

NC STATE UNIVERSITY

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September 30, 2009

Vendor Name
Address
City, State, Zip

Notice to All Vendors Currently Receiving Payments via Direct Deposit – IAT Rules

There has recently been a change in the banking industry rules (NACHA Operating Rules) which NC State University must adhere to when remitting vendors their payments via Direct Deposit (an ACH transaction). The new rules require NC State University, as the originator of an ACH transaction, to identify such payments made to vendors where the entire payment amount is subject to being subsequently transferred to a foreign bank account. The new rules are referred to as "International ACH Transaction (IAT) rules" and are pursuant to requirements of the U.S. Office of Foreign Assets Control (OFAC).

In order for NC State University to comply with the new IAT rules and the applicable US Law, you are being contacted to be informed of the new rules. Should you receive your vendor payments via direct deposit (ACH) at a U.S. financial institution and then have the entire payment amount forwarded to a bank in another country new processing handling procedures are required.

No response to this letter is necessary unless the direct deposit (ACH) we originate for payment to you is in its entirety subject to being transferred to a foreign bank account. If this is the case, the ACH payment is considered an IAT payment, and we request that you advise us of this condition as soon as possible by return mail.

Thank you for your attention to this matter and if you should have questions regarding this letter, please contact Kimberly Kelley at 919-515-7132 or kim_kelley@ncsu.edu.