

# CAR DEALER INSIDER

Profit Making Secrets for the Competitive Dealer

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## What's a best practice for handling OFAC checks?

Answer: Your sales desk-not F&I-should conduct mandatory checks

A GM for a Mid-Atlantic store posed this question last week: We've purchased software to comply with the mandatory checks of the terrorist and money launderer watch list. What's the best way to conduct the checks without bogging down F&I office?

The answer: Your sales managers should run the check as they're getting a copy of a customer's driver's license, advises **Gil Van Over**, head of gvo3 Consulting, Schererville, Ind.

Sales managers are typically at a computer and can conduct the check and attach the results to a deal jacket in a matter of seconds, Van Over says. In addition, conducting the check at the sales desk eliminates the possibility that you may waste time preparing a deal that you can't complete. Federal law stipulates that you are not supposed to sell a vehicle to a customer whose name shows up as a positive hit on the OFAC list.

That's the best practice Alan Andreu of Dealer Defense, LLC, recommends for client dealers.

The company offers an Identity Defender tool stores can use to conduct OFAC checks ([www.dealershipdefense.com](http://www.dealershipdefense.com)). Van Over also recommends that dealers conduct the check as part of their background screens for prospective employees as well as with the wholesalers they use to get rid of used vehicle inventory. It's a precaution to make sure your store's not engaged in business with anyone on the list, he says.

What do you do if you run the check and you get a "hit?" The OFAC office requires that you take steps to determine the quality of the hit, which may require asking for additional information from a customer to verify their ID. OFAC offers detailed instructions for dealers at [www.treas.gov/offices/enforcement/ofac/](http://www.treas.gov/offices/enforcement/ofac/) under the "frequently asked questions" icon.

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