



CITADEL
SERVICING CORPORATION

OFAC Review Process

OFAC Review Process

The QC Auditor is responsible for review of all OFAC Matches on Fraud Detection searches, including DataVerify, Fraudguard, and any other tool or search utilized by Citadel Servicing Corporation. The QC Auditor will determine whether the matched party is a valid match against an entry on the OFAC Database.

BytePro Tasks

The QC Auditor will be assigned files to review by the Underwriting and Closing Departments as they encounter OFAC hits which require escalation. The “UW – OFAC / Black List Review Required” task will be generated by the Underwriting department. The “Assistant Funder – OFAC / Black List Review Required” task will be generated by the Funding department. Both of these tasks require review and response within 24 hours.

When review has been completed and an OFAC hit has been cleared the QC Auditor is responsible for completing the above tasks and creating the appropriate task indicating completion to the department that initiated the review. The “QC – OFAC / Black List Review Complete – UW” task will alert the Underwriting Department that the review has been completed. The “QC – OFAC / Black List Review Complete – Funding” will alert the Funding Department that the review has been completed.

Potential OFAC Matches

The DataVerify Fraud Report will indicate whether a participant of the loan file is a potential match with an individual on the OFAC Watch List.

OFAC	
OFAC Status	FAIL

The QC Auditor will review the appropriate condition and then utilize government databases and additional resources to determine whether the participant in CSC’s loan is the same individual as the sanctioned party.

Conditions				
Code	Subject	Description	Action(s) to Resolve	Scoring Analysis
High				
1042 (H)	Processor	Participant name(s) is on the OFAC watchlist.	Verify the identity of participant and follow internal watchlist match procedures.	██████████ was matched to JOHN EDWARD MARTIN

The QC Auditor should reference Dataverify.com, OFAC.FINRA.org, sanctionsearch.ofac.treas.gov, treasury.gov, and any additional web search results necessary to determine that the validity of the initial OFAC match. If the result of the investigation shows that the party is a match, or cannot be cleared, CSC will not continue to do business with the individual, per federal regulations.

If the QC Auditor, through their research, is able to determine that the party in CSC’s transaction is not the same individual as the sanctioned party. The DocVelocity and BytePro should be documented, and the loan file allowed to proceed.

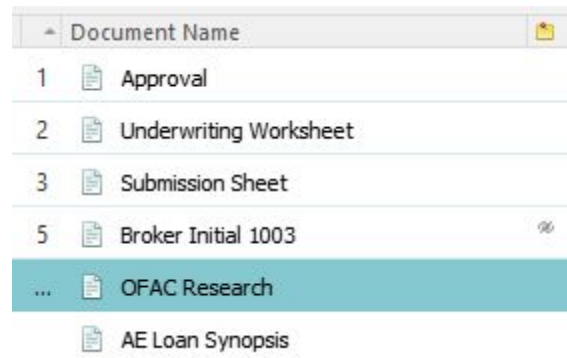
Broker Employee Matches

For potential matches who are Brokers, or employees/contractors of Brokers working with CSC, the QC Auditor will request additional information from the Broker via the “OFAC Hit Letter” template.

The returned, completed letter and information is to be uploaded to DocVelocity.

DocVelocity Documentation

The results of the investigation will be uploaded to DocVelocity under the label “OFAC Research”



BytePro Documentation

The QC Auditor will input the details of the OFAC investigation on the “QC Internal Audit” Screen in BytePro. The OFAC section should be filled out with the Review Date, Cleared Date, Matched Name, Role in the transaction, OFAC Sanctioned Party, Details of Investigation, Investigation Resolution Source, and the Final Resolution.

OFAC							
Reviewed Date	Cleared Date	Matched Name	Role	OFAC Sanctioned Party	Details of Investigation	Investigation Resolution Source	Resolution
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

The QC Auditor will notate the conversation log when the review is initiated to document for all other departments that the matter is currently under review. When the review has been completed the QC Auditor will notate the conversation log with the details uncovered and the final resolution.

For Black List reviews the QC Auditor will utilize the Black List section of the “QC Internal Audit” Screen in BytePro in lieu of the “OFAC” section.

Any questions should be directed to your manager or the Compliance Department.