

International ACH Transaction (IAT) Readiness Checklist: Action Items for Originating Depository Financial Institutions

Step 1. Familiarize yourself with available resources

- Review *NACHA Operating Rules* on IAT, which is included in the 2009 Rules Changes section of the 2008 publication

- Take advantage of resources
 - o www.nacha.org
 - o IAT Resource Center available at:
www.frbervices.org/eventseducation/education/fedach_iat_resource_center.html

- Contact your Regional Payments Association

Step 2. Ensure Internal Readiness

- Select an Originating Gateway Operator that will process your outbound IAT entries. Refer to FedACH International Services and your FedACH Sales Specialist for more information on how to begin the enrollment process.

- Verify that your software supplier or processor will be able to accommodate the IAT Standard Entry Class (SEC) code

- Review current commercial/ corporate ACH origination products, including PC-based and Web-based applications, to determine how to integrate the IAT SEC code into your payment

- Review field requirements and responses required for populating the IAT SEC code

- Verify completion of testing with all necessary parties. Examples are listed below:
 - o Vendors
 - o ACH Operators
 - o Correspondent banks
 - o Customers

- Verify that your compliance policy covers origination and receipt of ACH payments, including OFAC compliance

- Ensure that all appropriate departments have completed training. Examples are listed below:
 - o ACH operations
 - o Treasury management and payment services/sales
 - o Compliance
 - o Branch operations
 - o Customer service
 - o Vendor management

Step 3. Identify Customer Impact and Readiness

- Review existing ACH agreements

- Determine which customers will be originating and receiving IAT payments and how to collect and deliver additional data carried in ACH records

- Provide education and training

- Evaluate potential for attracting new customers interested in international payment services

Congratulations — you are ready to begin processing IAT entries.