accurate in relation to objects of Computer Misuse and Cybercrime?

- A. Protect the confidentiality, integrity, and availability of computer systems, programs, and data
- B. Prevent the unlawful use of computer systems

C. Facilitate only detection, investigation, prosecution, and punishment of cybercrimes
D. Facilitate international co-operation on matters covered under this Act

81. Which of the following is **TRUE** about unauthorised access under the Computer Misuse and Cybercrimes Act 2018?
A. A person who causes, whether temporarily or permanently, a computer system to perform a function, by infringing security measures, commits an offence
B. Intent to gain access, and knowing such access is unauthorised, commits an offence and is liable
C. On conviction, there is a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years or to both
D. All the above

82. Which of the following is **NOT** correct about unauthorised access by a person to a computer system, under the Computer Misuse and Cybercrimes Act 2018?
A. That person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data
B. It is immaterial that the unauthorised access is not directed at any particular program or data program or data of any kind
C. It is immaterial that the unauthorised access is not directed at any program or data held in any particular computer system.
D. All the above

83. Which of the following statements is **NOT** correct in regard to unauthorised access with intent to commit further offence?
A. Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
B. The further offence under any law committed through the unauthorised access will be an additional offence
C. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both.
D. The further offence under any law committed through the unauthorised access will be **NOT** be an additional offence

84. Which of the following statements is **NOT** correct about an unauthorised interference, to a computer system, program, or data?
A. Unauthorised interference can be committed by a person with authorised or unauthorised access
B. Unauthorised interference can only be committed by a person with authorised access
C. Unauthorised interference can be committed by a person with unauthorised access
D. All the above

85. Which of the following statement is **NOT** correct in regard to the Financial Action Task Force and Anti-money laundering efforts?
A. The Financial Action Task Force (FATF) is an international law that was established at the G-7 Summit in 1989
B. Its purpose is for developing and promoting standards and policies to combat money laundering and terrorist financing at both the national and international levels
C. The FATF's Recommendations, revised in 2012, created the most comprehensive standard and a basic framework that its members should have.
D. All the above

86. To prove a criminal case in a court of law in the common law jurisdictions, the prosecution must prove intent. In regard to intent under the Anti-Corruption and Economic Crimes Act, which of the following statements is **CORRECT**?
A. Offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act does not require prove of intent
B. It is a defense in prosecution of an offence of receiving, soliciting, giving or offering of any benefit, under the Anti- Corruption and Economic Crimes Act, that it is customary in any business, undertaking, office, profession or calling
C. "It shall be a defence in prosecution that the act or omission was not within a person's power or that the person did not intend to do the act or make the omission; or that the act or omission did not occur"

D. All the above

87. Which of the following statements in regard to Computer Misuse and Cybercrime is **NOT** Correct?

- A. A person who knowingly and without authority discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence
- B. The person who knowingly disclose a password is liable, on conviction, to an applicable legal fines and for imprisonment.
- C. A person who unknowingly through negligence discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence under the Computer Misuse and Cybercrime
- D. All the above are correct

88. Ephraim Mwania is an accounts payable accountant at XYZ state corporation. In the cause of his duties of preparing the disbursements, he enters fraudulent invoices and make the payments. Which of the following **BEST** describes the offenses committed by Ephraim Mwania?

- A. Computer forgery
- B. Corruption and Cybercrime
- C. Economic Crime and Cybercrime
- D. None of the above

89. Rodah Chebet is a principal accountant at ABC government agency. Rodah Chebet is responsible for authorizing creditors' payments. In collusion with the procurement manager, they agreed that Rodah Chebet authorise payments for goods that were not supplied and then later share the proceeds between themselves and the vendors. The principal accountant authorised and made the payments to the vendors. Which of the following is **NOT** correct in regard to the principal accountant's 'offences'?

- A. The principal accountant, if proved, will be guilty of conspiracy and false pretences
- B. The vendors, if proved, will be guilty of conspiracy, economic crime under the protection of government property and revenue, for fraudulently acquiring public property
- C. The procurement manager if proved, will be guilty of corruption offences defined as conspiracy and deceiving principal
- D. All the above

90. Which of the following statement is True in relation to evidence of corruption under the Anti-corruption and Economic Crimes Act?

- A. Unexplained asset acquired at or around the time the person was reasonably suspected of corruption or economic crime at or around that time and for which there is no satisfactory explanation whose value is disproportionate to his known sources of income
- B. Unexplained sources of funds for acquiring the assets is circumstantial evidence of corruption
- C. Unexplained assets are type of circumstantial evidence of corruption
- D. All the above

91. Which of the following statements is **NOT** correct in regard to corruption offences?

- A. Corruption offences usually has an additional offence of conspiracy
- B. An attempt to commit a corruption offence, where the offence is not accomplished is not an offence under the Anti- Corruption and Economics Crime Act
- C. For every conspiracy offence, there must be an underlining offence
- D. Abuse of office is a type of corruption offence, which is in addition to an underlying offence

92. Which of the following organisation deals with anti- money laundering in Kenya?

- A. Central bank of Kenya
- B. Financial Reporting Centre (FRC)
- C. The Financial Action Task Force (FATF)
- D. None of the above

93. Money laundering has three stages. In which of the following stage is harder to detect money laundering

- A. Layering
- B. Integration
- C. Placement
- D. All the above

94. Which of the following statement is **CORRECT** in regard to Financial Action Task Force?

- A. Kenya is a member of the Financial Action Task Force
- B. Kenya is not a member of the Financial Action Task Force
- C. Financial Action Task Force, membership requirements are very stringent and not all countries have been able to meet the requirements
- D. None of the above

95. Which of the following statement is **NOT** accurate under the POCAMLA?

- A. This act does not apply to accountants or advocates preparing or carrying out transactions on behalf of their clients
- B. This act put an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
- C. This act put an obligation on the reporting institutions to establish and maintain customers record
- D. None of the above

96. The Public Finance Management Act is an Act of Parliament. Which of the following is **NOT** a purpose of this Act?

- A. Provide for the effective management of public finances by the national and county governments
- B. Provide for oversight responsibility of Parliament and county assemblies
- C. Provide for management responsibility of Parliament and county assemblies
- D. All the above

97. Which of the following is **NOT** accurate in regard to the responsibilities of the accounting officers for national government entities, Parliament and the Judiciary?

- A. An accounting officer for a national government entity, Parliamentary Service Commission and the Judiciary shall be accountable to the National Assembly
- B. Ensure that the resources of the respective entity for which he or she is the accounting officer are used in a way that is lawful and authorised
- C. Only ensure that the resources used are budgeted for.
- D. Ensure that all expenditure made by the entity are authorised and lawful

98. Which of the statements is **NOT** Correct in under the Public Finance Management Act

- A. The accounting officer must ensure that the entity keeps financial and accounting records that comply with this Act
- B. The accounting officer must ensure that all financial and accounting records the entity keeps in any form, including in electronic form are adequately protected and backed up;
- C. The accounting officer must ensure that all contracts entered into by the entity are lawful
- D. The accounting officer cannot be liable for failure to accomplish the above responsibilities, but rather the officers responsible for carrying out the respective duties

99. Stone a fraud suspect, confesses to commission of fraud. During Stone's trial for fraud, the government introduces the confession as evidence of stone's fraudulent act for which he is charged. What type of evidence is stone's confession?

- A. Testimonial
- B. Circumstantial
- C. Character
- D. None of the above

100. Which of the following should be determined in regard to requirement for a search warrant in a jurisdiction with laws granting people the right to be free from unreasonable search and seizure?

- A. If the government officers are involved
- B. If it is a criminal offence
- C. If there is sufficient suspicion
- D. None of the above

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CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

MODULE II

LAW RELATED TO FRAUD

WEDNESDAY: 3 August 2022. Morning paper.

Time Allowed: 3 hours.

This paper is made of one hundred (100) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated one (1) mark.

1. Which of the following statements is **CORRECT** in regard to the Bribery Act 2016?
 - A. The Bribery Act, 2016 came into force on 13 January 2017 with the object of providing a framework for the prevention, investigation, and punishment of bribery and related offenses
 - B. The Bribery Act comes in the wake of changes and new appointments to the Ethics and Anti-Corruption Commission (EACC) in an initiative to combat corruption in all sectors of the country's economy
 - C. The Act applies to individuals and entities in both private and public sectors
 - D. All the above(1 mark)
2. Which of the following statements is **NOT** accurate in relation to the fight against corruption?
 - A. Before the Bribery Act 2016 the law did not impose significant responsibilities on the private sector in the fight against corruption
 - B. The Bribery Act 2016 imposes express duties on private entities and individuals the duty to prevent and report incidents of bribery
 - C. The Bribery Act 2016 does not have extra-territorial application in relation to bribery-related offenses carried outside Kenya
 - D. The Bribery Act 2016 has made it a requirement for private entities to have in place procedures for the prevention of bribery(1 mark)
3. The anti-bribery provisions criminalize which one of the following acts?
 - A. A company promises to pay a foreign official Sh.10,000,000 to win a contract
 - B. A company transfers Sh.10,000,000 to a foreign official to influence the official to award it a public construction contract
 - C. A company that is trading securities on the securities exchange transfers Sh.10,000,000 to a foreign official to influence the official to award it a public construction contract
 - D. All of the above(1 mark)
4. The Tax legislation criminalizes which one of the following fraudulent activities?
 - A. Any person who, in relation to a tax period, knowingly omits from his or her return any amount which should have been included
 - B. Any person who, in relation to a tax period, knowingly claims any relief or refund to which he or she is not entitled
 - C. Any person who, in relation to a tax period, knowingly prepares false books of account or other records relating to that other person or falsifies any such books of account or other records
 - D. All the above(1 mark)
5. Which of the following statements is **NOT** correct in regard to false or misleading statements under the Tax legislation?
 - A. A person commits an offence when the person deliberately makes a statement to an authorised officer that is false or misleading in a material particular
 - B. A person commits an offence when the person unintentionally omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular
 - C. A person commits an offence when the person deliberately omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular
 - D. All the above(1 mark)

6. Which of the following statements is **NOT** accurate in regard to Jurisdiction to try tax cases?

- A. Despite any other written law, a person charged with the commission of an offence under a tax law may be prosecuted in any place in Kenya in which the person may be in custody for the offence
- B. Despite any other written law, an offence under this Act may be tried in the court designated to try offences of corruption or economic crimes
- C. Despite any other written law, an offence under this Act may be tried in the high court of Kenya designated to try offences of corruption or economic crimes
- D. All the above are correct

(1 mark)

7. Under the Anti-corruption and Economic Crimes Act, which of the following statements is **ACCURATE**

- A. Misappropriation of public funds is defined as an economic crime
- B. Failure to protect public property and revenue is defined as a corruption offense
- C. Fraud and embezzlement are defined as economic crimes
- D. None of them is accurate

(1 mark)

8. Bett has no tax returns experience, he completed tax documents for his new business. The information required was complex and therefore the returns were improperly completed. The act was unintentional. Which of the following statements is **MOST ACCURATE**?

- A. Bett will only be liable for criminal penalties if the government suffered loss
- B. Bett will be liable for criminal penalties if he intentionally completed the documents improperly
- C. Bett will be liable for criminal penalties whether he intentionally or unintentional completed the documents improperly
- D. All the above are correct

(1 mark)

9. Which one of the following statements related to criminal activities intended to enable bribery is **MOST ACCURATE**?

- A. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery
- B. Any person who knowingly assists a person or a private entity to give or receive a bribe by obtaining property intended for use in bribery by using, having possession of or transferring as a result or connection with bribery
- C. Any person who knowingly assists a person or a private entity to give or receive a bribe by recording property which was obtained as a result of or in connection with bribery
- D. All the above

(1 mark)

10. Which of the following statements under the Bribery Act 2016 is **NOT** accurate?

- A. Under the Bribery Act, only private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations
- B. Under the Bribery Act, only private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to the size, scale and nature of their operations.
- C. Failure of private entities to put in place such procedures is an offense on the part of the director or senior officer
- D. The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses

(1 mark)

11. Which of the following is a penalty under the Bribery Act 2016?

- A. Imprisonment (maximum of ten years)
- B. Imposition of a fine (not exceeding KES 5,000,000/-)
- C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and/or loss)
- D. All the above

(1 mark)

12. Which of the following statements is **NOT** accurate in regard to the Bribery Act 2016?

- A. A person convicted for bribery and given penalties of a fine and imprisonment is not required to pay the benefit received to the Government in addition
- B. Under the Bribery Act, confiscation of property would be in addition to penalties of a fine and imprisonment
- C. Under the Bribery Act, disqualification from serving as a director or partner would be in addition to penalties of a fine and imprisonment
- D. Under the Bribery Act, being barred from holding public office would be in addition to penalties of a fine and imprisonment

(1 mark)

13. Which of the following is a type of procurement offence under the Public Procurement and Assets Disposal Act?

- A. A fraudulent act
- B. Knowingly lie to or mislead a person carrying out a duty or function or exercising a power under this Act
- C. Delay without justifiable cause the opening or evaluation of tenders, the awarding of contract beyond the prescribed period
- D. All the above

(1 mark)

14. Which of the following is **TRUE** in regard to the Bribery Act 2016?

- A. The Bribery Act 2016 has wide implications for clients in Kenya, or operating into Kenya from abroad
- B. Because of the hefty penalties, the implications should be factored into all business activities, and businesses need to establish effective compliance programmes
- C. The Bribery Act has far-reaching implications for those doing business in Kenya or with Kenyan entities, alongside other extra-territorial statutes on bribery
- D. All the above

(1 mark)

15. James is an agent of ABC government agency. James makes a statement to the principal indicating that the agency requires a computer system with a higher capacity than the one they have. The agent prepares the procurement documents and the procurement is authorized. The agency has not even utilized half of the modules in the current system. The procurement of the system caused the agency one million shillings, which was not necessary. Under the Anti-Corruption and Economic Crimes Act, which of the following statements is **NOT** accurate in regard to the scenario above?

- A. The above scenario is a type of corruption of deceiving principal by the agent
- B. The above scenario is a type of corrupt conduct by the agent
- C. The above scenario is a type of fraudulent act by the agent
- D. All the above are accurate

(1 mark)

16. Jose is a public servant of XYZ ministry. Jose fraudulently and unlawfully used the government payment system to make payments for goods that were not supplied. Which of the following statements, under the Anti-Corruption and Economic Crimes is **NOT** accurate?

- A. Jose's conduct was a type of an economic crime
- B. Jose's conduct was an offence of failure to protect government property and or revenue
- C. Jose's conduct was a type of corruption offence
- D. All the above are accurate

(1 mark)

17. Which of the following statements is **NOT** accurate in regard to conflicts of interest, under the Bribery Act 2016?

- A. The agent knows or has reason to believe that the principal is unaware of the interest and the agent fail to disclose the interest the agent will have committed an offence
- B. The agent votes or participates in the proceedings of his principal in relation to the decision.
- C. A private body may authorize its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent will not constitute a conflict of interest
- D. If an agent of a public body knowingly acquires or holds, directly or indirectly, private interest in any contract agreement or investment, will not be guilty of an offence if the interest is disclosed to the principal

(1 mark)

18. Which of the following statements is **NOT CORRECT** in regard to money laundering under the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA)?

- A. The POCAMLA obligations include, establishing and maintaining internal reporting procedures, registering with the centre
- B. Upon the coming into force of this Act (POCAMLA), a reporting institution shall undertake customer due diligence on the existing customers
- C. The POCAMLA does not make it an obligation for a reporting institution to undertake customer due diligence on the existing customers
- D. The offences under the POCAMLA include, money laundering, failure to report suspicious regarding proceeds of crime, misrepresentation and failure to comply with the provisions of this act

(1 mark)

19. Which of the following acts would constitute violations under the anti-bribery provisions?

- A. To promise to pay a foreign official Sh.500,000 to induce a contract
- B. A company makes a payment of Sh.500,000 to a foreign official to influence the official to award a public contract
- C. A foreign company that is publicly traded on the securities exchange transfers Sh.2,300,000 to a foreign official to influence the official to award it a public construction contract
- D. All of the above

(1 mark)

20. Which of the following statements in regard to the Bribery Act 2016, UK Bribery Act, and the US Foreign Corrupt Act is **NOT CORRECT**?

- A. The Bribery Act 2016 and the UK Bribery Act have broader applications than the US Foreign Corrupt Practice Act
- B. Unlike the US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalise payment of bribes to foreign officials
- C. Unlike the US Foreign Corrupt Practice Act, the Bribery Act 2016 and the UK Bribery Act criminalise payment of facilitation fees
- D. All the above are correct

(1 mark)

21. Which one of the following is a type of corruption offence under the Anti-corruption and Economic Crimes Act?

- A. Embezzlement or misappropriation of public funds
- B. Fraud
- C. Abuse of office
- D. All the above

(1 mark)

22. An agent who, to the detriment of his principal, uses, or gives to his principal, a document that he knows contains anything that is false or misleading in any material respect is guilty of which of the following offence, under the Anti-corruption and Economic Crimes Act

- A. Deceiving the principal
- B. Conflict of interest
- C. Corruption
- D. Forgery

(1 mark)

23. Which of the following statements is **NOT** correct in relation to giving a bribe as stipulated under the Bribery Act 2016?

- A. A person commits the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person, who knows or believes the acceptance of the financial or other advantage would itself constitute the improper performance of a relevant function or activity.
- B. A person does not commit the offence of giving a bribe if the person offers, promises or gives a financial or other advantage to another person if the person's performance of a relevant function is not improper
- C. It shall not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned
- D. It shall not matter whether the advantage is offered, promised or given by a person directly or through a third party

(1 mark)

24. Which of the following statements is **MOST ACCURATE** about the U.S. Foreign Corrupt Practices Act (FCPA) in relation to the Kenya Bribery Act 2016?

- A. The first part criminalises the bribery of a foreign public official to obtain or retain business
- B. The second part require that publicly traded companies to adopt policies, procedures, and internal controls to prevent bribery
- C. The U.S. Foreign Corrupt Practices Act (FCPA) applications are not as broad as the Bribery Act 2016 and the UK Bribery Act
- D. All the above

(1 mark)

25. Which of the following is the **BEST** defence against a tax fraud charge if the tax payer can provide evidence?

- A. Reliance on an auditors advise
- B. No of tax liability
- C. Unintentional failure to pay taxes
- D. Reliance on a tax expert

(1 mark)

26. Which of the following is a legal element that must be shown to prove a claim for fraudulent misrepresentation of material facts?

- A. The victim relied on the misrepresentation
- B. The victim suffered damages as a result of the misrepresentation
- C. The defendant knew the representation was false
- D. All of the above

(1 mark)

27. Which of the following is an offence under the Proceeds of Crime and Anti-Money Laundering (POCMLA)?

- A. Money laundering
- B. Failure to report suspicion regarding proceeds of crime
- C. Financial promotion of an offence
- D. All the above

(1 mark)

28. Which of the following is a recommendation that the OECD made to their member countries on combating bribery in international business in relation to bribery of foreign public officials?
A. To enhance criminal, civil, and administrative laws
B. To enhance banking and accounting requirements and practice
C. To enhance tax systems and regulations
D. All the above (1 mark)

29. Which of the following statements is **NOT** true about official and commercial bribery?
A. Official bribery refers to the corruption of a public official to induce an official act of government.
B. Bribery Payments to public officials can be prosecuted as criminal offences, and the penalties are severe
C. Kenya Bribery Act 2016 and US Foreign Corrupt Practice Act do not prohibit commercial bribery
D. US anti-bribery Act does not prohibit facilitation fees (1 mark)

30. Which of the following is a legal element of official bribery?
A. The defendant offers, promises, or gives financial or other advantage
B. To a person who knows or believes the acceptance of the financial or other advantage would itself constitute improper performance of a relevant function or activity
C. The advantage is offered, promised, or given through a third party
D. All the above (1 mark)

31. Under the Bribery ACT 2016, which of the following does **NOT** constitute a bribe?
A. Loan
B. Interest in a property
C. Reward or gift
D. None of the above (1 mark)

32. Which of the following statements is **NOT** true about embezzlement?
A. The prosecution must prove that perpetrator had a fiduciary relationship with the principal
B. The prosecution must prove that the perpetrator was entrusted with the money or property
C. The prosecution must prove that the perpetrator took away and denied the owner use of the money or property
D. The prosecution must prove that the perpetrator's intent to embezzle the money or property (1 mark)

33. Which of the statements is **ACCURATE** in regard to laws criminalising false statements to government agencies?
A. A person can be found guilty of making a false statement only if the statement was made in court
B. A person can be found guilty of making a false statement even if the false statement was unintentional
C. A person can be found guilty of making a false statement even if the government did not suffer a loss
D. A person can be found guilty of making a false statement only if the statement is made directly to a governmental department or agency (1 mark)

34. Which of the following statements is **TRUE** with regard to Computer Misuse and Cybercrime?
A. Unauthorised access is an offence under the Computer Misuse and Cybercrime
B. Unauthorised offence with the intent to commit further offence is an additional offence
C. The offence committed under any other law by gaining unauthorised access is another offence in addition to the unauthorised access
D. All the above (1 mark)

35. Which of the following statements is correct in regard to bid rigging?
A. Bid rigging is a type of a corruption offence that is perpetrated by bidders and procuring entity employees
B. Refraining from submitting a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
C. Withdrawing or changing a tender, proposal, quotation or bid because of an inducement or reward is bid rigging offence
D. All the above (1 mark)

36. A person commits a securities market manipulation if they enter into one or more transactions, which causes which of the following effects?

- Increase, or are likely to increase the price with the intention of inducing another person to purchase, subscribe for, or to refrain from selling securities issued by the same company or a related company, or such other listed securities
- Reduce, or are likely to reduce, the price with the intention of inducing another person to sell or to refrain from purchasing, securities issued by the same company or a related company, or such other listed securities; or
- Stabilise, or are likely to stabilise, the price with the intention of inducing another person to sell, purchase, or subscribe for, or to refrain from selling, purchasing or subscribing for, securities issued by the same company or by a related company, or such other listed securities
- All the above

(1 mark)

37. Which of the following statements about securities laws and regulations is **TRUE**?

- National securities laws and regulations have no extraterritorial reach
- Most securities markets are regulated on an international basis
- Securities exchanges are regulated entities that have regulatory authority
- None of the above

(1 mark)

38. Which of the following tax avoidance schemes would be accurately classified as an income and wealth tax avoidance scheme?

- Smuggling goods into a jurisdiction to avoid excise taxes
- Fraudulently claim for refund of a value-added tax
- Transferring assets to another person or entity to lower tax liability
- All of the above

(1 mark)

39. Which of the following is **NOT** a legal element that must be proven in a claim of official bribery under the Bribery Act 2016?

- The recipient received something of value
- The defendant acted with corrupt intent
- The government suffered damages as a result
- None of the above

(1 mark)

40. Under the Bribery Act 2016 which of the following is a relevant function or activity.

- Function of a public nature
- Any function carried out by a State officer or public officer, pursuant to his or her duties,
- Any activity performed by or on behalf of a body of persons whether corporate or otherwise
- All the above

(1 mark)

41. Which of the following statements is **NOT** correct in regard to prevention of bribery under the Bribery Act 2016?

- Public and private entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations
- Failure of private entities to put in place such procedures is an offence on the part of the director or senior officer
- Only public entities are now required to put in place procedures for the prevention of bribery and corruption appropriate to their size and scale and nature of their operations
- All the above

(1 mark)

42. Which of the following statements is **NOT** correct in regard to Protection of Whistle-blowers and Witnesses under the Bribery Act 2016?

- Under the Act, it is an offence to harass, intimidate or disclose any information regarding informants, whistle-blowers or witnesses
- The Bribery Act mandates law enforcement agencies to establish mechanisms to protect the identity of informants and witnesses
- Under this Act, it is an offence for an organisation to punish a whistle-blower or witness for offenses committed by the whistle-blower or witness
- EACC is charged with the responsibility to assist any entity and interested persons to develop and put in place procedures to protect whistle-blowers. This would be in addition to the protection under the Witness Protection Act

(1 mark)

43. The Bribery Act imposes heavy penalties for bribery-related offenses. Which of the following is a penalty under the Bribery Act?
A. Imprisonment (maximum of ten years)
B. Imposition of a fine (not exceeding KES 5,000,000)
C. Where the person received a quantifiable benefit or any other person suffered a quantifiable loss, imposition of additional mandatory fine (five times the amount of the benefit and/or loss)
D. All the above (1 mark)

44. The Bribery Act imposes heavy penalties for bribery-related offenses, which of the following statements is **NOT** correct in regards to penalty under the Bribery Act
A. Requirement to pay the benefit received to the Government
B. Confiscation of property acquired through proceeds
C. Being barred from holding public office but penalty does not apply to a director or partner in Kenya
D. Disqualification from an elective person and disqualification from serving as a director or partner in Kenya (1 mark)

45. Which of the following statements is **TRUE** in regard to proving conspiracy?
A. At least one of the conspirators knowingly committed at least one overt act in furtherance of the conspiracy
B. The defendant knew the purpose of the agreement and intentionally joined in the agreement
C. The defendant entered an agreement to commit an illegal act
D. All of the above (1 mark)

46. Generally, which of the following statements is **CORRECT** in regard to criminal tax liability?
A. The taxpayer can claim that he/she relied on an attorney or a tax expert
B. The taxpayer can claim that they engaged in proper tax avoidance and not schemes designed to avoid tax
C. The taxpayer can claim that evasion or avoidance was not wilful
D. All of the above (1 mark)

47. Which one of the following is **NOT ACCURATE** in relation to objects of the Computer Misuse and Cybercrime?
A. Protect the confidentiality, integrity and availability of computer systems, programs and data
B. Prevent the unlawful use of computer systems
C. Facilitate only detection, investigation, prosecution and punishment of cybercrimes
D. Facilitate international co-operation on matters covered under this Act (1 mark)

48. Which of the following is **TRUE** about unauthorised access under the Computer Misuse and Cybercrimes Act 2018?
A. A person who causes, whether temporarily or permanently, a computer system to perform a function, by infringing security measures commits an offence
B. Intent to gain access, and knowing such access is unauthorised, commits an offence and is liable
C. On conviction, there is a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years or to both
D. All the above (1 mark)

49. Which of the following is **NOT** correct about unauthorised access by a person to a computer system, under the Computer Misuse and Cybercrimes Act 2018?
A. That person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data
B. It is immaterial that the unauthorised access is not directed at any particular program or data program or data of any kind
C. It is immaterial that the unauthorised access is not directed at any program or data held in any particular computer system
D. All the above (1 mark)

50. Which of the following statements is **NOT** Correct in regard to unauthorised access with intent to commit further offence?
A. Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
B. The further offence under any law committed through the unauthorised access will be an additional offence
C. On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both
D. The further offence under any law committed through the unauthorised access will be **NOT** be an additional offence (1 mark)

51. Which of the following statements is **NOT** correct about an unauthorised interference, to a computer system, program or data?
A. Unauthorised interference can be committed by a person with authorised or unauthorised access
B. Unauthorised interference can only be committed by a person with authorised or unauthorised access
C. Unauthorised interference can be committed by a person with unauthorised access
D. All the above (1 mark)

52. Which of the following is **NOT TRUE** about the U.S. Foreign Corrupt Practices Act (FCPA)?
A. The FCPA prohibits bribes to foreign officials and also to directors of private entities
B. It requires publicly traded companies subject to the FCPA's jurisdiction to keep accurate books and records and adopt internal controls to prevent improper use of corporate funds
C. It does not prohibit facilitation fees
D. All the above are not correct (1 mark)

53. Which of the following statements about the United Nations Convention Against Corruption (UN Convention) is **CORRECT**?
A. Member states must implement procedures and mechanisms to detect and prevent the transfer of assets obtained through illicit activities
B. Member states must establish independent anti-corruption bodies that provide oversight on the implementation of the UN Convention policies
C. Member states must criminalize acts of corruption committed within their territories or by their nationals
D. All of the above (1 mark)

54. If a public officer took and converted public funds which is in his possession legally, which of the following **BEST** describes the offense committed under the Anti-corruption and Economic Crimes Act.
A. Corruption
B. Economic crime
C. Fraud
D. Embezzlement (1 mark)

55. Which of the following statements is **TRUE** in regard to the offence of conspiracy?
A. The government must prove that the defendant knew all the details or objectives of the conspiracy
B. The government must prove that all the defendant knew all the participant of the conspiracy
C. The government must prove that at every conspirator committed at one direct action for the furtherance of the offence
D. None of the above (1 mark)

56. Richard, a computer programmer, works in an office environment with cubicles. While on his way back from the restroom, Richard notices that Alice, a cashier, left her cash drawer unlocked. Richard steals fifty thousand from the drawer and walks away. During an internal investigation, Richard admitted that he took the money. Which of the following **BEST** describe the offence committed by Richard?
A. Embezzlement
B. Theft
C. Fraud
D. All the above (1 mark)

57. Which of the following is an element that must be established to prove fraud based on the concealment of material facts?
A. The defendant failed to disclose a material fact that he had a duty to disclose
B. The defendant acted with intent to mislead or deceive the victim(s)
C. The defendant had knowledge of a material fact that he had a duty to disclose
D. All of the above (1 mark)

58. Which of the following statements is **NOT TRUE** in regard to conflict of interest offense under the Anti-corruption and Economic Crimes Act?
A. If an agent has a direct or indirect private interest in a decision that his principal is to make the agent is guilty of an offense if the agent knows or has reason to believe that the principal is unaware of the interest and the agent fails to disclose the interest
B. If an agent votes or participates in the proceedings of his principal in relation to the decision.
C. A private body may authorise its agent to vote or participate in the proceedings of the private body and the voting or participation of an agent as so authorised.
D. An agent of a public body who knowingly acquires or holds, directly or indirectly, a private interest in any contract, agreement or investment emanating from or connected with the public body is not guilty of an offence, if the interest is disclosed (1 mark)

59. The Tax Procedure Act 2015, criminalized the following action(s).
A. Schemes designed to Tax avoidance
B. Tax evasion
C. Fraudulent claims
D. All the above (1 mark)

60. Which of the following statements is Accurate in regard to bribery under the Bribery Act 2016?
A. Under the Bribery Act 2016, the prosecution must prove that the defendant acted with a corrupt intent in offering or receiving a bribe
B. Under the Bribery Act 2016, the prosecution must prove that the defendant acted improperly because of the bribe received or promised
C. Under the Bribery Act 2016, the prosecution must prove that the defendant received something of value capable of influencing his official act or a commercial business decision
D. None of the above (1 mark)

61. Which of the following statements is **CORRECT** in regard to the US, UK and Kenya Bribery Acts?
A. The U.S. Foreign Corrupt Practices Act has extra-territorial application in offences committed in Kenya, if the offence involves bribe of a foreign official by public company trading its securities in the New York Stock Exchange.
B. Both the U.S. Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act prohibits facilitation payments, made to foreign officials to expedite performance
C. The Kenya Bribery Act does not prohibit facilitation payments, made to foreign officials to expedite performance
D. None of the above (1 mark)

62. Robert is on the boards of two companies that compete in the urban road construction. Robert does not disclose this conflict, and he does not step down from the board of either company. Which of the following offence did Robert commit?
A. Corruption
B. Breach of trust
C. Conflict of interest
D. None of the above (1 mark)

63. The OECD Recommendation on Combating Bribery in International Business (Recommendation) focuses on the “supply side” of bribery (the offering side of the bribery bargain), but not the “demand side” (the solicitation and receipt of bribes).
A) True
B) False (1 mark)

64. Which one of the following is **NOT ACCURATE** in relation to objects of Computer Misuse and Cybercrime?
A. Protect the confidentiality, integrity, and availability of computer systems, programs, and data
B. Prevent the unlawful use of computer systems
C. Facilitate only detection, investigation, prosecution, and punishment of cybercrimes
D. Facilitate international co-operation on matters covered under this Act. (1 mark)

65. Which of the following is **TRUE** about unauthorised access under the Computer Misuse and Cybercrimes Act 2018?
A. A person who causes, whether temporarily or permanently, a computer system to perform a function, by infringing security measures, commits an offence
B. Intent to gain access, and knowing such access is unauthorised, commits an offence and is liable
C. On conviction, there is a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years or to both
D. All the above (1 mark)

66. Which of the following is **NOT CORRECT** about unauthorized access by a person to a computer system, under the Computer Misuse and Cybercrimes Act 2018?
A. That person is entitled to control access of the kind in question to the program or data, access the computer system, and manipulate data
B. It is immaterial that the unauthorized access is not directed at any particular program or data program or data of any kind
C. It is immaterial that the unauthorised access is not directed at any program or data held in any particular computer system.
D. All the above (1 mark)

67. Which of the following statements is **NOT CORRECT** in regard to unauthorised access with intent to commit further offence?

- Unauthorised access with the intent to commit further offence under any law, or to facilitate the commission of a further offence by that person or any other person, commits an offence
- The further offence under any law committed through the unauthorised access will be an additional offence
- On conviction, a fine not exceeding ten million shillings or to imprisonment for a term not exceeding ten years, or to both.
- The further offence under any law committed through the unauthorised access will be **NOT** be an additional offence

(1 mark)

68. Which of the following statements is **NOT CORRECT** about an unauthorised interference, to a computer system, program, or data?

- Unauthorised interference can be committed by a person with authorised or unauthorised access
- Unauthorised interference can only be committed by a person with authorised access
- Unauthorised interference can be committed by a person with unauthorised access
- All the above

(1 mark)

69. Which of the following statements is **CORRECT** in regard to the Financial Action Task Force and Anti-money laundering efforts?

- The Financial Action Task Force (FATF) is an intergovernmental body that was established at the G-7 Summit in 1989
- Its purpose is for developing and promoting standards and policies to combat money laundering and terrorist financing at both the national and international levels
- The FATF's Recommendations, revised in 2012, created the most comprehensive standard and a basic framework that its members should have
- All the above

(1 mark)

70. Basically, to prove a criminal case in a court of law in the common law jurisdictions, the prosecution must prove intent. In regard to intent under the Anti-Corruption and Economic Crimes Act, which of the following statements is **CORRECT**?

- Offense of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act is type of a strict liability
- "It shall not be a defense in prosecution of an offence of receiving, soliciting, giving or offering of any benefit, under the Anti-Corruption and Economic Crimes Act, that it is customary in any business, undertaking, office, profession or calling
- "It shall not be a defense in prosecution that the act or omission was not within a person's power or that the person did not intend to do the act or make the omission; or that the act or omission did not occur"
- All the above

(1 mark)

71. The Ethics and Anti-Corruption Commission (EACC) cannot enter into a settlement with any person against whom the Commission has already brought an application in court.

The above statement is:

- True
- False

72. Which of the following statements in regard to Computer Misuse and Cybercrime is **NOT Correct**?

- A person who knowingly and without authority discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence
- The person who knowingly disclose a password is liable, on conviction, to a
- A person who unknowingly through negligence discloses any password, access code or other means of gaining access to any program or data held in any computer system commits an offence under the Computer Misuse and Cybercrime
- All the above are correct

(1 mark)

73. Claude is a payroll accountant at XYZ state corporation. In the cause of his duties of preparing the payroll, he enters ghost employees into the payroll. The ghost employees were paid for a period of two years before the fraud was discovered causing the corporation a financial loss of approximately 250 million shillings. Which of the following **BEST** describes the offenses committed?

- Computer forgery and Deceiving Principal, under the Computer Misuse and Cybercrime and the Anti-Corruption and Economic Crimes Act respectively
- Corruption and Cybercrime
- Economic Crime and Cybercrime
- Asset Misappropriation

(1 mark)

74. Jean is a Principal accountant at ABC. Jean is responsible for authorizing creditors' payments. In collusion with the procurement manager, they agreed that Jean authorize payments for goods that were not supplied and then later share the proceeds between themselves and the vendors. The principal accountant authorised and made the payments to the vendors. Which of the following **BEST** describes the perpetrators 'offences'?
A. The principal accountant, if proved, will be guilty of conspiracy, computer fraud, and failure to protect government property or revenue
B. The vendors, if proved, will be guilty of conspiracy, economic crime under the protection of government property and revenue, for fraudulently acquiring public property
C. The procurement manager if proved, will be guilty of corruption offences defined as conspiracy and deceiving principal
D. All the above (1 mark)

75. Which of the following statements is **TRUE** in relation to evidence of corruption under the Anti-corruption and Economic Crimes Act?
A. Unexplained asset acquired at or around the time the person was reasonably suspected of corruption or economic crime at or around that time and for which there is no satisfactory explanation whose value is disproportionate to his known sources of income
B. Unexplained sources of funds for acquiring the assets is circumstantial evidence of corruption
C. Unexplained assets are real evidence of corruption
D. All the above (1 mark)

76. Which of the following statements is **NOT CORRECT** in regard to corruption offences?
A. Corruption offences usually has an additional offence of conspiracy
B. An attempt to commit a corruption offence, where the offence is not accomplished is not an offence under the Anti- Corruption and Economics Crime Act
C. For every conspiracy offence, there must be an underlining offence
D. Abuse of office is a type of corruption offence, which is in addition to an underlying offence (1 mark)

77. Which of the following documents has made recommendations against international anti- money laundering
A. International Organisation for Economic Development (OECD)
B. The United Nations Convention
C. The Financial Action Task Force (FATF)
D. All the above (1 mark)

78. Money laundering has three stages. In which of the following stage is much easier to detect money laundering?
A. Layering
B. Integration
C. Placement
D. All the above (1 mark)

79. Though Kenya is not yet a member of the Financial Action Task Force, reporting institutions have benchmarked with FATF Recommendations in developing their anti-money laundering programs. Which of the following should financial institutions implement as part of their anti-money laundering programs?
A. Employee background checks procedures
B. An ongoing employee training program
C. A designated compliance officer
D. All of the above (1 mark)

80. Which of the following statements is **ACCURATE** under the POCAMLA
A. This act applies to accountants preparing or carrying out transactions for their clients
B. This act put an obligation on reporting institutions to take reasonable measures to establish the truth of the identity of any applicant seeking to enter into business relationship with it
C. This act put an obligation on the reporting institutions to establish and maintain customers record
D. All the above (1 mark)

81. Which of the following statements is **NOT CORRECT** in regard to the law of Breach of trust or fiduciary duty
A. People who can commit an offence of breach of trust are, officers, directors and executives
B. Employees entrusted with receiving organisation's funds and making payments can be liable of breach of trust, if they misappropriated the funds
C. People who are in position of trust owe the principal a duty of loyalty and care
D. Offences of breach of trust are usually brought to court as civil cases, for compensation of damages remedy (1 mark)

82. Which of the following statements is **CORRECT** in regard to forgery?

- A. A fraudulent invoice presented to a procuring entity is a forgery committed by the contractor or vendor
- B. Procuring another person's signature or is forgery
- C. Offences related to forgery are stipulated under the Kenya Law Penal Code and the Computer Misuse and Cybercrime
- D. All the above

(1 mark)

83. Money launders use various methods to launder money. The party pays Broker A the funds, and Broker A then directs Broker B, who lives in the foreign country, to pay the co-conspirator. Later, Broker A offsets his debt to Broker B by paying someone at the direction of Broker B. Which of the following best describes this payment scheme?

- A. Back-to-back loan
- B. Pre-paid access
- C. Alternative remittance system
- D. Money services business

(1 mark)

84. Any institution dealing with money can be ideal for laundering money. Which of the following financial institutions would provide a conducive environment for laundering money?

- A. A currency exchange bureau
- B. A prepaid access card provider
- C. A SACCO
- D. All the above

(1 mark)

85. Economic crime and corruption offences are closely connected. Economic crimes are those crimes which are fraudulent and unlawful. Which of the following is **CORRECT** in regard to Economic crimes under the Anti-Corruption and Economic Crimes?

- A. Payments for goods not supplied
- B. Causing a computer or any other electronic machinery to perform any function that directly or indirectly results in a loss or adversely affects any public revenue or service is an economic crime
- C. Failure to pay taxes or levies payable to public body
- D. All the above

(1 mark)

86. Which of the following Kenya laws define soliciting or receiving an inducement as an offense?

- A. Bribery Act 2016
- B. Anti-corruption and Economic Crimes Act
- C. Public Finance Management Act
- D. All the above

(1 mark)

87. Which of the following offense is accompanied by other offenses?

- A. Conflict of interest
- B. Conspiracy
- C. Abuse of office
- D. All the above

(1 mark)

88. The Capital Markets Act prohibits insider trading. Which of the following is an example of inside-trading?

- A. Corporate officers, directors and employees trade their corporate's securities based on material confidential information related to new business developments
- B. Family members, friend and business associates of corporate officers, directors and employees trade their corporate securities based on insider information
- C. Employees of law firms, accounting firms or stock brokers trade their securities based on insider information
- D. All the above

(1 mark)

89. Which of the following **BEST** describe government searches and seizures?

- A. Those facts that would induce a person of reasonable caution to believe that a crime has been committed and that the accused committed the crime
- B. The set of facts showing proof beyond all doubt that a crime has been committed and that the accused committed the crime
- C. The set of facts showing that its more likely than not that a crime has been committed and that the accused committed the crime
- D. None of the above

(1 mark)

90. Which of the following statements is **CORRECT** in regard to sanctions or penalties for violating the duty to preserve documents relevant to anticipated or ongoing litigation. Sanctions can arise only from intentional acts, not from negligent acts.

A) True
B) False (1 mark)

91. Which of the following statements in relation to false statement to government is **NOT** correct?

A. To violate a law criminalising false statements to government agencies, it need be made directly to the government
B. A statement made to a third party does not violate laws related to false statements to the government.
C. To violate laws related false statements to government the government must have suffered loss
D. All the above (1 mark)

92. Under the law of evidence in adversarial jurisdictions, the appellate court reviews issues of the law but not does not address issues of facts

A) True
B) False (1 mark)

93. Which of the following is considered obstruction of justice?

A. Influencing a witness with bribes
B. Contacting a government investigator
C. Subpoenaing a government witness
D. Showing disrespect to a judge (1 mark)

94. Which of the following statements about the UK Bribery Act is **NOT** correct?

A. The UK Bribery Act has broader application than the FCPA because, unlike the FCPA, it makes commercial bribery a crime.
B. Unlike the FCPA, the UK Bribery Act does not contain an explicit exception for facilitating payments
C. The UK Bribery Act exercises jurisdiction over all individuals and corporate entities for acts of corruption when any part of the offences occurs in the UK.
D. If an organisation's anti-corruption programme complies with the FCPA, it will be adequate for the purpose of complying with the UK Bribery Act. (1 mark)

95. Which of the following is **TRUE** in regard to computer forgery?

A. Computer forgery involves a person intentionally inputs, alters, deletes, or suppresses computer data, resulting in inauthentic data with the intent that it be considered or acted upon for legal purposes as if it were authentic
B. Computer forgery is a crime under the Computer Misuse and Cybercrime
C. Computer forgery has underlying crime facilitated by the forgery
D. All the Above (1 mark)

96. Which of the following is **TRUE** in regard to computer fraud?

A. A person who, with fraudulent or dishonest intent unlawfully gains or occasions unlawful loss to another person
B. Obtains an economic benefit for oneself or for another person, through any of the means described in subsection
C. In addition to computer misuse and cybercrime offence there is usually an underlying crime facilitated by computer fraud
D. All the above (1 mark)

97. XYZ Bank has an anti-money laundering program that has put in place internal controls, procedures to prevent money laundering, money laundering awareness training for employees, and a regular independent audit function to evaluate the effectiveness of the bank's anti money laundering program. Which of the following is missing in the XYZ anti money laundering program?

A. The designation of a compliance officer at the management level
B. Reporting of all foreign bank transfers to the government
C. A mandatory waiting period before cash deposits can be transferred
D. All the above (1 mark)

98. Real Red Corporation filed a bankruptcy proceeding in which all of its assets will be sold and the proceeds will be distributed to creditors. Under the World Bank Principles and Guidelines for Effective Insolvency and Creditor Rights Systems, which of the following parties is an appropriate option for managing Real Red estate in the proceedings?

- A. Acme's directors
- B. Acme's creditors
- C. An independent insolvency representative
- D. All of the above

(1 mark)

99. In a planned bust-out scheme, which of the following types of assets does the fraudster typically purchase on credit and then sells prior to closing the business?

- A. Business insurance policies
- B. Legal or accounting services
- C. Inventory or goods
- D. Real estate

(1 mark)

100. Which of the following is **TRUE** in regard to the International Organisation of Securities Commissions (IOSCO)?

- A. One of the objectives of the International Organisation of Securities Commissions (IOSCO) is to ensuring that markets are fair, efficient and transparent
- B. Enhancing the financial system's growth
- C. Harmonizing securities laws and standards across the global
- D. Eliminating mark risk

(1 mark)

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