Red Flag Indicators: Things to look for in Export Transactions

✓ The entity name or its address is similar to one of the parties found on a sanctioned or denied party list.

✓ The entity or parties to the transaction is reluctant to offer information about the end-use of the item.

✓ The product's capabilities do not fit the entity's line of business, such as an order for sophisticated computers for a small bakery.

✓ The item is incompatible with the technical level of the country to which it is being shipped, such as semiconductor manufacturing equipment being shipped to a country that has no electronics industry.

✓ The entity is willing to pay cash for a very expensive item when the terms of sale would normally call for financing.

✓ The entity has little or no business background.

✓ The entity is unfamiliar with the product's performance characteristics but still wants the product.

✓ Routine installation, training, or maintenance services are declined by the entity.

✓ Delivery dates are vague, or deliveries are planned for out of the way destinations.

✓ A freight forwarding firm is listed as the product’s final destination.

✓ The shipping route is abnormal for the product and destination.

✓ Packaging is inconsistent with the stated method of shipment or destination.

✓ When questioned, the entity is evasive and especially unclear about whether the product is for domestic use, for export, or for reexport.