IDOLA INFOTECH

Aegis

Aegis - An IAT OFAC Solution

OVERVIEW

International transactions are regularly introduced into the ACH network without proper identification. Consequently, financial institutions are not able to perform the required OFAC review of these transactions. NACHA introduced the new specifications for International ACH (IAT) in response to the request from the Office of Foreign Assets Control (OFAC) to align the NACHA operating rules with OFAC compliance regulations. The new rules simplify the identification of these transactions and hence allow the financial institutions to perform the required check more effectively.
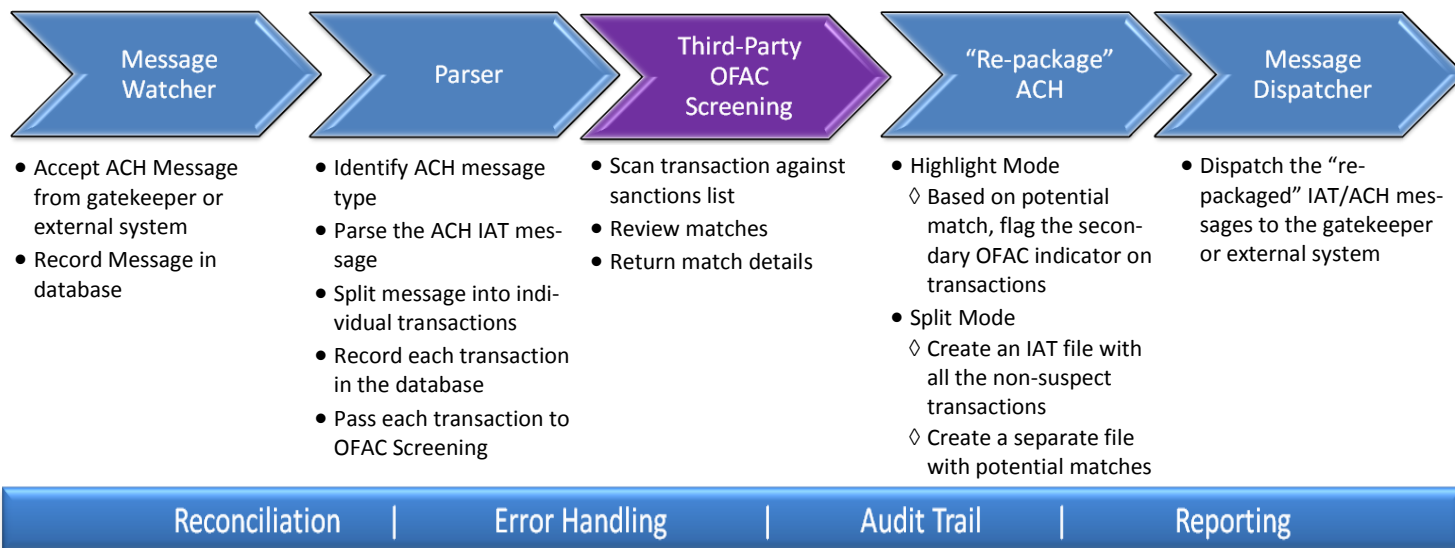
Aegis is the only comprehensive middleware solution that would be required within a financial institution to monitor, screen, reconcile, audit and generate reports on all ACH transactions. Aegis's architecture allows financial institutions to integrate with their preferred OFAC solution. It is designed to intercept all incoming and outgoing ACH transactions and identify the type of transactions before routing and screening these transactions.

AEGIS FEATURES

The architecture of Aegis is based on the Service Oriented Architecture

- ACH Viewer
  - ◊ View ACH (domestic and International) Messages in a user friendly format with respective labels for each field
  - ◊ Proper formatting of Date, Currency and Country Lookup
- ACH Parsing
  - ◊ Intelligence to understand the ACH Message
  - ◊ The core engine of the product
  - ◊ Parses the ACH message and splits the message into multiple transactions
- ACH Creation
  - ◊ Provide data entry screens to create ACH Transactions
  - ◊ Create ACH files based on the defined specifications

- ACH Validation and Verification
  - ◊ Identify the type of ACH transactions
  - ◊ Validate newly created ACH messages.
- ACH Conversion Utilities
  - ◊ ACH to Excel, CSV, XML, SWIFT and user-defined formats
- OFAC Screening Interface
  - ◊ Split Mode Operation
  - ◊ Highlight Mode Operation
  - ◊ "Re-Packaging" of IAT Transactions
- Exception Handling
 - ◊ Detailed and automatic exception handling

DATA FLOW DIAGRAM

Message Watcher	Parser	Third-Party OFAC Screening	"Re-package" ACH	Message Dispatcher
• Accept ACH Message from gatekeeper or external system • Record Message in database	• Identify ACH message type • Parse the ACH IAT message • Split message into individual transactions • Record each transaction in the database • Pass each transaction to OFAC Screening	• Scan transaction against sanctions list • Review matches • Return match details	• Highlight Mode ◊ Based on potential match, flag the secondary OFAC indicator on transactions • Split Mode ◊ Create an IAT file with all the non-suspect transactions ◊ Create a separate file with potential matches	• Dispatch the "re-packaged" IAT/ACH messages to the gatekeeper or external system

Reconciliation | Error Handling | Audit Trail | Reporting

AUDIT & REPORTING

- Reconciliation
  - ◊ End of Day reconciliation on messages received versus message scanned and forwarded.
- Audit Trail and Reports

◊ Details audit trails of all incoming and outgoing messages, messages sent and response received from the OFAC screening application

◊ Management and summary reports based on date ranges.

AEGIS ARCHITECTURE
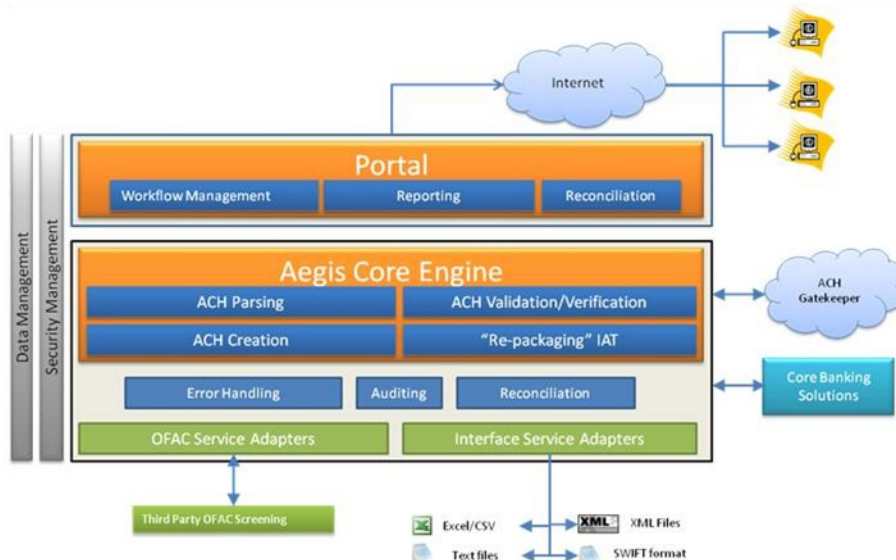
AEGIS BENEFITS

- Automated, Reliable and Quick processing of transactions
- Easily scalable to meet the growing needs of the Financial Institutions
- Highly customizable and plug and play architecture enabling integration with any payment or OFAC Screening systems
- No disruption to straight through processing rates for transaction without OFAC risk

- Comprehensive audit trails to demonstrate compliance due diligence
- Improve operational efficiency
- Low upfront cost for setup and operations
- Provide Dashboard reports for senior management
- Reduced Risk of OFAC fines

SOFTWARE LICENSE & PRICING

Aegis is offered under the standard Idola License Agreement. License fees are available upon request.

ABOUT IDOLA
Idola Infotech was founded in 2002 by a team that specialized in software product development and the deployment of complex technology projects. Its management consists of banking experts, leaders of the regulatory compliance market, and senior technology specialists. They have developed commercial products for one of the largest vendors of financial services software. Project management experience has been earned across a wide range of financial institutions from some of the largest in the world to small community banks. Idola has implemented and deployed software solutions domestically and internationally earning its reputation for *excellence, reliability, and value.*

IDOLA
INFOTECH

Idola Infotech, LLC
120 Wood Avenue South, Suite 407
Iselin, New Jersey-08830.
Phone: (732) 744 - 0066 ext. 201
Fax: (732) 744 - 0061
sales@idolainfotech.com