

MCC - KO Book Inquiries

Information

Article Number 000004729

Article Type Procedure

Title MCC - KO Book Inquiries

Purpose & Scope

Provide information regarding the "**K.O. Book**," and guidelines to follow when a customer needs assistance with K.O. Book issues.

Procedure

The **K.O. Book** is also known as the "**Knockout Book**." It contains the names of dealers who **have not paid for** vehicles they purchased, issued **insufficient funds (NSF) checks**, incurred **resale losses that were unpaid or defaulted with a floor plan**. All auctions and flooring companies report to **Auction Insurance** any issues where dealers do not pay. Dealers who are flagged by Auction Insurance as "**uninsurable**" will have their name placed in the K.O. Book.

Only **Auction Insurance** can **add or remove** dealers and owners from the K.O. Book.

Client Care Agents will refer to the AuctionACCESS portal to identify if a dealer or representative is in the K.O. Book. AuctionACCESS provides a brief summary of the issue and identifies who was added to the K.O. Book. Client Care agents should not give out details of the issue, but only that they show that the dealership is listed in the K.O. Book.

If the Owner is listed in the K.O. Book, this can block the account. The Oracle system runs a query that checks to see if there is an Owner or Officer in the K.O. Book. Oracle will then place the dealership on **\$100 UCL** due to the Owner/Officer being in the K.O. Book. If the dealership has multiple Owners and one of them is in the K.O. Book, then the Oracle query will place the dealership on \$100 UCL.

Exceptions vs. Removals

A **K.O. Book exception** is granted on a limited basis. It means that Manheim will let the individual continue to buy even though he is still in the K.O. Book.

Removal from the K.O. Book is when the Owner applied to have the dealership removed from the book, Auction Insurance would conduct an extensive review and determine if the situation warrants the name to be taken out of the book. Manheim will **NOT reinstate** any dealerships unless the Owner is **removed** from the K.O. Book.

A dealer is **allowed to sell** if they are granted an **exception** or are **removed** from the book.

You may verify that a dealer has a K.O. Book exception by entering AuctionACCESS and reviewing the account of the **individual representative** listed in the K.O. Book. Click on the **red K.O. Exception flag** at the top right of the record. to view information about the exception. Here, a dropdown will display that lists all of the dealerships for which the individual has an exception.

Handling A K.O. Book Call

Dealers with a KO Book Issue in AuctionACCESS should start by contacting the Auction Insurance Agency at **205-414-2600** to request a removal. If the dealer would like to know why they need to contact AIA or what it means to be in the KO Book, Client Care should advise them this means they're currently uninsurable, which is causing them not to be able to do business with Manheim until the issue is resolved with AIA. The Agency will provide them with details of the reason if they need further information.

1. Buyers who are in the KO Book will be **blocked** from purchasing at **Manheim** auctions and also at **Independent** auctions on OVE.
2. The KO Book block can be placed against a Rep or the Owner, depending on whose actions caused the blocking issue.
3. The KO Book information should **only be discussed with the person who is the subject of the block**. For example, if a Rep calls in about the block placed on the dealership, the reason cannot be discussed with the Rep if he is not the subject of the block. Rather, the Owner or the blocked dealer must call to request the information.
4. Buyers who apply for **KO Book removal** with Auction Insurance will still **never be able to do business with Independent auctions** again, even if the buyer may have an exception with Manheim. Manheim Client Care does not have any way to unblock and allow them to make purchases at these locations.
5. If a dealer is listed in the KO Book and would like to **sell** a vehicle facilitated by a Manheim auction, they would need to go through the same procedure as a buyer listed in the KO Book. They must **apply for KO Book removal** with Auction Insurance.
6. If a dealer listed in the KO Book requests to have an **exception**, or to have their **buying/selling privileges restored**, the Client Care agent must **ensure that the Owner resolved the K.O. Book issue already**. Check the Master 03 Notes in AS400 to confirm that the issue was resolved. Once that is confirmed, the Client Care agent will do the following:
 - A. Send a request for removal by email to the MCC Risk team at MCC-Recovery@manheimcloud.onmicrosoft.com; they will usually contact the client within **3 to 5 business days**. It may take longer depending on how complex the client's issue is. **The email address is for internal use only and must never be provided to callers. The caller must not be carbon copied in any of the emails.**
 - B. The email needs to include the following information:
 - a. Dealership name.
 - b. Name of the Representative that is requesting the exception.
 - c. Dealership's AuctionACCESS number.

- d. AuctionACCESS number of the representative who is requesting the exception.
 - e. Contact phone number.
7. If the caller states the K.O. Book issue was resolved, but the Client Care agent cannot verify that fact from the **F5 Notes** in **Master 03**, the agent will send the email to the **Risk Team**, as outlined above. The Risk Team member will review the account, call the **Auction Insurance Agency**, and verify if the issue was resolved.

Guidelines

1. A buyer can request an exception for themselves if they were in the KO book, but only an **owner** or **officer** can request an **exception for the dealership** if it was in the KO book.
2. Client Care is **NOT** authorized to override KO Book issues. All requests for overrides should be emailed to the MCC Risk Team for review.
3. CCRs should close their case once the email is sent.

Comments

Additional
Comments

System Information

Last Modified Date 7/31/2019 2:37 PM

Last Modified By Christine Carrizales

Created By Integration User1

Created Date 7/31/2019 2:04 PM

**Vicki Article
Number** KBA-01341-9S0L80

Vicki Date 6/18/2012