

Press Release



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BNY Mellon Expert to Report on the Banking Industry's Successful Implementation of Reporting Requirements for International ACH Transactions

NEW YORK, July 19, 2010 — Implementation of reporting requirements for international ACH transactions will be discussed by a panel of experts at the Federal Financial Institutions Examination Council's Advanced Bank Secrecy Act/Anti Money Laundering (BSA/AML) Conference in Arlington, Va. on July 28. Representing the banking industry on the panel will be Gary Sefcik, consumer receivables product manager for BNY Mellon's Treasury Services group.

In his remarks at the conference, Sefcik will review the actions taken by BNY Mellon to meet the reporting requirements that took effect at the end of the third quarter of 2009. Citing NACHA statistics that show his company successfully processing approximately 100,000 IAT transactions per month under the new requirements, Sefcik will attribute BNY Mellon's 30 percent share during the first six months of IAT compliance to a combination of careful preparation, painstaking process engineering and extensive client communication.

Promulgated by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the IAT requirements that went into effect last September significantly increased the level of transparency required for payments involving non-US financial agencies processed via the ACH network. Under the new IAT format requirements, "Travel Rule" information required under the Bank Secrecy Act must be provided for all transactions involving financial agencies outside the U.S. These new requirements make U.S. disclosures more consistent with international definitions in ACH-facilitated payment transactions.

"Our commitment to providing comprehensive information regarding IAT to our clients was driven by three principal factors: our strategic focus on global payment services, our key role in the global correspondent banking network, and our longstanding support for NACHA and its services to both corporates and other financial institutions," Sefcik said. "Developing a proprietary IAT solution seamlessly integrated into our ACH platform was a major technological undertaking. The size and complexity of the project demonstrates our willingness to invest in our payment processing capabilities, and its success continues BNY Mellon's tradition of innovation in the global payments space. The strong levels of payment volume we've seen since the debut of our IAT solution are a clear indication that banks can help clients realize the benefits of the ACH network in facilitating cross-border payment transactions."

Other recent IAT-related industry events in which BNY Mellon has participated include the WACHA Electronic Payments Conference 2010 and Global Concepts/McKinsey's Payments Operations & Strategy Forum. More information on IAT is available at www.bnymellon.com/iatupdates.

With locations in 34 countries on six continents and a network of more than 2,000 correspondent financial institutions, The Bank of New York Mellon's Treasury Services group delivers high-quality performance in global payments, trade services, cash management, capital markets, foreign exchange and derivatives. It helps clients optimize cash flow, manage liquidity and make payments more efficiently around the world in more than 100 currencies. A top-ten originator of NACHA payment transactions, BNY Mellon processes more than \$1.5 trillion in payments transactions on a daily basis, and is a top-five participant in both the CHIPS and overall funds transfer markets. The company is also a recognized leader in the delivery of white-label treasury services solutions for banks and other large institutional clients.

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