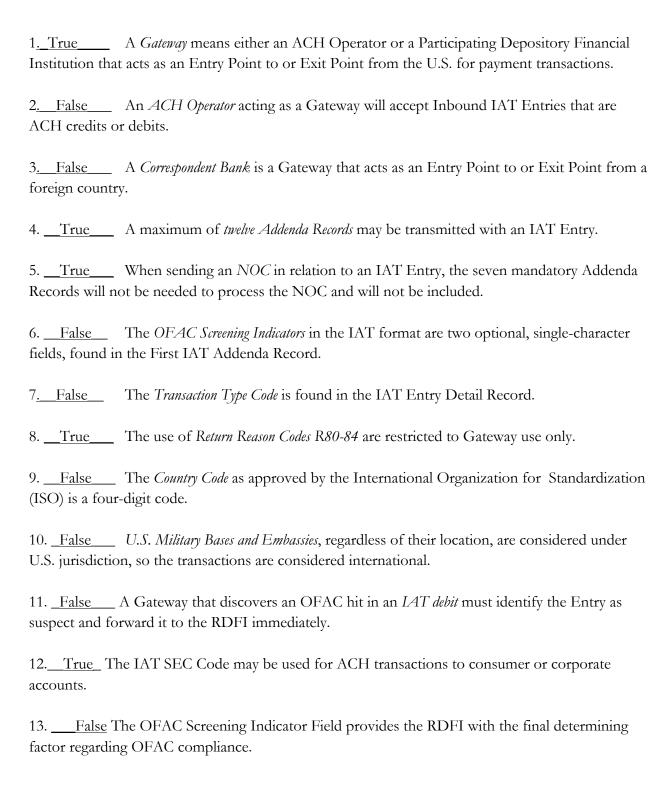
IAT Exercise True or False

1	A Gateway means either an ACH Operator or a Participating Depository Financial
Institution tha	t acts as an Entry Point to or Exit Point from the U.S. for payment transactions.
2	
ACH credits of	An ACH Operator acting as a Gateway will accept Inbound IAT Entries that are
MC11 CICUITS (of debits.
3.	_ A Correspondent Bank is a Gateway that acts as an Entry Point to or Exit Point from a
foreign countr	•
J	
4	A maximum of twelve Addenda Records may be transmitted with an IAT Entry.
_	
	When sending an NOC in relation to an IAT Entry, the seven Mandatory Addenda
Records will n	ot be needed to process the NOC and will not be included.
6	The OFAC Screening Indicators in the IAT format are two optional, single-character
	n the First IAT Addenda Record.
7	The Transaction Type Code is found in the IAT Entry Detail Record.
8	The use of Return Reason Codes R80-84 are restricted to Gateway use only.
	The Country Code as approved by the International Organization for Standardization
(ISO) is a four	e-digit code.
10	U.S. Military Bases and Embassies, regardless of their location, are considered under
	on, so the transactions are considered international.
o.s. janoaren	on, so the transactions are considered international.
11	_ A Gateway that discovers an OFAC hit in an <i>IAT debit</i> must identify the Entry as
suspect and fo	orward it to the RDFI immediately.
12	_ The IAT SEC Code may be used for ACH transactions to consumer or corporate
accounts.	
	_ The OFAC Screening Indicator Field provides the RDFI with the final determining
tactor regardin	ng OFAC compliance.
14	_ A DFI is excused from its compliance with specific obligation under the NACHA
	en the processing of an IAT Entry would cause the DFI to be in violation of U.S. law.
J	i U

Handout D

15	A "blocked party"	on the OFAC list mea	ns that countries	outside of the	U.S.	territories
have blocke	d these Entries.					

IAT Exercise answers True or False



Handout D Answers

- 14. <u>True</u> A DFI is excused from its compliance with specific obligation under the NACHA Rules only when the processing of an IAT Entry would cause the DFI to be in violation of U.S. law.
- 15. <u>False</u> A "blocked party" on the OFAC list means that countries outside of the U.S. territories have blocked these Entries.