



Showcase Project / Case Study #4 “Professional Sanctions”

Background:

We were tasked to conduct a background investigation in an attempt to identify any potential risk on prospective new borrowers. Our client submitted 5 related companies and 2 individuals to be searched prior to moving forward with a loan. Nothing was disclosed at the onset regarding any outstanding fines.

Approach:

Database findings did not report any outstanding fines.

Solution:

Our investigators proceeded with a search of applicable public records based upon the address records of the identified subjects (Local, State, Federal and if warranted, International). Additionally, we include a Know Your Customer search to address Bank Secrecy Act/Anti Money Laundering database search. This search provides a current search of Professional Sanctions (FINRA, DOJ, SEC, SAM Exclusions, OFAC, OCC, OIG & PEP), State Attorney General by State, FTC (enforcements, New & Events, Cases & Proceedings), NFA (Background Affiliation Status Information Center) and ICIJ Offshore Leaks (Panama Papers, etc.).

Results:

During the course of our investigation, we identified a professional sanctions case referencing outstanding fines of over \$10,000, which the subject did not disclose. These types of fines are not typically recorded in the applicable Judicial Court System; and therefore, will not show up on a standard database search.

Our combined approach (database/direct public record search) enabled us to locate the missing pieces of the puzzle and put it together for the client’s consideration.