

SAMPLE PRIVACY STATEMENT REGARDING IAT RULES COMPLIANCE
North Carolina State Controller's Office
August 20, 2009

For use by those agencies that offer online payments through a website, either hosted by the agency or by a third party service provider.

Website Privacy Statement

Electronic Payments

It is the intent of the (Name of Agency) not to use the ACH system for transactions in violation of U.S. Law, including the sanctions administered by the Office of Foreign Assets Control (OFAC). It is also the intent of the agency to be in compliance with the "International ACH Transaction (IAT) rules" that are part of the NACHA Operating Rules. Accordingly, all payments made through this website are intended only for payments not associated with a foreign bank account, which would classify it as an "International ACH Transaction (IAT)" under the NACHA Operating Rules.

Since this website's payment application does not accommodate IAT transactions, payors that would be considered an IAT payor should use some other method of remitting funds to the agency. Alternative forms of payment would include check or credit card.

Optional Additional Inclusion:

The IAT rules are designed to assist in identifying electronic drafts that are required to be screened to ensure moneys are not drafted from an account that has been funded with funds received from a foreign bank account, as part of the bank's compliance with sanctions required by the Office of Foreign Assets Control (OFAC). OFAC is an agency within the US Department of Treasury that administers and enforces economic and trade sanctions against parties that may be terrorists, international narcotics traffickers, or those engaged in activities related to the proliferation of weapons of mass destruction. The expectations are that the originator of an electronic payment should "know their customer."