Handout D

IAT Exercise
True or False

1._____ A *Gateway* means either an ACH Operator or a Participating Depository Financial Institution that acts as an Entry Point to or Exit Point from the U.S. for payment transactions.

2._____ An *ACH Operator* acting as a Gateway will accept Inbound IAT Entries that are ACH credits or debits.

3._____ A *Correspondent Bank* is a Gateway that acts as an Entry Point to or Exit Point from a foreign country.

4. _____ A maximum of *twelve Addenda Records* may be transmitted with an IAT Entry.

5. _____ When sending an *NOC* in relation to an IAT Entry, the seven Mandatory Addenda Records will not 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 fields, found in 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.

9. _____ The *Country Code* as approved by the International Organization for Standardization (ISO) is a four-digit code.

10. _____ *U.S. Military Bases and Embassies*, regardless of their location, are considered under U.S. jurisdiction, so the transactions are considered international.

11. _____ A Gateway that discovers an OFAC hit in an *IAT debit* must identify the Entry as suspect and forward it to the RDFI immediately.

12._____ The IAT SEC Code may be used for ACH transactions to consumer or corporate accounts.

13. _____ The OFAC Screening Indicator Field provides the RDFI with the final determining factor regarding OFAC compliance.

14. _____ 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.

Handout D

15._____ A "blocked party" on the OFAC list means that countries outside of the U.S. territories have blocked these Entries.

Handout D Answers

IAT Exercise answers
True or False

1. __True____   A *Gateway* means either an ACH Operator or a Participating Depository Financial Institution that acts as an Entry Point to or Exit Point from the U.S. for payment transactions.

2. ___False____   An *ACH Operator* acting as a Gateway will accept Inbound IAT Entries that are ACH credits or debits.

3. ___False____   A *Correspondent Bank* is a Gateway that acts as an Entry Point to or Exit Point from a foreign country.

4. ___True____   A maximum of *twelve Addenda Records* may be transmitted with an IAT Entry.

5. ___True____   When sending an *NOC* in relation to an IAT Entry, the seven mandatory Addenda Records will not be needed to process the NOC and will not be included.

6. ___False___   The *OFAC Screening Indicators* in the IAT format are two optional, single-character fields, found in the First IAT Addenda Record.

7. ___False___   The *Transaction Type Code* is found in the IAT Entry Detail Record.

8. ___True____   The use of *Return Reason Codes R80-84* are restricted to Gateway use only.

9. ___False____   The *Country Code* as approved by the International Organization for Standardization (ISO) is a four-digit code.

10. ___False____   *U.S. Military Bases and Embassies*, regardless of their location, are considered under U.S. jurisdiction, so the transactions are considered international.

11. ___False____   A Gateway that discovers an OFAC hit in an *IAT debit* must identify the Entry as suspect and forward it to the RDFI immediately.

12. ___True_   The IAT SEC Code may be used for ACH transactions to consumer or corporate accounts.

13. ___False   The OFAC Screening Indicator Field provides the RDFI with the final determining factor regarding OFAC compliance.

Handout D Answers

14. ___True_ 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.__False_ A "blocked party" on the OFAC list means that countries outside of the U.S. territories have blocked these Entries.