



OFAC Alert

Streamline Compliance and Reduce Risk with OFAC Alert

As part of its compliance requirements, the Office of Foreign Assets Control (OFAC) requires financial institutions to screen accounts against the OFAC listings. Compliance is a necessary but often cumbersome process, with failure to comply resulting in costly fines. OFAC Alert™ is an efficient solution to facilitate your compliance with OFAC requirements and various regulations, such as the USA PATRIOT Act. OFAC Alert — a powerful tool that will help put you on the road to compliance. Fast.

A sophisticated tool, OFAC Alert automates the OFAC screening process and delivers clear, easy-to-read results to the point-of-sale on every inquiry, streamlining your compliance efforts with minimal cost. OFAC Alert enables you to:

- **Reduce costs and lengthy searches** by accessing a comprehensive online source of OFAC data
- **Facilitate compliance** with certain OFAC and USA PATRIOT Act regulations
- **Avoid costly fines** by implementing a government list screening solution that is required by various regulations
- **Save time and allocate resources more efficiently** by reducing the time spent conducting manual searches and reviews. (Save even more time and money by using False Positive Review™ — see inside for details ►)
- **Automate a burdensome component of the compliance process** by integrating OFAC screening into your current account opening procedures. Also, your account base can be screened against changes and additions to the OFAC list automatically and continuously. (Learn more about OFAC Alert Monitor™ inside ►)
- **Document your compliance efforts** with a record that you checked OFAC as part of your due diligence

OFAC Alert compares inquiry information to the OFAC database maintained by Compliance Data Center Inc. (CDC), an Equifax affiliate. This comprehensive database consists of Specially Designated Nationals and Blocked Persons/Entities.

Available in real time or batch processing, OFAC Alert offers:

- **Easy integration** with current account opening processes
- **Comprehensive, reliable alert information** that is updated daily
- **Complete information** on lists and data elements that were matched — providing more than just a simple “hit” notice
- **Actionable, easy-to-read results** delivered to the point-of-sale or directly to compliance contacts

Easy, Online Access to USA PATRIOT Act Compliance

In addition to current OFAC regulations, the USA PATRIOT Act regulations also require account applicants to be screened against U.S. government lists. Typically, such new regulations add to the already cumbersome, time-consuming process of manually searching through lists that are frequently incomplete. OFAC Alert can help you comply by:

- Automatically crosschecking against the OFAC database when you request a credit report
- Immediately notifying you of any OFAC warning or “hit”
- Providing you with a record indicating you checked OFAC as part of your due diligence

We Search So You Don't Have To

Whether you need a screening of your entire portfolio, an online review of new demand deposit accounts (DDA) or point-of-sale transaction screenings, OFAC Alert handles the searching for you.

Reduce costly and lengthy searches

OFAC Alert screens your portfolio or transaction data using CDC's comprehensive inventory of Blocked Persons/Entities and Specially Designated Nationals. This data comes from a variety of sources, including the Office of Foreign Assets Control and the CIA Heads of State.

The inventory also includes individuals identified by our data sources as known drug dealers, terrorists, and high-ranking officials of blocked countries or territories covered under the OFAC Special Programs and Sanctions. Since OFAC Alert data sources are monitored and updated daily, you know the results are based on dependable, up-to-date data. You simply verify any positive hits and report them to the appropriate government agency.

Allocate resources more efficiently

OFAC Alert monitors each transaction for you, reducing the time spent conducting manual searches. Our sophisticated search and matching techniques minimize false positives by considering abbreviations, initials, word order, compounds and foreign transliterations (not just a character-for-character match). With OFAC Alert, you know you're getting reliable alert information.

Automate the compliance process

OFAC Alert seamlessly integrates into your current account opening processes by automatically searching on the input name and address — eliminating additional data entry requirements. With OFAC Alert, you can choose the delivery method that best fits your business process, such as a stand-alone product via Equifax ePORT™ (Equifax Internet delivery), a valuable add-on to credit reports or part of Equifax Decision Power®.

Results are delivered to the point-of-sale when a real-time response is critical. When used in combination with a decisioning application, e-mail notifications may be sent directly to compliance contacts, eliminating awkward point-of-sale situations.

OFAC Alert Monitor

According to the U.S. Treasury, accounts need to be screened as often as necessary to ensure that a transaction is not completed with an individual or entity on the OFAC lists. Therefore, you should be screening against the OFAC list before every credit card transaction, and before every buy or sell of a stock, bond, mutual fund, etc.

OFAC Alert Monitor (also known as a "look back") continuously screens your portfolio of individual, business and charity accounts that are resident on the Equifax/CDC platform against any changes or updates to the OFAC list. Alerts emailed directly to your compliance officer help ensure completion of the appropriate due diligence. With OFAC Alert Monitor, you will be able to identify business risks and facilitate compliance... automatically and continuously.

False Positive Review

Both OFAC regulations and the USA PATRIOT Act require initial "hits" to be reviewed as part of your due diligence process. You must then report the hits that are strong and/or positive matches to the appropriate agencies. When you don't have the time, resources or expertise to adequately review these hits for accuracy and completeness, let Equifax do it for you.

With False Positive Review, Equifax reviews your initial hits to reduce the "false positives" — saving you time, money, and resources. Our trained information analysts manually review initial hits using predefined judgment rules and vast experience to identify "true" hits versus false positive hits. We then return an alert only on those initial hits which warrant your further review.



Sample of Output Message* with an OFAC Alert Warning

1 Inquiry Data:
 First Name: JOHN MI: T Last Name: CONSUMER
 Address: 54 MAIN ST
 City: ANYWHERE State: GA Zip Code: 11111

2 OFAC Results: O - OFAC data reported

The following OFAC issues have been identified for this applicant:

3 Problem Code: VT
 4 Problem Description: SPECIALLY DESIGNATED INDIVIDUALS TREASURY DEPT
 5 Problem Report Date: 19991130
 6 Issue Source: SDN 7 Issue ID or Reference: 123456
 8 Match Codes: LFASZ
 9 Comment: O DOB 04JUL1960

10 First Name: JOHN MI: T Last Name: CONSUMER
 Address: 54 MAIN ST City: ANYWHERE
 State: GA Zip Code: 11111

Thank you for choosing Equifax as your information source.

11 OFAC Alert is an information service provided by Compliance Data Center, Inc., an Equifax affiliate, based on information that was not collected, in whole or in part, for the purpose of serving as a factor in establishing a consumer's eligibility for credit or insurance to be used primarily for personal, family or household purposes; employment purposes; or any other purpose authorized under the FCRA. Accordingly, an OFAC Alert indicator is for alert purposes only and is not to be used for determining an individual's eligibility for any credit or any other FCRA permissible purpose. Client acknowledges that such an indicator is merely a message that the consumer or company may be listed on one or more U.S. government-maintained lists of persons subject to economic sanctions, and Client should contact the appropriate government agency for confirmation and instructions. The OFAC Alert indicator may or may not apply to the consumer or company whose eligibility is being considered by Client.

*Your actual output message may be formatted differently depending on the access/delivery method used.

OFAC Alert Output Message (Explanation)

- 1 Inquiry Data Received
- 2 Message indicating whether OFAC Alert inquiry resulted in a **hit, no-hit or error**
- 3 Problem Code - Indicates what type of list was matched and which government agency must be notified
- 4 Problem Description - Describes the problem code
- 5 Problem Report Date - Date the item appeared on the source list (yyyymmdd)
- 6 Issue Source - This field may contain the blocked country name or a code indicating the OFAC program (SDN, SDNTK, etc.)
- 7 Issue ID/Reference - ID number as given by the issue source (when available)
- 8 Match Codes - Indicate which input data element(s) matched the source list
- 9 Comment - Returns either an "O" indicating that the hit is a match to the original name used in the inquiry or a "V" if the hit is a result of Equifax using a name variation. Also may return information such as date of birth, passport number, etc. (if available)
- 10 Name and address as it appears on the source list
- 11 Legal disclaimer

OFAC Alert is just one of the many USA PATRIOT Act solutions offered by Equifax. For more information, call 1-800-879-1025 to speak with an Equifax representative.



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