

Trusts and Estates Under the Corporate Transparency Act: An Early Christmas Fruitcake

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The Corporate Transparency Act (“CTA”) employs a new regulatory regime of information collection and disclosure

Effective January 1, 2024



National registry

Creates a national, electronic registry of beneficial-ownership information (“BOI”) for reporting companies



Reporting requirements

Establishes uniform BOI-reporting requirements



Data collection and disclosure

Authorizes FinCEN to collect BOI via the Beneficial Owner Secure System (“BOSS”) and disclose it to authorized government authorities and financial institutions



Application

Applies to certain types of corporations, LLCs, LPs, LLPs, LLLPs, statutory business trusts, and similar entities created in or registered to do business in the United States, affecting an estimated 30 million-plus entities and an unknown number of individuals



Purpose

Intended to prevent the use of smaller private companies for evading anti-money-laundering rules under the Bank Secrecy Act or hiding other illegal activities

FinCEN will share BOI with government entities and financial institutions

Final rule issued December 23, 2023, and **effective February 20, 2024**



Domestic authorities

Federal, state, local, and tribal government agencies



Foreign authorities

Law-enforcement agencies, judges, prosecutors, central authorities, and other competent authorities (“foreign requesters”)



Financial institutions

Financial institutions (“FIs”) using BOI to facilitate compliance with customer-due-diligence (“CCD”) requirements



Regulatory agencies

Federal and other regulatory agencies acting in a supervisory capacity assessing FIs for compliance with CDD requirements



Treasury

The U.S. Department of the Treasury

FinCEN's BOI Rule implements the CTA's BOI reporting requirements

Final rule issued September 29, 2022, and **effective January 1, 2024**

Reporting companies

The BOI Rule applies to “reporting companies”

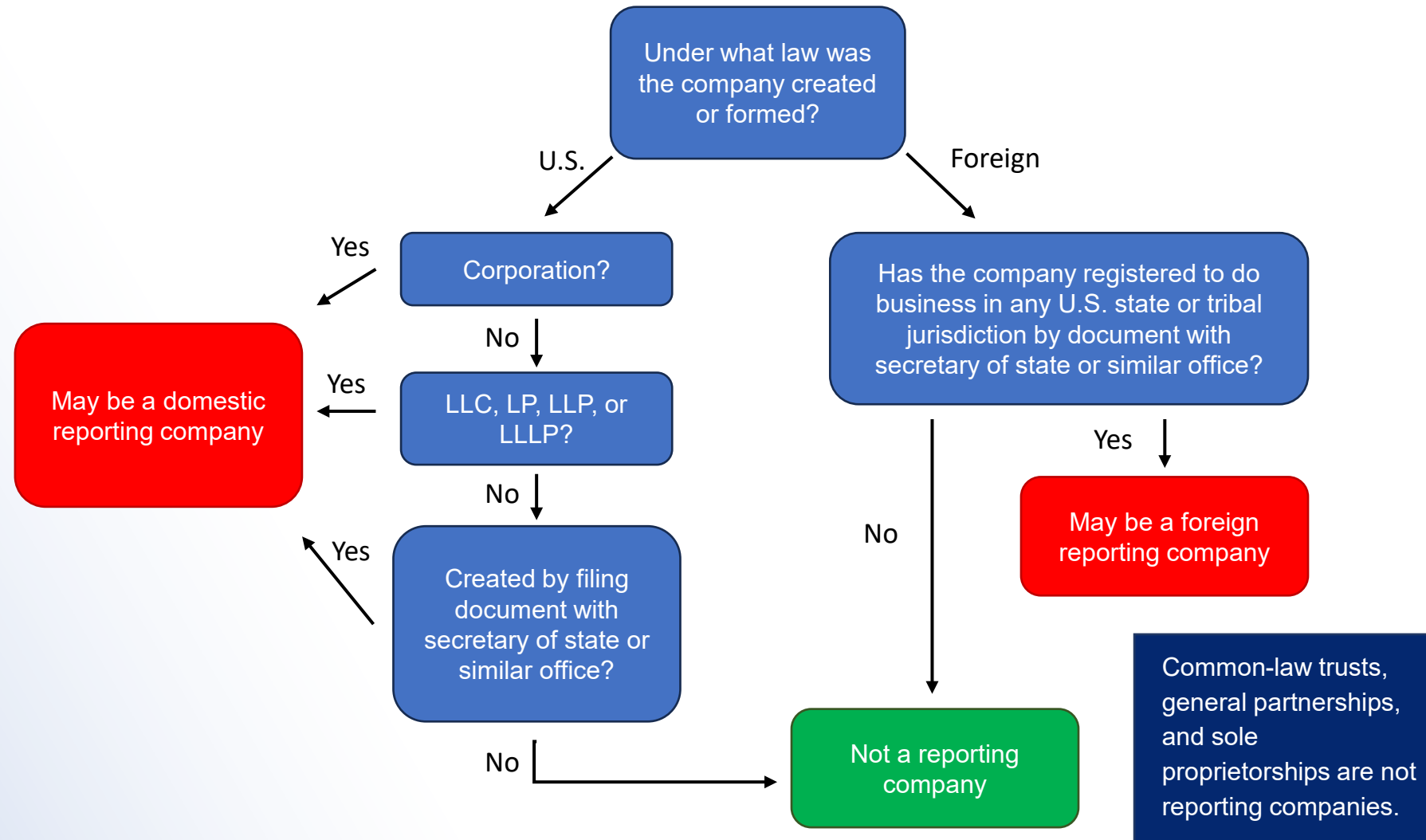
Domestic

- (1) Corporation, LLC, LP, LLP, LLLP, statutory business trust, or other entity (excludes general partnerships and sole proprietorships)
- (2) created by filing a document with secretary of state or similar office under the law of a state or tribe

Foreign

- (1) Corporation, LLC, LP, LLP, LLLP, statutory business trust, or other entity (excludes general partnerships and sole proprietorships)
- (2) formed under the law of a foreign country
- (3) registered to do business in any state or tribal jurisdiction by filing a document with secretary of state or similar office

Determining whether an entity is a reporting company



23 types of entities are exempt from reporting requirements

Including

- Large operating companies
- Certain types of nonprofits
- Entities in certain regulated industries (e.g., banks, securities and financial-services business, utilities, public accounting firms)
- Domestic governmental authorities
- Subsidiaries of some exempt entities
- Certain inactive entities formed before January 1, 2020

If a beneficial owner holds an ownership interest in the reporting company exclusively through one or more exempt entities, the reporting company reports the name(s) of the exempt entity/entities in lieu of the beneficial owner's information.

A BOI report includes information about beneficial owner, company applicant, and reporting company

Beneficial owner and company applicant

1. Full legal name
2. Date of birth
3. Current residential address (subject to waiver)
4. Unique identifying number from qualifying identification document and image of identification document

Reporting company

1. Full legal name and any D/B/As
2. Address of principal place of business in the U.S.
3. Jurisdiction of formation
4. Taxpayer Identification Number or Employer Identification Number

BOI is dynamic, so reporting obligations require active and frequent monitoring for updates.

A beneficial owner may obtain a “FinCEN identifier” and use it in lieu of providing BOI to a reporting company

- Individuals may request a FinCEN identifier by completing an electronic form on the FinCEN website.
- The form requires the same information from the applicant as a BOI report.
- The applicant may thereafter use the FinCEN identifier in lieu of BOI and assumes the obligation to update the information provided upon application as necessary.

Excerpt

FinCEN Identifier (FinCEN ID) Application

OMB No. 1506-0076

Filers must provide information in EVERY field marked with the * symbol in ALL CIRCUMSTANCES. Filers must also provide information in all fields not marked with the * symbol that are applicable to the filer. For example, the "Middle Name" field is not marked with a * symbol; the filer MUST provide information in that field IF the relevant individual's legal name includes a middle name. Notwithstanding any other instruction, individuals must provide all information required pursuant to 31 CFR 1010.380(b).

Full legal name and date of birth

 Need help?

* First name

Middle name

* Last name

Suffix

* Date of birth

Beneficial Ownership Information Report

Home

Reporting Company

Company Applicant(s)

Beneficial Owner(s)



Beneficial Ownership Information Report

Version Number: 1.0

OMB No. 1506-0076

Release Date: 01-01-2024

Report Preparation & Submission Instructions:

Instructions

1. Complete the report in its entirety with all required information. Click **Instructions** for help.

Validate

2. Click **Validate** to ensure all entered data is properly formatted and that all required fields are completed.

Finalize

3. Click **Finalize** to lock the entries in the report and prepare it for submission. Click **Edit Report** to unlock and re-edit.

Save

4. Click **Save** to retain a local copy of the report (this can be done at any time during report preparation).

Print

5. (Optional) Click **Print** to print a hard copy of your completed report.

Ready To File

6. Select **Ready to File** (activated after the report is finalized and saved locally) to begin the submission process.

Filing Information

1. •Type of filing:

a. Initial report

☐

b. Correct prior report

☐

c. Update prior report

☐

d. Newly exempt entity

☐

Reporting Company information associated with most recent report, if any:

e. Legal name

f. Tax Identification type

g. Tax Identification number

h. Country/Jurisdiction (if foreign tax ID only)

2. Date prepared (auto-filled when form is finalized)

PRIVACY ACT AND PAPERWORK REDUCTION ACT NOTICE

This notice is given under the Privacy Act of 1974 (Privacy Act) and the Paperwork Reduction Act of 1995 (Paperwork Reduction Act). The Privacy Act and Paperwork Reduction Act require that FinCEN inform persons of the following when requesting and collecting information in connection with this collection of information. This collection of information is authorized under 31 U.S.C. 5336 and 31 C.F.R. 1010.380. The principal purpose of this collection of information is to generate a database of information that is highly useful in facilitating national security, intelligence, and law enforcement activities, as well as compliance with anti-money laundering, countering the financing of terrorism, and customer due diligence requirements under applicable law. Pursuant to 31 U.S.C. 5336 and 31 C.F.R. 1010.380, reporting companies and certain other persons must provide specified information. The provision of that information is mandatory and failure to provide that information may result in criminal and civil penalties. The provision of information for the purpose of requesting a FinCEN Identifier is voluntary; however, failure to provide such information may result in the denial of such a request. Generally, the information within this collection of information may be shared as a "routine use" with other government agencies and financial institutions that meet certain criteria under applicable law. The complete list of routine uses of the information is set forth in the relevant Privacy Act system of record notice available at <https://www.federalregister.gov/documents/2023/09/13/2023-19814/privacy-act-of-1974-system-of-records>. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1506-0076. It expires on November 30, 2026. The estimated average burden associated with this collection of information from reporting companies is 90 to 650 minutes per respondent for reporting companies with simple or complex beneficial ownership structures, respectively. The estimated average burden associated with reporting companies updating information previously provided is 40 to 170 minutes per respondent for reporting companies with simple or complex beneficial ownership structures, respectively. The estimated average burden associated with this collection of information from individuals applying for FinCEN identifiers is 20 minutes per applicant. The estimated average burden associated with individuals who have obtained FinCEN identifiers updating information previously provided is 10 minutes per individual. Comments regarding the accuracy of this burden estimate, and suggestions for reducing the burden should be directed to the Financial Crimes Enforcement Network, P. O. Box 39, Vienna, VA 22183, Attn: Policy Division.

Submission Status Confirmation

SUBMISSION INFORMATION

Status

FILING SUCCESSFUL. You may download the transcript below.

BOIR ID

Submission Tracking ID

Received Timestamp (UTC)

2024-01-01T14:44:43Z

Reporting Company FinCEN ID

SUBMITTER INFORMATION

First name

Last name

E-mail address



IMPORTANT! Before closing this page, we strongly recommend downloading your transcript below.

Download Transcript

A reporting company must also report changes or corrections to previously reported BOI

30-day rule for changes and corrections



Changed BOI

A reporting company must file updated BOI **within 30 days** of any **change** to previously reported BOI.



Inaccurate BOI

A reporting company must file corrected BOI **within 30 days** of becoming aware or first having reason to know of **inaccuracy** in previously reported BOI.

Safe Harbor

The regulations provide a safe harbor to any person who believes s/he submitted a report containing inaccurate information and *voluntarily* and *promptly* submits a report containing corrected information no later than 90 days after the date after submission of the inaccurate report. But changes in exemption status of an entity trigger a 30-day period to file a corrected report.

A reporting company must also report its “Company Applicant”

Either of two individuals:

1 Reporting individual

Domestic reporting company: the individual who directly files the document that creates the entity

Foreign reporting company: the individual who directly files the document that first registers the entity to do business in the United States

2 Responsible individual

The individual who is “primarily responsible for directing or controlling the filing of the relevant document” by another individual.

Typically, the Company Applicants will be both (1) the lawyer who prepares, reviews, or oversees the formation documentation by the paralegal who files the formation documentation with a secretary of state’s office, and (2) the paralegal.

A reporting company's formation date will determine its deadline for filing initial BOI reports



Formed **BEFORE** effective date

A reporting company formed **before** January 1, 2024, has **one year** from the effective date—until January 1, 2025—to file its initial BOI report(s) for each beneficial owner



Formed **ON OR AFTER** effective date

A reporting company formed **on or after** January 1, 2024, has **only 90 days** from notice of registration to file its initial report(s)

A company's formation date is the date on which it receives actual or public notice that its creation or registration is effective.

Willful failure to comply with reporting requirements may result in severe penalties

Regulations impose severe criminal and civil penalties on reporting companies and individuals, including beneficial owners, for willful violations but no such penalties for merely negligent violations.

VIOLATIONS



Willful failure to report, complete, or update BOI



Willful reporting or attempted reporting of false or fraudulent BOI

“As a general matter, FinCEN does not expect that an inadvertent mistake by a reporting company in good faith after diligent inquiry would constitute a willfully false or fraudulent violation.”

PENALTIES



Criminal fines up to \$10,000 and civil penalties of \$500 per day



Imprisonment for up to 2 years

Beneficial ownership is a matter of (1) substantial control of the reporting company or (2) ownership or control of ownership interests

Two tests

A beneficial owner is an individual who, **directly** or **indirectly**, either

1

Exercises substantial control over a reporting company



CONTROL TEST

or

2

Owns or controls at least 25% of the ownership interests of a reporting company



OWNERSHIP TEST

The Control Test examines whether an individual “exercises substantial control” over the Reporting Company

A qualitative test

An individual who satisfies any of several conditions “exercises substantial control” over a reporting company:



Senior officer

Serves as a senior officer of the reporting company



Appointment/removal authority

Has authority over the appointment or removal of any senior officer or a majority of the board of directors (or similar body)



Decision-making authority

Directs, determines, or has substantial influence over important decisions made by the reporting company



Catchall

Has any other form of substantial control over the reporting company

Because the penalties for failing to report a beneficial owner are severe, reporting companies may wish to include all directors, senior executive officers, and persons with the right to vote on major decisions.

Substantial influence under the Control Test

An individual may have substantial control by having “substantial influence” over important decisions addressing:

- Nature, scope, and attributes of a reporting company’s business
- Transfer of reporting company’s principal assets
- Major expenditures or investment, issuance of equity, incurrence of significant debt, and approval of operating budget
- Selection of termination of business lines or ventures or geographic focus
- Compensation schemes and incentives for senior officers
- Significant contracts
- Amendment of substantial governance documents

The Control Test applies to both direct and indirect control

Substantial control may be exercised indirectly via:

- Board representation
- Ownership or control of a majority of voting power or rights
- Rights associated with any financing arrangement or interest
- Control over an intermediary entity that exercises substantial control over the reporting company
- Formal or informal arrangements or relationships with individuals or entities acting as nominees
- Any other contract, arrangement, understanding, or relationship

The Ownership Test examines whether an individual owns or controls 25% of the ownership interests of the Reporting Company

A quantitative test

The total ownership interests an individual owns or controls, whether directly or indirectly, is calculated as a percentage of the total outstanding ownership interests of the reporting company and subject to several subrules:



Present-time rule

Ownership interests are calculated at the present time and any options or similar interests are treated as exercised



Partnership-capital rule

For reporting companies that issue capital or profit interests, ownership interests are the individual's capital and profit interests in the entity calculated as a percentage of the entity's total outstanding capital and profit interests



Corporate-capital rule

For corporations, entities treated as corporations for federal income-tax purposes, and other reporting companies that issue shares of stock, the applicable percentage is the greater of:

- (a) the total combined voting power of all classes of the individual's ownership interests as a percentage of total outstanding voting power of all classes of ownership interests entitled to vote, and
- (b) the total combined value of the individual's ownership interests as a percentage of the total outstanding value of all classes of ownership interests



Failsafe rule

If the above calculations cannot be completed with reasonable certainty, an individual who owns or controls 25% or more of any class or type of ownership interest of a reporting company will be deemed to own or control 25% or more of the reporting company's ownership interests.

The Ownership Test (continued)

- Considers and aggregates all forms of interests and arrangements (e.g., interest in reporting company held in trust aggregated with those a beneficiary holds outright)
- Includes rights to acquire interest and convert debt to interests
- Considers certain beneficial interests in trusts
- No family attribution

Five categories of individuals are not beneficial owners

1. Minor child (parent or guardian is instead reported)
2. Nominee, intermediary, custodian, or agent
3. Employee of reporting company whose control over or economic benefit therefrom derives solely from employment status rather than role as, e.g., senior officer or manager
4. Individual whose only interest in entity is through right of inheritance
5. Creditor of entity (with certain exceptions)

A special rule applies to any trust that holds at least 25% of a reporting company

An individual may be a beneficial owner in any of several capacities under a trust or similar arrangement by **directly or indirectly** owning or controlling an ownership interest of a reporting company, including:

Trustee

A trustee who controls at least 25% of the ownership interests

Adviser, protector, designated representative

A trustee, adviser, protector, designated representative or other individual who may dispose of trust assets

Sole current beneficiary

A beneficiary who is the sole permissible recipient of income **and** principal

Beneficiary with demand or withdrawal right

A beneficiary who may demand a distribution of or withdraw substantially all trust assets

Grantor with right to revoke or withdraw

A grantor who has may revoke the trust or otherwise withdraw its assets

A trust itself cannot be a beneficial owner of a reporting owner directly because only natural persons can be beneficial owners. Given the complexity of contemporary trust structures, trusts will often have multiple beneficial owners.

Applying the Control Test to trusts

The following individuals associated with a trust will be deemed beneficial owners via direct or indirect substantial control:

- A trustee who owns a majority of the voting power or rights in the reporting company
- A trustee, grantor, beneficiary, designated representative, adviser, protector, or other individual who
 - controls a majority of the voting power or voting rights of the reporting company
 - directs important company decisions
 - may remove and replace a majority of the board of directors of a reporting company.
 - may remove and replace senior officers

Under NRS 163.5553, a trust protector is granted several powers that may constitute substantial control, including:

- Removing and appointing trustees, advisers, and committee members
- Terminating the trust
- Directing or vetoing distributions
- Appointing successor trust protector or adviser

The Look-Through Rule applies to corporate trustees of trusts that own or substantially control reporting companies

If a corporate trustee owns or substantially controls a reporting company, certain individuals within the corporate trustee are beneficial owners rather than the corporate trustee itself:

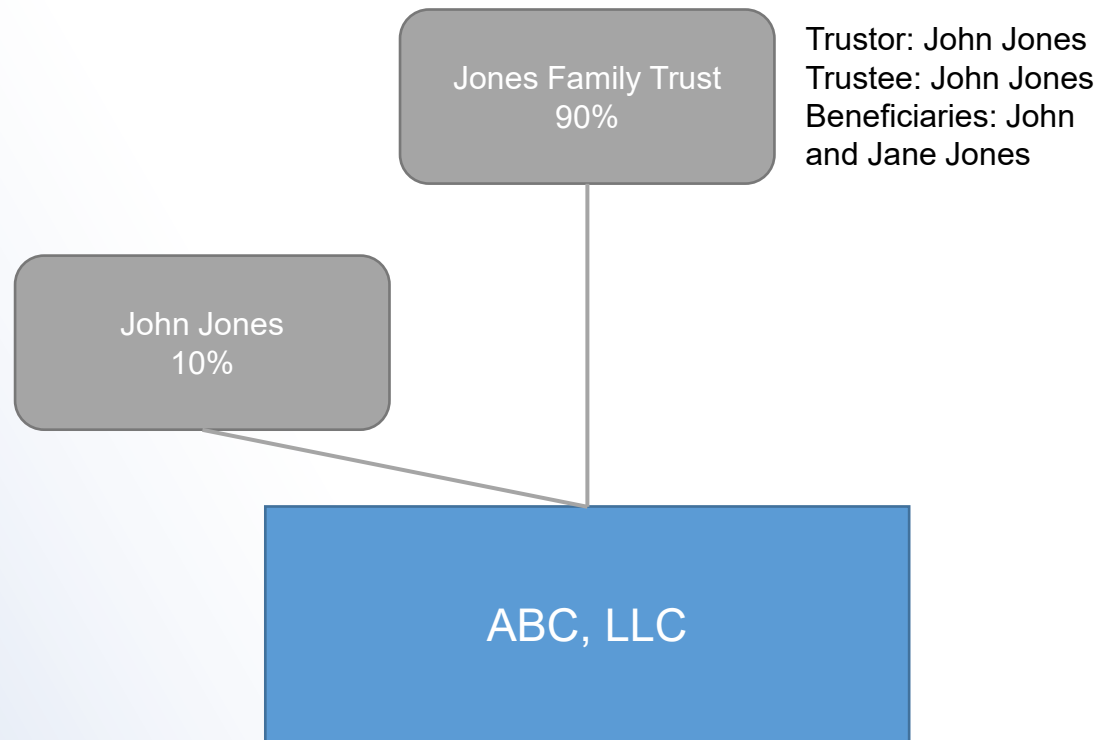
- Directors
- Managers
- Officers
- Other persons with authority constituting ownership or substantial control and their superiors

How far does the look-through rule go?

- Committee members?
- Advisers?
- Not owners

The final rule confirms that the look-through rule does not extend to an owner of the exempt entity itself (e.g., an owner of a corporate trustee) if the owner would be a beneficial owner exclusively by virtue of possessing an ownership interest in the exempt entity. 31 CFR § 101.380(b)(2)(i).

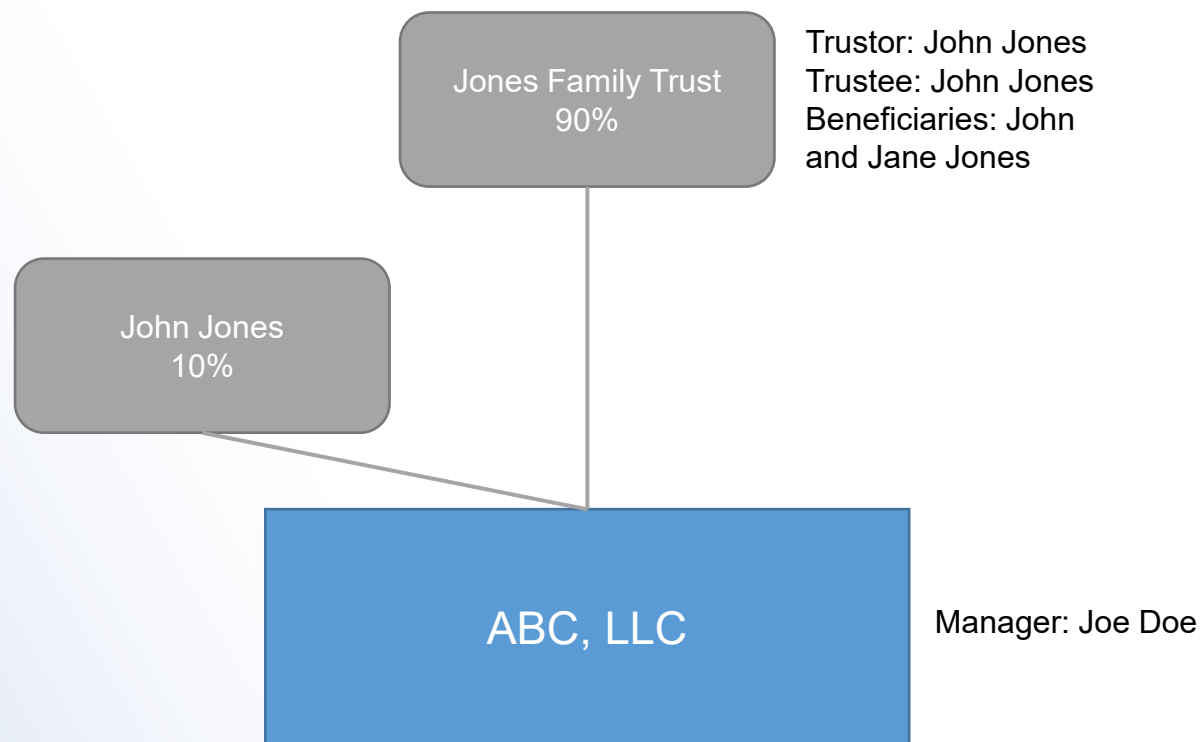
Example #1: Revocable trust holds 90% membership interest in reporting company



- John Jones, individually, is a beneficial owner because his ownership will be aggregated with that of the Jones Family Trust.
- Because the Jones Family Trust is not an *individual*, we must apply the **Trust Rule** to determine the beneficial owner(s) with respect to the Trust.

We must also determine who has *substantial control*.

Example #1: Revocable trust holds 90% membership interest in reporting company (cont'd)

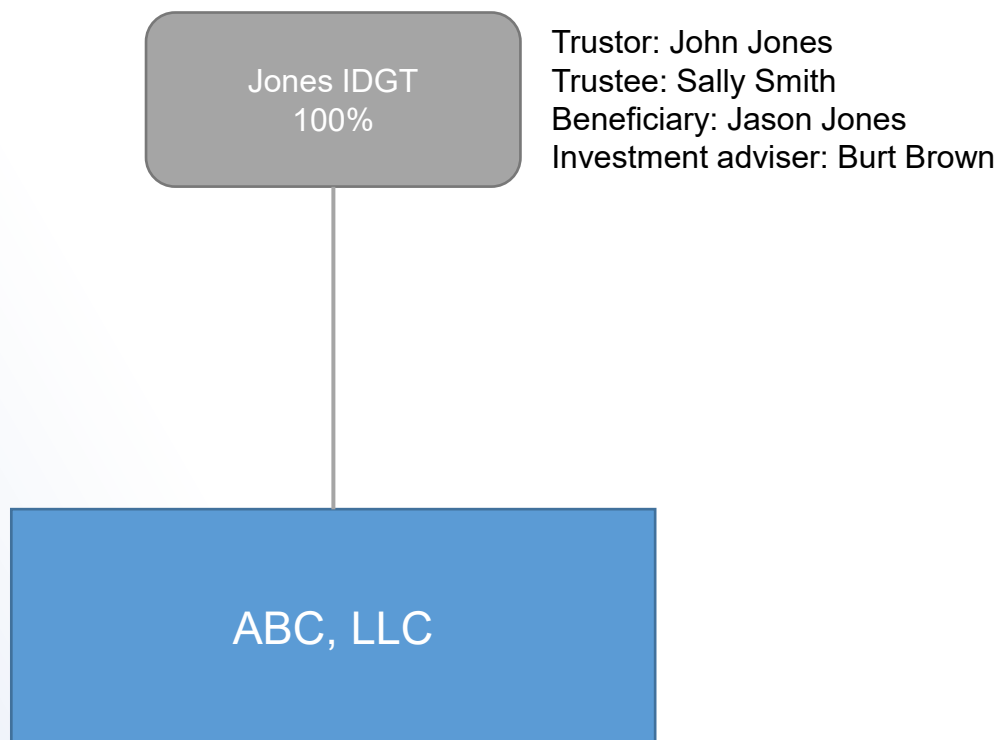


Note: This analysis will require the Reporting Company to review the trust instrument and governing instruments and may produce multiple beneficial owners.

Assuming no other relevant facts:

- John Jones, as Trustor, is a beneficial owner if he has the right to revoke the trust or otherwise withdraw trust assets, and his individual ownership is aggregated with that of the Jones Family Trust, so he is deemed to own 100% of ABC, LLC.
- Each of John and Jane Jones are a beneficial owner as a beneficiary of the trust.
- John Jones, as Trustee, is a beneficial owner if he has the authority to dispose of trust assets or substantial control of ABC, LLC.
- A beneficiary who is the sole permissible recipient of income and principal or has the right to demand a distribution or withdraw substantially all trust assets is a beneficial owner.
- Joe Doe and any senior executive officers of ABC, LLC, are beneficial owners.

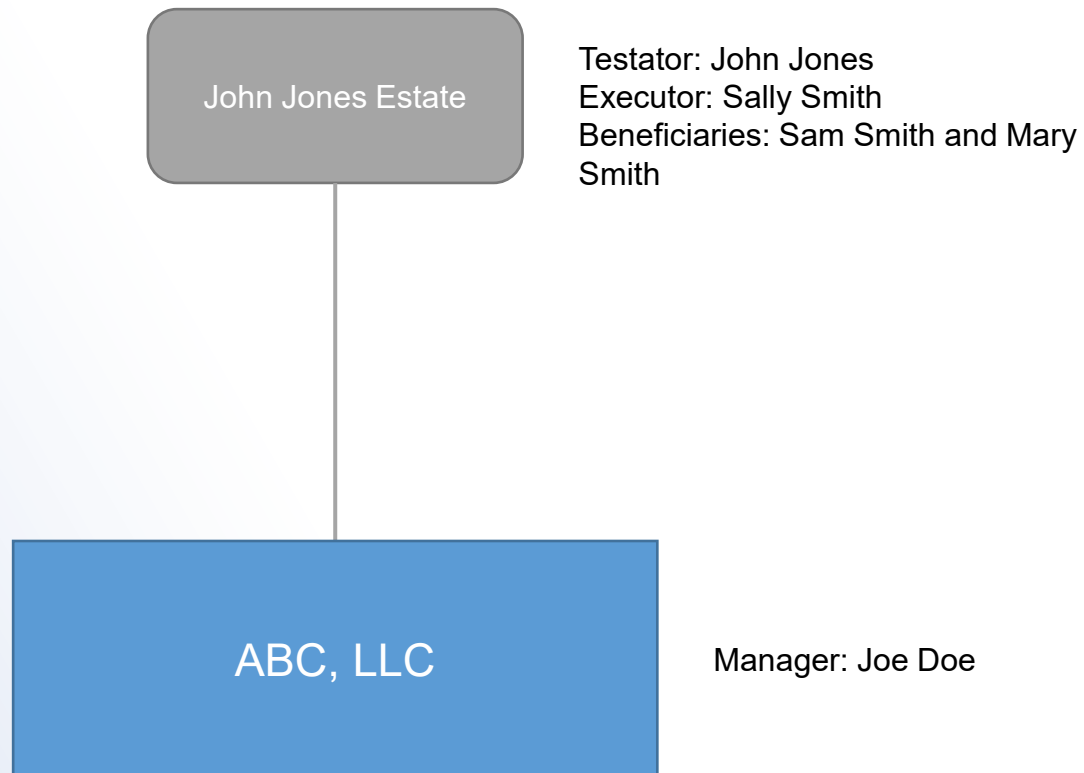
Example #2: Irrevocable trust holds 100% membership interest in reporting company and has trust-investment adviser, grantor has swap power



Assuming no other relevant facts:

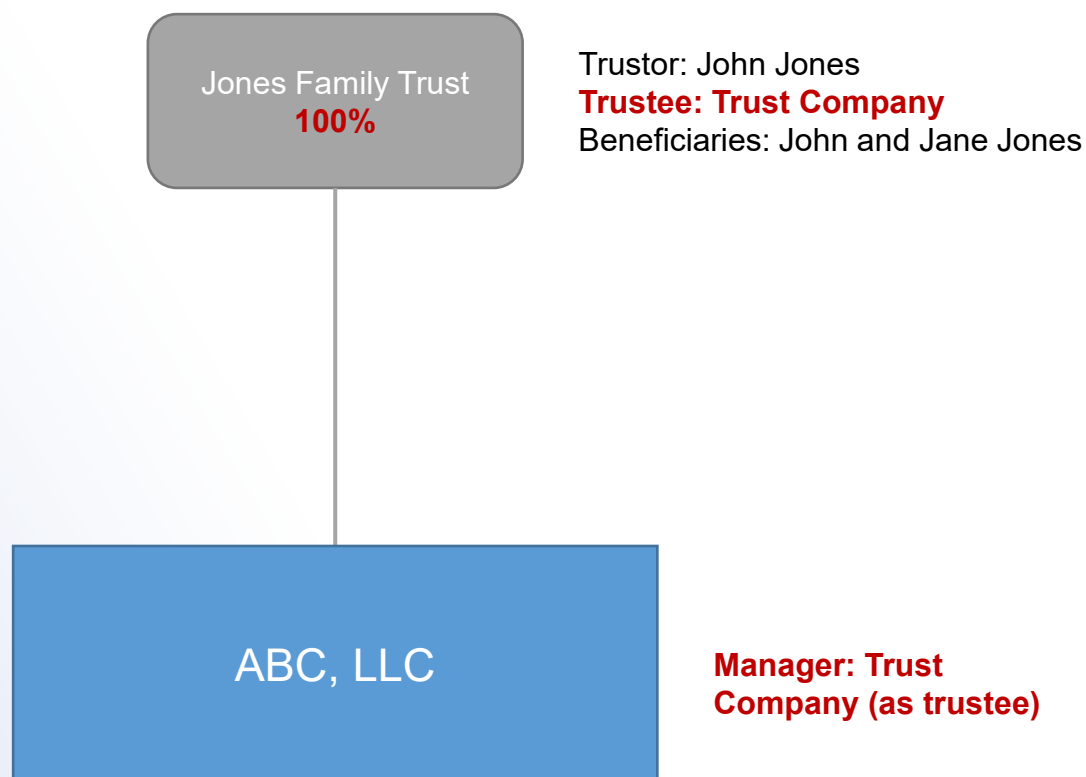
- John Jones, as Trustor, lacks right to revoke the trust.
- But he has the power to substitute trust assets, so he may be a beneficial owner.
- Sally Smith, as Trustee, is a beneficial owner if she has the authority (even if investment adviser must so direct) to dispose of trust assets or assert substantial control over ABC, LLC.
- Burt Brown, as Investment Adviser, has substantial control over assets, so he too is a beneficial owner unless he can successfully argue the “nominee” exception.
- Jason Jones, as sole beneficiary, is a beneficial owner if he is the sole permissible recipient of income and principal.
- All managers and senior executive officers of ABC, LLC, are beneficial owners.

Example #3: Estate of beneficial owner



- Inheritance rule
- Sally, as executor, may dispose of estate assets, so she must be reported as beneficial owner within 30 days of her appointment as executor.
- Testator remains beneficial owner until estate is settled
- Sam and Mary not reported as beneficial owners until estate is settled
- Even with less than 25% ownership, Sally Smith may be a beneficial owner as executor with substantial control over ABC.

Example #4: Subsidiary exemption for entity held in trust by exempt entity



“[T]he term ‘reporting company’ does not include . . . [a]ny entity whose ownership interests are controlled or wholly owned, directly or indirectly, by” an exempt entity.

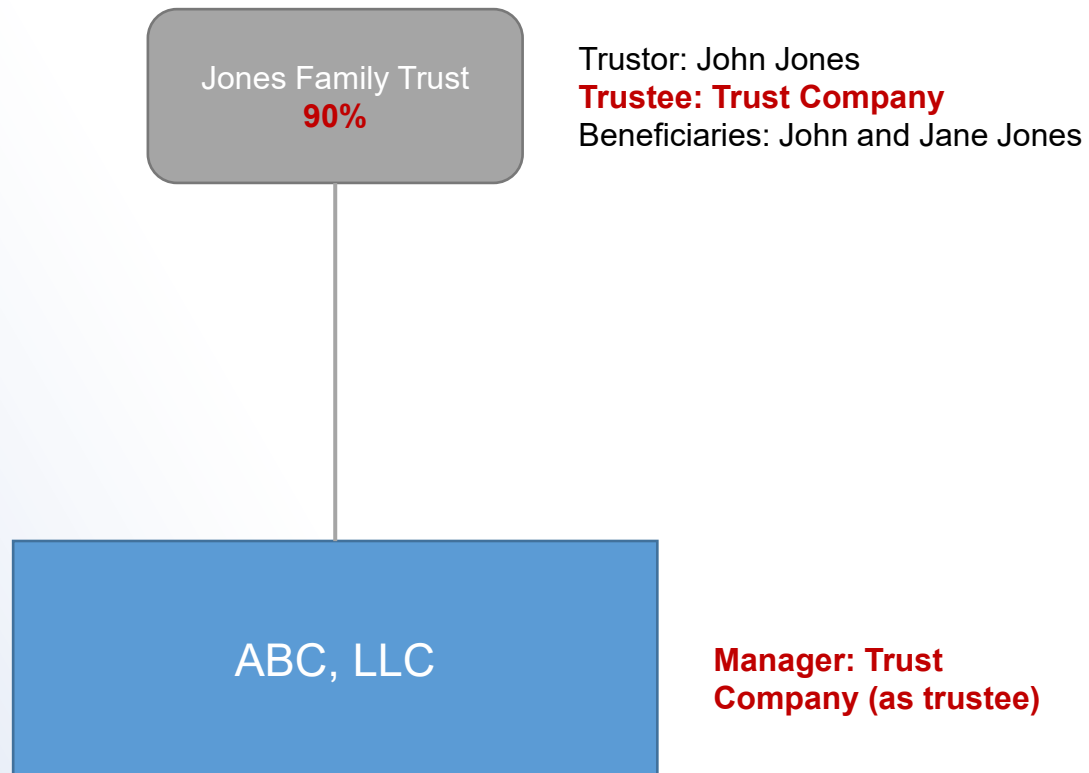
- Trust company “wholly own[s]” ABC insofar as it is trustee of Jones Family Trust, which possesses a 100% ownership interest in ABC.
- Trust company also controls ABC in its capacity as manager.

So does Trust Company’s exemption flow downstream to ABC, exempting ABC from reporting-company status???



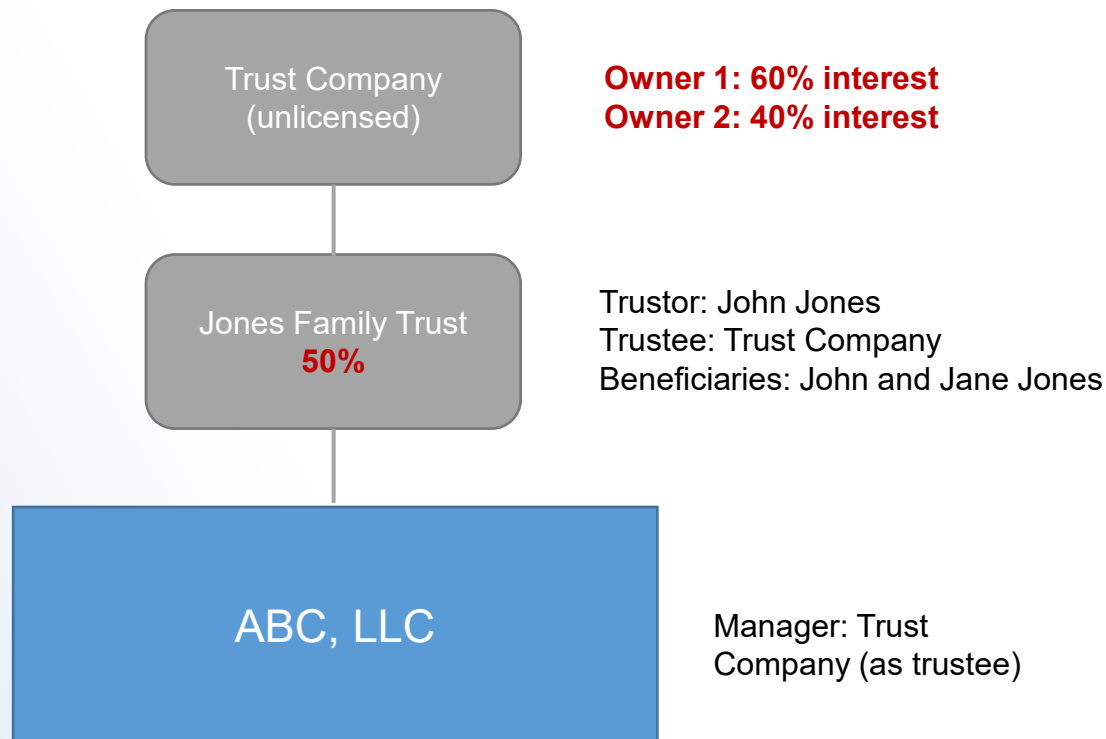
Commentators have noted that this raises a fundamental issue: Does a trust company “own” a reporting company simply by administering a trust that owns the reporting company? If not, can a reporting company truly be a “subsidiary” and thus exempt?

Example #4: Subsidiary exemption for entity held in trust by exempt entity (cont'd)



- Having mere 90% ownership interest, Trust Company does not wholly own ABC, LLC.
- This deprives ABC, LLC, of the subsidiary exemption.
- Trust Company and LLC's other member(s) must be reported as its beneficial owners.
- The look-through rule will require identification of individuals within Trust Company who (indirectly) own at least 25% of ABC, LLC.

Example #5: Ownership of reporting company via ownership of trust company



- As in the previous example, Trust Company and LLC's other member(s) must be reported as beneficial owners of ABC, LLC, and the look-through rule will require identification of individuals within Trust Company who own at least 25% of ABC, LLC.
- Owner 1 owns 60% of Trust Company and thus indirectly owns 30% of ABC, LLC.
 - So Owner 1 must be reported as a beneficial owner of ABC, LLC.
- Owner 2 owns only 40% of Trust Company and thus indirectly owns only 20% of ABC, LLC.
 - So Owner 2 need not be reported as a beneficial owner of ABC, LLC.

Recent developments

- Lawsuits
 - March 1, 2024: *National Small Business Association v. Yellen*: U.S. District Court for the District of Alabama found CTA unconstitutional and enjoined enforcement against plaintiffs.
 - March 15, 2024: *Boyle v. Yellen*: Constitutional challenge filed in U.S. District Court for the District of Maine.
- Legislation
 - U.S. House of Representatives adopted bill delaying implementation by one year, H.R. 5119, on December 12, 2023. Companion Senate Bill, S. 3625, referred to Senate Banking Committee.
- State-level BOI reporting
 - Effective December 21, 2024, LLCs newly formed in or authorized to do business in New York and subject to CTA reporting requirements must file BOI reports with the New York Department of State.
- Disclosure creep
 - February 7, 2024: FinCEN Notice of Proposed Rulemaking provides similar reporting requirements for certain residential real-estate transactions involving a transferee business entity or trust.
 - February 13, 2024: FinCEN Notice of Proposed Rulemaking requires certain investment advisers to apply Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) requirements under the Bank Secrecy Act, including implementing risk-based AML/CFT programs, reporting suspicious activity to FinCEN, and fulfilling recordkeeping requirements.
 - March 11, 2024: Treasury Green Book proposes to require reporting of estimated total value of assets and other information about trusts. Department of the Treasury, “General Information of the Administration’s Fiscal Year 2025 Revenue Proposals” 120.

Practical Effects and Considerations

Estate planning

- Structuring or decanting silent trusts to be accumulating trusts or income-only trusts with multiple discretionary beneficiaries to avoid reporting requirements
- Decanting trusts to modify beneficial interests and eliminate powers of appointment and removal and replacement powers to avoid reporting requirements
- Springing investment and distribution advisers
- Severing trusts to isolate reporting-company holdings
- Selling reporting-company interests or using swap powers to remove reporting company from trust
- Discretionary pot trusts with multiple beneficiaries
- Powers of appointment
- Taking care to use trustee removal and replacement powers

Practical Effects and Considerations (cont'd)

Estate planning (cont'd)

- Obtaining BOI and updates thereto from all parties to the trust
- Disclosure of reporting requirements to beneficiaries, trustees, power holders, trustor protectors if reporting company will be held in trust, and require each beneficial owner to obtain FinCEN identifier to shift responsibility.
- BOI compliance will be required for the reporting company to open or maintain a bank account or brokerage account
- Individuals and trusts individually owning less than 25% may still be beneficial owners because each may have a right to vote on major decisions or approve governing instruments, both of which constitute substantial influence
- A surviving spouse who is the beneficiary of a marital or QTIP trust and may receive principal distributions will automatically be deemed a beneficial owner if 25%-ownership test is met

Practical Effects and Considerations (cont'd)

Estate planning (cont'd)

- Condition distribution to beneficiary on compliance with reporting requirements
- Obtaining minor, current, remainder, or residuary beneficiary information
- Trustee's potential duty to assure compliance
- Rethinking use of reporting companies in estate planning
- Reduce number of potential beneficial owners in any plan
- Written disclosure in planning and drafting addressing CTA
- Getting notice of the death, resignation, or removal of trustee, adviser, protector, designated representative or other person requires updated BOI report
- Change of situs of trust or change of residential address of a trustee, grantor, beneficiary, advisor, or protector requires updated BOI report
- Loss, modification, or addition of powers may trigger updated report

Practical Effects and Considerations (cont'd)

Professional

- Engagement letter requiring BOI Data and authority to disclose BOI Data
- Identifying conflicts between reporting company and beneficial owner
- Deciding whether firm will handle CTA analysis and/or compliance and confirm in writing with client
- Client questionnaire will require disclosure of direct and beneficial ownership of a reporting company
- Difficulty with clients to timely obtain BOI
- Designating internal persons responsible for filings and managing exposure
- Documenting determination that an entity is exempt from reporting requirements
- Malpractice coverage for CTA compliance omission or update Increased use of retail and licensed family trust companies
- Engagement of CTA reporting facilitators and purchase of tracking programs
- Maintain inventory of entities formed and screen for single ownership, multiple ownership, trust ownership, entity ownership, and exempt ownership

Practical Effects and Considerations (cont'd)

Business and transactional

- Reporting company will be required to warrant and represent that it has complied with reporting requirements in a variety of matters
- Governing instrument, subscription and transactional provisions requiring initial and ongoing compliance with reporting requirements
- Notice, hold harmless, indemnification, injunctive relief for specific performance, privacy, and penalties for noncompliance, including requirement to obtain FinCEN identifier
- Timely obtaining and reporting BOI of parties to sale or transfer of reporting company
- Change in exemption status of entity (e.g., large operating company) or change in status of beneficial owner (e.g., grantor's death)

Practical effects and considerations (cont'd)

Business and transactional (cont'd)

- Use of policy-and-procedure manuals as defense to willful failure to report (see Exhibit 5, “Reporting Company Compliance Plan Sequence”)
- Use and reliance on Compliance Officers for reporting companies
- Risk of over disclosure of beneficial owners
- Getting successor information before changes in beneficial owner or person who has substantial control

Open Issues

- Swap powers
- Determining multiple current beneficiaries (pot trust), separate shares, mandatory versus discretionary
- Power of appointment held by third party
- Whether an entity owned in trust by a licensed trust company is an exempt subsidiary
- Payable- and transfer-on-death accounts
- Power to remove but not replace trustee
- How far does the look-through rule look?

Vendors

CSC Global

cscglobal.com

Cogency Global Corporate Business Services

cogencyglobal.com/corporate-transparency-act-resources

Wolters Kluwer

wolterskluwer.com/en/solutions/ct-corporation/resources/corporate-transparency-act-resources

FinCEN Report

fincenreport.com

FinCEN Advisors

fincenadvisors.com

Thomas Reuters

<https://legal.thomsonreuters.com/en/products/highq>

Legal Zoom

<https://www.legalzoom.com/business/business-operations/beneficial-ownership-information-report.html?>

References and additional resources

ACTEC

Glenn Fox et al., “The Corporate Transparency Act,” American College of Trust and Estate Counsel (2024).

Heckerling

Jocelyn M. Borowsky et al., “It’s Time to Get Our [CT]Act Together: Trustees, Family Offices, Private Trust Companies and the Corporate Transparency Act,” Heckerling Institute on Estate Planning (2024).

InterActive Legal

Jonathan G. Blattmachr et al., “A Deeper Dive into the Corporate Transparency Act,” InterActive Legal (2023).

LexisNexis

Wilson, Jonathan B., *The Corporate Transparency Act Compliance Guide* (2023).

Strafford

Alan Winston Granwell et al., “Corporate Transparency Act for Trusts and Estates,” Strafford (2024).

FinCEN

Financial Crimes Enforcement Network, “Beneficial Ownership Information Reporting Frequently Asked Questions” (2023)

Financial Crimes Enforcement Network, “Small Entity Compliance Guide” (2023)

Financial Crimes Enforcement Network, “Beneficial Ownership Information Report: Filing Instructions” (2024)

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Exhibit 1

31 CFR 1010.380

This content is from the eCFR and is authoritative but unofficial.

Title 31 — Money and Finance: Treasury

Subtitle B — Regulations Relating to Money and Finance

Chapter X — Financial Crimes Enforcement Network, Department of the Treasury

Part 1010 — General Provisions

Subpart C — Reports Required To Be Made

Authority: 12 U.S.C. 1829b and 1951-1959; 31 U.S.C. 5311-5314, 5316-5336; title III, sec. 314 Pub. L. 107-56, 115 Stat. 307; sec. 701 Pub. L. 114-74, 129 Stat. 599; sec. 6403, Pub. L. 116-283, 134 Stat. 3388.

Source: 75 FR 65812, Oct. 26, 2010, unless otherwise noted.

§ 1010.380 Reports of beneficial ownership information.

(a) *Reports required; timing of reports* —

- (1) **Initial report.** Each reporting company shall file an initial report in the form and manner specified in paragraph (b) of this section as follows:

(i)

- (A) Any domestic reporting company created on or after January 1, 2024, and before January 1, 2025, shall file a report within 90 calendar days of the earlier of the date on which it receives actual notice that its creation has become effective or the date on which a secretary of state or similar office first provides public notice, such as through a publicly accessible registry, that the domestic reporting company has been created.
- (B) Any domestic reporting company created on or after January 1, 2025, shall file a report within 30 calendar days of the earlier of the date on which it receives actual notice that its creation has become effective or the date on which a secretary of state or similar office first provides public notice, such as through a publicly accessible registry, that the domestic reporting company has been created.

(ii)

- (A) Any entity that becomes a foreign reporting company on or after January 1, 2024, and before January 1, 2025, shall file a report within 90 calendar days of the earlier of the date on which it receives actual notice that it has been registered to do business or the date on which a secretary of state or similar office first provides public notice, such as through a publicly accessible registry, that the foreign reporting company has been registered to do business.
- (B) Any entity that becomes a foreign reporting company on or after January 1, 2025, shall file a report within 30 calendar days of the earlier of the date on which it receives actual notice that it has been registered to do business or the date on which a secretary of state or similar office first provides public notice, such as through a publicly accessible registry, that the foreign reporting company has been registered to do business.

- (ii) Any entity that becomes a foreign reporting company on or after January 1, 2024 shall file a report within 30 calendar days of the earlier of the date on which it receives actual notice that it has been registered to do business or the date on which a secretary of state or similar office first provides public notice, such as through a publicly accessible registry, that the foreign reporting company has been registered to do business.
- (iii) Any domestic reporting company created before January 1, 2024 and any entity that became a foreign reporting company before January 1, 2024 shall file a report not later than January 1, 2025.
- (iv) Any entity that no longer meets the criteria for any exemption under paragraph (c)(2) of this section shall file a report within 30 calendar days after the date that it no longer meets the criteria for any exemption.

(2) **Updated report.**

- (i) If there is any change with respect to required information previously submitted to FinCEN concerning a reporting company or its beneficial owners, including any change with respect to who is a beneficial owner or information reported for any particular beneficial owner, the reporting company shall file an updated report in the form and manner specified in paragraph (b)(3) of this section within 30 calendar days after the date on which such change occurs.
- (ii) If a reporting company meets the criteria for any exemption under paragraph (c)(2) of this section subsequent to the filing of an initial report, this change will be deemed a change with respect to information previously submitted to FinCEN, and the entity shall file an updated report.
- (iii) If an individual is a beneficial owner of a reporting company by virtue of property interests or other rights subject to transfer upon death, and such individual dies, a change with respect to required information will be deemed to occur when the estate of the deceased beneficial owner is settled, either through the operation of the intestacy laws of a jurisdiction within the United States or through a testamentary deposition. The updated report shall, to the extent appropriate, identify any new beneficial owners.
- (iv) If a reporting company has reported information with respect to a parent or legal guardian of a minor child pursuant to paragraphs (b)(2)(ii) and (d)(3)(i) of this section, a change with respect to required information will be deemed to occur when the minor child attains the age of majority.
- (v) With respect to an image of an identifying document required to be reported pursuant to paragraph (b)(1)(ii)(E) of this section, a change with respect to required information will be deemed to occur when the name, date of birth, address, or unique identifying number on such document changes.

- (3) **Corrected report.** If any report under this section was inaccurate when filed and remains inaccurate, the reporting company shall file a corrected report in the form and manner specified in paragraph (b) of this section within 30 calendar days after the date on which such reporting company becomes aware or has reason to know of the inaccuracy. A corrected report filed under this paragraph (a)(3) within this 30-day period shall be deemed to satisfy 31 U.S.C. 5336(h)(3)(C)(i)(I)(bb) if filed within 90 calendar days after the date on which the inaccurate report was filed.

(b) **Content, form, and manner of reports.** Each report or application submitted under this section shall be filed with FinCEN in the form and manner that FinCEN shall prescribe in the forms and instructions for such report or application, and each person filing such report or application shall certify that the report or application is true, correct, and complete.

(1) **Initial report.** An initial report of a reporting company shall include the following information:

(i) For the reporting company:

- (A) The full legal name of the reporting company;
- (B) Any trade name or “doing business as” name of the reporting company;
- (C) A complete current address consisting of:
 - (1) In the case of a reporting company with a principal place of business in the United States, the street address of such principal place of business; and
 - (2) In all other cases, the street address of the primary location in the United States where the reporting company conducts business;
- (D) The State, Tribal, or foreign jurisdiction of formation of the reporting company;
- (E) For a foreign reporting company, the State or Tribal jurisdiction where such company first registers; and
- (F) The Internal Revenue Service (IRS) Taxpayer Identification Number (TIN) (including an Employer Identification Number (EIN)) of the reporting company, or where a foreign reporting company has not been issued a TIN, a tax identification number issued by a foreign jurisdiction and the name of such jurisdiction;

(ii) For every individual who is a beneficial owner of such reporting company, and every individual who is a company applicant with respect to such reporting company:

- (A) The full legal name of the individual;
- (B) The date of birth of the individual;
- (C) A complete current address consisting of:
 - (1) In the case of a company applicant who forms or registers an entity in the course of such company applicant's business, the street address of such business; or
 - (2) In any other case, the individual's residential street address;
- (D) A unique identifying number and the issuing jurisdiction from one of the following documents:
 - (1) A non-expired passport issued to the individual by the United States government;
 - (2) A non-expired identification document issued to the individual by a State, local government, or Indian tribe for the purpose of identifying the individual;
 - (3) A non-expired driver's license issued to the individual by a State; or
 - (4) A non-expired passport issued by a foreign government to the individual, if the individual does not possess any of the documents described in paragraph (b)(1)(ii)(D)(1), (b)(1)(ii)(D)(2), or (b)(1)(ii)(D)(3) of this section; and

- (E) An image of the document from which the unique identifying number in paragraph (b)(1)(ii)(D) of this section was obtained.

(2) **Special rules —**

- (i) **Reporting company owned by exempt entity.** If one or more exempt entities under paragraph (c)(2) of this section has or will have a direct or indirect ownership interest in a reporting company and an individual is a beneficial owner of the reporting company exclusively by virtue of the individual's ownership interest in such exempt entities, the report may include the names of the exempt entities in lieu of the information required under paragraph (b)(1) of this section with respect to such beneficial owner.
- (ii) **Minor child.** If a reporting company reports the information required under paragraph (b)(1) of this section with respect to a parent or legal guardian of a minor child consistent with paragraph (d)(3)(i) of this section, then the report shall indicate that such information relates to a parent or legal guardian.
- (iii) **Foreign pooled investment vehicle.** If an entity would be a reporting company but for paragraph (c)(2)(xviii) of this section, and is formed under the laws of a foreign country, such entity shall be deemed a reporting company for purposes of paragraphs (a) and (b) of this section, except the report shall include the information required under paragraph (b)(1) of this section solely with respect to an individual who exercises substantial control over the entity. If more than one individual exercises substantial control over the entity, the entity shall report information with respect to the individual who has the greatest authority over the strategic management of the entity.
- (iv) **Company applicant for existing companies.** Notwithstanding paragraph (b)(1)(ii) of this section, if a reporting company was created or registered before January 1, 2024, the reporting company shall report that fact, but is not required to report information with respect to any company applicant.

(3) **Contents of updated or corrected reports —**

- (i) **Updated reports—in general.** An updated report required to be filed pursuant to paragraph (a)(2) of this section shall reflect any change with respect to required information previously submitted to FinCEN concerning a reporting company or its beneficial owners.
- (ii) **Updated reports—newly exempt entities.** An updated report required to be filed pursuant to paragraph (a)(2)(ii) of this section shall indicate that the filing entity is no longer a reporting company.
- (iii) **Corrected reports.** A corrected report required to be filed pursuant to paragraph (a)(3) of this section shall correct all inaccuracies in the information previously reported to FinCEN.

(4) **FinCEN identifier —**

- (i) **Application.**
 - (A) An individual may obtain a FinCEN identifier by submitting to FinCEN an application containing the information about the individual described in paragraph (b)(1) of this section.

- (B) A reporting company may obtain a FinCEN identifier by submitting to FinCEN an application at or after the time that the entity submits an initial report required under paragraph (b)(1) of this section.
- (C) Each FinCEN identifier shall be specific to each such individual or reporting company, and each such individual or reporting company (including any successor reporting company) may obtain only one FinCEN identifier.

(ii) ***Use of the FinCEN identifier.***

- (A) If an individual has obtained a FinCEN identifier and provided such FinCEN identifier to a reporting company, the reporting company may include such FinCEN identifier in its report in lieu of the information required under paragraph (b)(1) of this section with respect to such individual.
- (B) A reporting company may report another entity's FinCEN identifier and full legal name in lieu of the information required under paragraph (b)(1)(ii) of this section with respect to the beneficial owners of the reporting company only if:
 - (1) The other entity has obtained a FinCEN identifier and provided that FinCEN identifier to the reporting company;
 - (2) An individual is or may be a beneficial owner of the reporting company by virtue of an interest in the reporting company that the individual holds through an ownership interest in the other entity; and
 - (3) The beneficial owners of the other entity and of the reporting company are the same individuals.

(iii) ***Updates and corrections.***

- (A) Any individual that has obtained a FinCEN identifier shall update or correct any information previously submitted to FinCEN in an application for such FinCEN identifier.
 - (1) If there is any change with respect to required information previously submitted to FinCEN in such application, the individual shall file an updated application reflecting such change within 30 calendar days after the date on which such change occurs.
 - (2) If any such application was inaccurate when filed and remains inaccurate, the individual shall file a corrected application correcting all inaccuracies within 30 calendar days after the date on which the individual becomes aware or has reason to know of the inaccuracy. A corrected application filed under this paragraph within this 30-day period will be deemed to satisfy 31 U.S.C. 5336(h)(3)(C)(i)(I)(bb) if filed within 90 calendar days after the date on which the inaccurate application was submitted.
- (B) Any reporting company that has obtained a FinCEN identifier shall file an updated or corrected report to update or correct any information previously submitted to FinCEN. Such updated or corrected report shall be filed at the same time and in the same manner as updated or corrected reports filed under paragraph (a) of this section.

(c) ***Reporting company –***

- (1) ***Definition of reporting company.*** For purposes of this section, the term “reporting company” means either a domestic reporting company or a foreign reporting company.

- (i) The term “domestic reporting company” means any entity that is:
 - (A) A corporation;
 - (B) A limited liability company; or
 - (C) Created by the filing of a document with a secretary of state or any similar office under the law of a State or Indian tribe.
- (ii) The term “foreign reporting company” means any entity that is:
 - (A) A corporation, limited liability company, or other entity;
 - (B) Formed under the law of a foreign country; and
 - (C) Registered to do business in any State or tribal jurisdiction by the filing of a document with a secretary of state or any similar office under the law of a State or Indian tribe.
- (2) **Exemptions.** Notwithstanding paragraph (c)(1) of this section, the term “reporting company” does not include:
 - (i) **Securities reporting issuer.** Any issuer of securities that is:
 - (A) An issuer of a class of securities registered under section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l); or
 - (B) Required to file supplementary and periodic information under section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)).
 - (ii) **Governmental authority.** Any entity that:
 - (A) Is established under the laws of the United States, an Indian tribe, a State, or a political subdivision of a State, or under an interstate compact between two or more States; and
 - (B) Exercises governmental authority on behalf of the United States or any such Indian tribe, State, or political subdivision.
 - (iii) **Bank.** Any bank, as defined in:
 - (A) Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813);
 - (B) Section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)); or
 - (C) Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)).
 - (iv) **Credit union.** Any Federal credit union or State credit union, as those terms are defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).
 - (v) **Depository institution holding company.** Any bank holding company as defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), or any savings and loan holding company as defined in section 10(a) of the Home Owners' Loan Act (12 U.S.C. 1467a(a)).
 - (vi) **Money services business.** Any money transmitting business registered with FinCEN under 31 U.S.C. 5330, and any money services business registered with FinCEN under 31 CFR 1022.380.
 - (vii) **Broker or dealer in securities.** Any broker or dealer, as those terms are defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c), that is registered under section 15 of that Act (15 U.S.C. 78o).

- (viii) **Securities exchange or clearing agency.** Any exchange or clearing agency, as those terms are defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c), that is registered under sections 6 or 17A of that Act (15 U.S.C. 78f, 78q-1).
- (ix) **Other Exchange Act registered entity.** Any other entity not described in paragraph (c)(2)(i), (vii), or (viii) of this section that is registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).
- (x) **Investment company or investment adviser.** Any entity that is:
 - (A) An investment company as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3), or is an investment adviser as defined in section 202 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2); and
 - (B) Registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.) or the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.).
- (xi) **Venture capital fund adviser.** Any investment adviser that:
 - (A) Is described in section 203(l) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(l)); and
 - (B) Has filed Item 10, Schedule A, and Schedule B of Part 1A of Form ADV, or any successor thereto, with the Securities and Exchange Commission.
- (xii) **Insurance company.** Any insurance company as defined in section 2 of the Investment Company Act of 1940 (15 U.S.C. 80a-2).
- (xiii) **State-licensed insurance producer.** Any entity that:
 - (A) Is an insurance producer that is authorized by a State and subject to supervision by the insurance commissioner or a similar official or agency of a State; and
 - (B) Has an operating presence at a physical office within the United States.
- (xiv) **Commodity Exchange Act registered entity.** Any entity that:
 - (A) Is a registered entity as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a); or
 - (B) Is:
 - (1) A futures commission merchant, introducing broker, swap dealer, major swap participant, commodity pool operator, or commodity trading advisor, each as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a), or a retail foreign exchange dealer as described in section 2(c)(2)(B) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(B)); and
 - (2) Registered with the Commodity Futures Trading Commission under the Commodity Exchange Act.
- (xv) **Accounting firm.** Any public accounting firm registered in accordance with section 102 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7212).

- (xvi) **Public utility.** Any entity that is a regulated public utility as defined in 26 U.S.C. 7701(a)(33)(A) that provides telecommunications services, electrical power, natural gas, or water and sewer services within the United States.
- (xvii) **Financial market utility.** Any financial market utility designated by the Financial Stability Oversight Council under section 804 of the Payment, Clearing, and Settlement Supervision Act of 2010 (12 U.S.C. 5463).
- (xviii) **Pooled investment vehicle.** Any pooled investment vehicle that is operated or advised by a person described in paragraph (c)(2)(iii), (iv), (vii), (x), or (xi) of this section.
- (xix) **Tax-exempt entity.** Any entity that is:
 - (A) An organization that is described in section 501(c) of the Internal Revenue Code of 1986 (Code) (determined without regard to section 508(a) of the Code) and exempt from tax under section 501(a) of the Code, except that in the case of any such organization that ceases to be described in section 501(c) and exempt from tax under section 501(a), such organization shall be considered to continue to be described in this paragraph (c)(1)(xix)(A) for the 180-day period beginning on the date of the loss of such tax-exempt status;
 - (B) A political organization, as defined in section 527(e)(1) of the Code, that is exempt from tax under section 527(a) of the Code; or
 - (C) A trust described in paragraph (1) or (2) of section 4947(a) of the Code.
- (xx) **Entity assisting a tax-exempt entity.** Any entity that:
 - (A) Operates exclusively to provide financial assistance to, or hold governance rights over, any entity described in paragraph (c)(2)(xix) of this section;
 - (B) Is a United States person;
 - (C) Is beneficially owned or controlled exclusively by one or more United States persons that are United States citizens or lawfully admitted for permanent residence; and
 - (D) Derives at least a majority of its funding or revenue from one or more United States persons that are United States citizens or lawfully admitted for permanent residence.
- (xxi) **Large operating company.** Any entity that:
 - (A) Employs more than 20 full time employees in the United States, with “full time employee in the United States” having the meaning provided in 26 CFR 54.4980H-1(a) and 54.4980H-3, except that the term “United States” as used in 26 CFR 54.4980H-1(a) and 54.4980H-3 has the meaning provided in § 1010.100(hhh);
 - (B) Has an operating presence at a physical office within the United States; and
 - (C) Filed a Federal income tax or information return in the United States for the previous year demonstrating more than \$5,000,000 in gross receipts or sales, as reported as gross receipts or sales (net of returns and allowances) on the entity's IRS Form 1120, consolidated IRS Form 1120, IRS Form 1120-S, IRS Form 1065, or other applicable IRS form, excluding gross receipts or sales from sources outside the United States, as determined under Federal income tax principles. For an entity that is part of an affiliated

group of corporations within the meaning of 26 U.S.C. 1504 that filed a consolidated return, the applicable amount shall be the amount reported on the consolidated return for such group.

(xxii) **Subsidiary of certain exempt entities.** Any entity whose ownership interests are controlled or wholly owned, directly or indirectly, by one or more entities described in paragraphs (c)(2)(i), (ii), (iii), (iv), (v), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xvii), (xix), or (xxi) of this section.

(xxiii) **Inactive entity.** Any entity that:

- (A) Was in existence on or before January 1, 2020;
- (B) Is not engaged in active business;
- (C) Is not owned by a foreign person, whether directly or indirectly, wholly or partially;
- (D) Has not experienced any change in ownership in the preceding twelve month period;
- (E) Has not sent or received any funds in an amount greater than \$1,000, either directly or through any financial account in which the entity or any affiliate of the entity had an interest, in the preceding twelve month period; and
- (F) Does not otherwise hold any kind or type of assets, whether in the United States or abroad, including any ownership interest in any corporation, limited liability company, or other similar entity.

(d) **Beneficial owner.** For purposes of this section, the term “beneficial owner,” with respect to a reporting company, means any individual who, directly or indirectly, either exercises substantial control over such reporting company or owns or controls at least 25 percent of the ownership interests of such reporting company.

(1) **Substantial control –**

(i) **Definition of substantial control.** An individual exercises substantial control over a reporting company if the individual:

- (A) Serves as a senior officer of the reporting company;
- (B) Has authority over the appointment or removal of any senior officer or a majority of the board of directors (or similar body);
- (C) Directs, determines, or has substantial influence over important decisions made by the reporting company, including decisions regarding:
 - (1) The nature, scope, and attributes of the business of the reporting company, including the sale, lease, mortgage, or other transfer of any principal assets of the reporting company;
 - (2) The reorganization, dissolution, or merger of the reporting company;
 - (3) Major expenditures or investments, issuances of any equity, incurrence of any significant debt, or approval of the operating budget of the reporting company;
 - (4) The selection or termination of business lines or ventures, or geographic focus, of the reporting company;
 - (5) Compensation schemes and incentive programs for senior officers;

- (6) The entry into or termination, or the fulfillment or non-fulfillment, of significant contracts;
 - (7) Amendments of any substantial governance documents of the reporting company, including the articles of incorporation or similar formation documents, bylaws, and significant policies or procedures; or
 - (D) Has any other form of substantial control over the reporting company.
 - (ii) **Direct or indirect exercise of substantial control.** An individual may directly or indirectly, including as a trustee of a trust or similar arrangement, exercise substantial control over a reporting company through:
 - (A) Board representation;
 - (B) Ownership or control of a majority of the voting power or voting rights of the reporting company;
 - (C) Rights associated with any financing arrangement or interest in a company;
 - (D) Control over one or more intermediary entities that separately or collectively exercise substantial control over a reporting company;
 - (E) Arrangements or financial or business relationships, whether formal or informal, with other individuals or entities acting as nominees; or
 - (F) any other contract, arrangement, understanding, relationship, or otherwise.
- (2) **Ownership Interests** –
 - (i) **Definition of ownership interest.** The term “ownership interest” means:
 - (A) Any equity, stock, or similar instrument; preorganization certificate or subscription; or transferable share of, or voting trust certificate or certificate of deposit for, an equity security, interest in a joint venture, or certificate of interest in a business trust; in each such case, without regard to whether any such instrument is transferable, is classified as stock or anything similar, or confers voting power or voting rights;
 - (B) Any capital or profit interest in an entity;
 - (C) Any instrument convertible, with or without consideration, into any share or instrument described in paragraph (d)(2)(i)(A), or (B) of this section, any future on any such instrument, or any warrant or right to purchase, sell, or subscribe to a share or interest described in paragraph (d)(2)(i)(A), or (B) of this section, regardless of whether characterized as debt;
 - (D) Any put, call, straddle, or other option or privilege of buying or selling any of the items described in paragraph (d)(2)(i)(A), (B), or (C) of this section without being bound to do so, except to the extent that such option or privilege is created and held by a third party or third parties without the knowledge or involvement of the reporting company; or
 - (E) Any other instrument, contract, arrangement, understanding, relationship, or mechanism used to establish ownership.

- (ii) **Ownership or control of ownership interest.** An individual may directly or indirectly own or control an ownership interest of a reporting company through any contract, arrangement, understanding, relationship, or otherwise, including:
 - (A) Joint ownership with one or more other persons of an undivided interest in such ownership interest;
 - (B) Through another individual acting as a nominee, intermediary, custodian, or agent on behalf of such individual;
 - (C) With regard to a trust or similar arrangement that holds such ownership interest:
 - (1) As a trustee of the trust or other individual (if any) with the authority to dispose of trust assets;
 - (2) As a beneficiary who:
 - (i) Is the sole permissible recipient of income and principal from the trust; or
 - (ii) Has the right to demand a distribution of or withdraw substantially all of the assets from the trust; or
 - (3) As a grantor or settlor who has the right to revoke the trust or otherwise withdraw the assets of the trust; or
 - (D) Through ownership or control of one or more intermediary entities, or ownership or control of the ownership interests of any such entities, that separately or collectively own or control ownership interests of the reporting company.
- (iii) **Calculation of the total ownership interests of a reporting company.** In determining whether an individual owns or controls at least 25 percent of the ownership interests of a reporting company, the total ownership interests that an individual owns or controls, directly or indirectly, shall be calculated as a percentage of the total outstanding ownership interests of the reporting company as follows:
 - (A) Ownership interests of the individual shall be calculated at the present time, and any options or similar interests of the individual shall be treated as exercised;
 - (B) For reporting companies that issue capital or profit interests (including entities treated as partnerships for federal income tax purposes), the individual's ownership interests are the individual's capital and profit interests in the entity, calculated as a percentage of the total outstanding capital and profit interests of the entity;
 - (C) For corporations, entities treated as corporations for federal income tax purposes, and other reporting companies that issue shares of stock, the applicable percentage shall be the greater of:
 - (1) the total combined voting power of all classes of ownership interests of the individual as a percentage of total outstanding voting power of all classes of ownership interests entitled to vote, or
 - (2) the total combined value of the ownership interests of the individual as a percentage of the total outstanding value of all classes of ownership interests; and

- (D) If the facts and circumstances do not permit the calculations described in either paragraph (d)(2)(iii)(B) or (C) to be performed with reasonable certainty, any individual who owns or controls 25 percent or more of any class or type of ownership interest of a reporting company shall be deemed to own or control 25 percent or more of the ownership interests of the reporting company.

(3) **Exceptions.** Notwithstanding any other provision of this paragraph (d), the term “beneficial owner” does not include:

- (i) A minor child, as defined under the law of the State or Indian tribe in which a domestic reporting company is created or a foreign reporting company is first registered, provided the reporting company reports the required information of a parent or legal guardian of the minor child as specified in paragraph (b)(2)(ii) of this section;
- (ii) An individual acting as a nominee, intermediary, custodian, or agent on behalf of another individual;
- (iii) An employee of a reporting company, acting solely as an employee, whose substantial control over or economic benefits from such entity are derived solely from the employment status of the employee, provided that such person is not a senior officer as defined in paragraph (f)(8) of this section;
- (iv) An individual whose only interest in a reporting company is a future interest through a right of inheritance;
- (v) A creditor of a reporting company. For purposes of this paragraph (d)(3)(v), a creditor is an individual who meets the requirements of paragraph (d) of this section solely through rights or interests for the payment of a predetermined sum of money, such as a debt incurred by the reporting company, or a loan covenant or other similar right associated with such right to receive payment that is intended to secure the right to receive payment or enhance the likelihood of repayment.

(e) **Company applicant.** For purposes of this section, the term “company applicant” means:

- (1) For a domestic reporting company, the individual who directly files the document that creates the domestic reporting company as described in paragraph (c)(1)(i) of this section;
- (2) For a foreign reporting company, the individual who directly files the document that first registers the foreign reporting company as described in paragraph (c)(1)(ii) of this section; and
- (3) Whether for a domestic or a foreign reporting company, the individual who is primarily responsible for directing or controlling such filing if more than one individual is involved in the filing of the document.

(f) **Definitions.** For purposes of this section, the following terms have the following meanings.

- (1) **Employee.** The term “employee” has the meaning given the term in 26 CFR 54.4980H-1(a)(15).
- (2) **FinCEN identifier.** The term “FinCEN identifier” means the unique identifying number assigned by FinCEN to an individual or reporting company under this section.
- (3) **Foreign person.** The term “foreign person” means a person who is not a United States person.
- (4) **Indian tribe.** The term “Indian tribe” has the meaning given the term “Indian tribe” in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 5130).

- (5) **Lawfully admitted for permanent residence.** The term “lawfully admitted for permanent residence” has the meaning given the term in section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)).
- (6) **Operating presence at a physical office within the United States.** The term “has an operating presence at a physical office within the United States” means that an entity regularly conducts its business at a physical location in the United States that the entity owns or leases and that is physically distinct from the place of business of any other unaffiliated entity.
- (7) **Pooled investment vehicle.** The term “pooled investment vehicle” means:
 - (i) Any investment company, as defined in section 3(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(a)); or
 - (ii) Any company that:
 - (A) Would be an investment company under that section but for the exclusion provided from that definition by paragraph (1) or (7) of section 3(c) of that Act (15 U.S.C. 80a-3(c)); and
 - (B) Is identified by its legal name by the applicable investment adviser in its Form ADV (or successor form) filed with the Securities and Exchange Commission or will be so identified in the next annual updating amendment to Form ADV required to be filed by the applicable investment adviser pursuant to rule 204-1 under the Investment Advisers Act of 1940 (17 CFR 275.204-1).
- (8) **Senior officer.** The term “senior officer” means any individual holding the position or exercising the authority of a president, chief financial officer, general counsel, chief executive officer, chief operating officer, or any other officer, regardless of official title, who performs a similar function.
- (9) **State.** The term “State” means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the United States Virgin Islands, and any other commonwealth, territory, or possession of the United States.
- (10) **United States person.** The term “United States person” has the meaning given the term in section 7701(a)(30) of the Internal Revenue Code of 1986.
- (g) **Reporting violations.** It shall be unlawful for any person to willfully provide, or attempt to provide, false or fraudulent beneficial ownership information, including a false or fraudulent identifying photograph or document, to FinCEN in accordance with this section, or to willfully fail to report complete or updated beneficial ownership information to FinCEN in accordance with this section. For purposes of this paragraph (g):
 - (1) The term “person” includes any individual, reporting company, or other entity.
 - (2) The term “beneficial ownership information” includes any information provided to FinCEN under this section.
 - (3) A person provides or attempts to provide beneficial ownership information to FinCEN if such person does so directly or indirectly, including by providing such information to another person for purposes of a report or application under this section.
 - (4) A person fails to report complete or updated beneficial ownership information to FinCEN if, with respect to an entity:

- (i) such entity is required, pursuant to title 31, United States Code, section 5336, or its implementing regulations, to report information to FinCEN;
- (ii) the reporting company fails to report such information to FinCEN; and
- (iii) such person either causes the failure, or is a senior officer of the entity at the time of the failure.

[87 FR 59591, Sept. 30, 2022, as amended at 88 FR 76997, Nov. 8, 2023; 88 FR 83504, Nov. 30, 2023]

Exhibit 2
BOI Report

WARNING: A PRINTED VERSION OF THE BOI REPORTING FORM IS NOT FOR SUBMISSION AND WILL NOT BE PROCESSED BY FINCEN.



Beneficial Ownership Information Report

OMB No. 1506-0076

Version Number: 1.0

Release Date: 02-02-2024

Report Preparation & Submission Instructions:

Instructions

1. Complete the report in its entirety with all required information. Click **Instructions** for help.
2. Click **Validate** to ensure all entered data is properly formatted and that all required fields are completed.
3. Click **Finalize** to lock the entries in the report and prepare it for submission. Click **Edit Report** to unlock and re-edit.
4. Click **Save** to retain a local copy of the report (this can be done at any time during report preparation).
5. (Optional) Click **Print** to print a hard copy of your completed report.
6. Select **Ready to File** (activated after the report is finalized and saved locally) to begin the submission process.

Edit Report

Filing Information

1. *Type of filing:

- a. Initial report ☒
- b. Correct prior report ☐
- c. Update prior report ☐
- d. Newly exempt entity ☐

Reporting Company information associated with most recent report, if any:

- e. Legal name
- f. Tax Identification type
- g. Tax Identification number
- h. Country/Jurisdiction (if foreign tax ID only)

2. Date prepared (auto-filled when form is finalized)

PRIVACY ACT AND PAPERWORK REDUCTION ACT NOTICE

This notice is given under the Privacy Act of 1974 (Privacy Act) and the Paperwork Reduction Act of 1995 (Paperwork Reduction Act). The Privacy Act and Paperwork Reduction Act require that FinCEN inform persons of the following when requesting and collecting information in connection with this collection of information. This collection of information is authorized under 31 U.S.C. 5336 and 31 C.F.R. 1010.380. The principal purpose of this collection of information is to generate a database of information that is highly useful in facilitating national security, intelligence, and law enforcement activities, as well as compliance with anti-money laundering, countering the financing of terrorism, and customer due diligence requirements under applicable law. Pursuant to 31 U.S.C. 5336 and 31 C.F.R. 1010.380, reporting companies and certain other persons must provide specified information. The provision of that information is mandatory and failure to provide that information may result in criminal and civil penalties. The provision of information for the purpose of requesting a FinCEN Identifier is voluntary; however, failure to provide such information may result in the denial of such a request. Generally, the information within this collection of information may be shared as a "routine use" with other government agencies and financial institutions that meet certain criteria under applicable law. The complete list of routine uses of the information is set forth in the relevant Privacy Act system of record notice available at <https://www.federalregister.gov/documents/2023/09/13/2023-19814/privacy-act-of-1974-system-of-records>. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1506-0076. It expires on November 30, 2026. The estimated average burden associated with this collection of information from reporting companies is 90 to 650 minutes per respondent for reporting companies with simple or complex beneficial ownership structures, respectively. The estimated average burden associated with reporting companies updating information previously provided is 40 to 170 minutes per respondent for reporting companies with simple or complex beneficial ownership structures, respectively. The estimated average burden associated with this collection of information from individuals applying for FinCEN identifiers is 20 minutes per applicant. The estimated average burden associated with individuals who have obtained FinCEN identifiers updating information previously provided is 10 minutes per individual. Comments regarding the accuracy of this burden estimate, and suggestions for reducing the burden should be directed to the Financial Crimes Enforcement Network, P. O. Box 39, Vienna, VA 22183, Attn: Policy Division.

WARNING: A PRINTED VERSION OF THE BOI REPORTING FORM IS NOT FOR SUBMISSION AND WILL NOT BE PROCESSED BY FINCEN.

Part I. Reporting Company Information

3. Request to receive FinCEN Identifier (FinCEN ID) ☐

4. Foreign pooled investment vehicle ☐

Full legal name and alternate name(s):

5. * Reporting Company legal name

6. Alternate name (e.g. trade name, DBA)

Form of identification:

7. * Tax Identification type

8. * Tax Identification number

9. Country/Jurisdiction (if foreign tax ID only)

Jurisdiction of formation or first registration:

10. * a. Country/Jurisdiction of formation

Domestic Reporting Company:

b. State of formation

c. Tribal jurisdiction of formation

d. Name of the other Tribe

Foreign Reporting Company:

e. State of first registration

f. Tribal jurisdiction of first registration

g. Name of the other Tribe

Current U.S. Address:

11. * Address (number, street, and apt. or suite no.)

12. * City

13. * U.S. or U.S. Territory

14. * State

15. * ZIP Code

WARNING: A PRINTED VERSION OF THE BOI REPORTING FORM IS NOT FOR SUBMISSION AND WILL NOT BE PROCESSED BY FINCEN.

16. Existing Reporting Company ☒ (check if Reporting Company was created or registered before January 1, 2024)
17. (This item is reserved for future use)

Part II. Company Applicant Information

1 of 1

Company Applicant FinCEN ID:

18. FinCEN ID

Full legal name and date of birth:

19. * Individual's last name

20. * First name

21. Middle name

22. Suffix

23. * Date of birth

Current address:

24. * Address type ☐ a. Business address ☐ b. Residential address

25. * Address (number, street, and apt. or suite no.)

26. * City

27. * Country/Jurisdiction

28. * State

29. * ZIP/Foreign postal code

Form of identification and issuing jurisdiction:

30. * Identifying document type

31. * Identifying document number

32. * Identifying document issuing jurisdiction:

a. Country/Jurisdiction

b. State

c. Local/Tribal

d. Other local/Tribal description

33. * Identifying document image

WARNING: A PRINTED VERSION OF THE BOI REPORTING FORM IS NOT FOR SUBMISSION AND WILL NOT BE PROCESSED BY FINCEN.

34. (This item is reserved for future use)

Part III. Beneficial Owner Information

1 of 3

35. Parent/Guardian information instead of minor child ☐ (check if the Beneficial Owner is a minor child and the parent/guardian information is provided instead)

Beneficial Owner FinCEN ID:

36. FinCEN ID

Exempt entity:

37. Exempt entity ☐

Full legal name and date of birth:

38. * Individual's last name or entity's legal name.

39. * First name

40. Middle name

41. Suffix

42. * Date of birth

Residential address:

43. * Address (number, street, and apt. or suite no.)

44. * City

45. * Country/Jurisdiction

46. * State

47. * ZIP/Foreign postal code

Form of identification and issuing jurisdiction:

48. * Identifying document type

49. * Identifying document number

50. * Identifying document issuing jurisdiction:

a. Country/Jurisdiction

b. State

c. Local/Tribal

d. Other local/Tribal description

51. * Identifying document image

WARNING: A PRINTED VERSION OF THE BOI REPORTING FORM IS NOT FOR SUBMISSION AND WILL NOT BE PROCESSED BY FINCEN.

Part III. Beneficial Owner Information

2 of 3

35. Parent/Guardian information instead of minor child ☐ (check if the Beneficial Owner is a minor child and the parent/guardian information is provided instead)

Beneficial Owner FinCEN ID:

36. FinCEN ID

Exempt entity:

37. Exempt entity ☐

Full legal name and date of birth:

38. * Individual's last name or entity's legal name.

39. * First name

40. Middle name

41. Suffix

42. * Date of birth

Residential address:

43. * Address (number, street, and apt. or suite no.)

44. * City

45. * Country/Jurisdiction

46. * State

47. * ZIP/Foreign postal code

Form of identification and issuing jurisdiction:

48. * Identifying document type

49. * Identifying document number

50. * Identifying document issuing jurisdiction:

a. Country/Jurisdiction

b. State

c. Local/Tribal

d. Other local/Tribal description

51. * Identifying document image

WARNING: A PRINTED VERSION OF THE BOI REPORTING FORM IS NOT FOR SUBMISSION AND WILL NOT BE PROCESSED BY FINCEN.

Part III. Beneficial Owner Information

3 of 3

35. Parent/Guardian information instead of minor child ☐ (check if the Beneficial Owner is a minor child and the parent/guardian information is provided instead)

Beneficial Owner FinCEN ID:

36. FinCEN ID

Exempt entity:

37. Exempt entity ☐

Full legal name and date of birth:

38. * Individual's last name or entity's legal name.

39. * First name

40. Middle name

41. Suffix

42. * Date of birth

Residential address:

43. * Address (number, street, and apt. or suite no.)

44. * City

45. * Country/Jurisdiction

46. * State

47. * ZIP/Foreign postal code

Form of identification and issuing jurisdiction:

48. * Identifying document type

49. * Identifying document number

50. * Identifying document issuing jurisdiction:

a. Country/Jurisdiction

b. State

c. Local/Tribal

d. Other local/Tribal description

51. * Identifying document image

Exhibit 3

FinCEN Beneficial Ownership Information Report: Filing Instructions



Beneficial Ownership Information Report

Filing Instructions

Financial Crimes Enforcement Network
U.S. Department of the Treasury
Version 1.0 January 2024

Table of Contents

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Disclaimer: These filing instructions are explanatory only and do not supplement or modify any obligations imposed by statute or regulation. FinCEN may also revise these filing instructions to clarify or update content. For additional and latest information, consult www.fincen.gov/boi.

I. Who, What, When of Beneficial Ownership Information Reporting Requirements

The Corporate Transparency Act requires certain types of U.S. and foreign entities to report beneficial ownership information to the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of the Treasury. Beneficial ownership information is information about the entity, its beneficial owners, and in certain cases its company applicants. Beneficial ownership information is reported to FinCEN through Beneficial Ownership Information Reports (BOIRs).

FinCEN’s website includes guidance about the beneficial ownership information reporting requirements on its [beneficial ownership information webpage](#). FinCEN’s [Small Entity Compliance Guide](#) explains who must report, what they must report, and when they must report. The Guide includes interactive flowcharts, checklists, and other aids to help determine whether an entity needs to file a BOIR with FinCEN, and if so, how to comply with the reporting requirements. More information on where to look in the [Small Entity Compliance Guide](#) is provided below.

WHO

An entity is required to report beneficial ownership information if it is a “reporting company” and does not qualify for an exemption. Chapter 1 of FinCEN’s [Small Entity Compliance Guide](#) may assist in determining whether an entity qualifies for an exemption.

WHAT

Beneficial ownership information is information about an entity, its beneficial owners, and, in certain cases, its company applicants. The person submitting beneficial ownership information to FinCEN must certify that the information is true, correct, and complete. The specific information required is described in these instructions and in Chapter 4 of FinCEN’s [Small Entity Compliance Guide](#). To learn more about how to identify beneficial owners, review Chapter 2 of FinCEN’s [Small Entity Compliance Guide](#). To learn more about the reporting requirements for and how to identify company applicants, review Chapter 3 of FinCEN’s [Small Entity Compliance Guide](#).

WHEN

FinCEN will begin accepting BOIRs electronically through its secure filing system January 1, 2024. FinCEN will not accept BOIRs prior to January 1, 2024.

If a reporting company already exists as of January 1, 2024, it must file its initial BOIR by January 1, 2025. If a reporting company is created or registered to do business in the United States on or after January 1, 2024 and before January 1, 2025, it must file its initial BOIR within 90 days after receiving actual or public notice that its creation or registration is effective. If a reporting company is created or registered to do business in the United States after January 1, 2025, then it must file its initial BOIR within 30 days after receiving actual or public notice that its creation or registration is effective.

If there is any change to the required information about a reporting company or its beneficial owners in a BOIR that a reporting company filed, the reporting company must file an updated BOIR no later than 30 days after the date on which the change occurred.

If the reporting company identifies an inaccuracy in a BOIR that the reporting company filed, the reporting company must correct it no later than 30 days after the date the reporting company became aware of the inaccuracy or had reason to know of it.

More information about reporting timelines may be found in Chapter 5 and Chapter 6 of FinCEN's [Small Entity Compliance Guide](#).

The rest of these filing instructions explain **where** and **how** to report beneficial ownership information to FinCEN by filing a BOIR

II. Where to Report Beneficial Ownership Information

Reporting companies may complete BOIRs electronically by accessing the BOI E-Filing portal at <https://boiefiling.fincen.gov> (accessible beginning on January 1, 2024).

The E-Filing portal permits a reporting company to choose one of the following filing methods to submit a BOIR:

- Upload finalized PDF version of BOIR and submit online.
- Fill out Web-based version of BOIR and submit online.

A reporting company may submit its BOIR through either of these methods, both of which require the filing to be done online as BOIRs cannot be mailed or faxed to FinCEN. In each case, the person who submits a BOIR will need to provide their name and email address to FinCEN. The person who submits a BOIR will receive confirmation of submission when a BOIR is accepted by FinCEN.

The E-Filing submission guides for both PDF and web-based versions of the BOIR may assist in submitting completed BOIRs to FinCEN. To access these guides, go to <https://boiefiling.fincen.gov> and select Help.

FinCEN also offers system-to-system BOIR transmission via secure Application Programming Interface (API) for those, including third-party service providers, who are interested in automating the BOIR filing process.

III. How to Report Beneficial Ownership Information

Report beneficial ownership information to FinCEN by filing a true, correct, and complete BOIR. This section includes specific recommendations and instructions to assist in reporting beneficial ownership information to FinCEN by filing a BOIR.

a. Recommendations for Successful Filings

1. Complete Filings

BOIRs must be complete before they can be filed with FinCEN. FinCEN will not accept a BOIR if any items marked with a red asterisk (*) are blank.

NOTE: Filers must provide information in EVERY field marked with the * symbol in ALL CIRCUMSTANCES. Filers must also provide information in all fields not marked with the * symbol that are applicable to the filer. For example, the “Middle Name” field is not marked with a * symbol; the filer MUST provide information in that field IF the relevant individual’s legal name includes a middle name. Notwithstanding any other instruction, reporting companies must provide all information required pursuant to 31 CFR 1010.380(b).

Completing an initial BOIR: Complete an initial BOIR by providing all the following information:

- For the reporting company:
 - » Full legal name;
 - » Any trade name or “doing business as” name;
 - » Complete current U.S. address;
 - » Jurisdiction of formation (including State¹ or Tribal jurisdiction for a domestic reporting company);
 - » For a foreign reporting company only, State or Tribal jurisdiction of first registration; and
 - » IRS Taxpayer Identification Number (TIN), including an Employer Identification Number (EIN) (or, if a foreign reporting company has not been issued a TIN, the reporting company’s foreign tax identification number and the name of the issuing jurisdiction).

¹ State means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the United States Virgin Islands, and any other commonwealth, territory, or possession of the United States.

- For each beneficial owner and each company applicant required to be reported:
 - » Full legal name;
 - » Date of birth;
 - » Complete current address;
 - » Unique identifying number and issuing jurisdiction from one of the following non-expired documents: (1) U.S. passport; (2) identification document issued by a State, local government, or Indian Tribe issued for the purpose of identifying the individual; (3) State-issued driver's license; or (4) if none of (1)–(3) are available, a foreign passport; and
 - » An image of the document from which the unique identifying number was obtained.

Reporting companies may provide a FinCEN identifier for a beneficial owner or company applicant instead of the information listed above.

Completing a corrected or an updated BOIR: If a previously submitted BOIR needs to be corrected or updated, complete a corrected or updated BOIR in its entirety, with the necessary corrections or updates made to the information. Reporting companies must resubmit unchanged information along with the corrected or updated information.

Completing a newly exempt entity BOIR: If a BOIR was previously submitted for an entity that has become exempt, complete a newly exempt entity BOIR by reporting that the type of filing is “newly exempt entity”, as well as the company name and TIN that the company provided in the last BOIR it filed. No additional information is required.

2. Names of Individuals

Enter the individual's full last name, first name, and middle name as it is shown on a valid government identification document.

Multiple Last Names: If an individual's name consists of a first name and multiple last names (e.g., a father's last name and another's last name), the multiple last name elements would be entered in the last name field and the first name entered in the first name field. For example, if an individual's name is Juan (first name) Vega (first last name) Santiago (second last name), “VEGA SANTIAGO” would be entered in the last name field and “JUAN” would be entered in the first name field.

If an individual's name typically is written with the family name first, that family name should be entered in the last name field.

No Middle Name: If an individual's full legal name does not include a middle name, the middle name field should be left blank. If an individual's full legal name does include a middle name, the full middle name should be provided. Entry of a middle initial only is not permitted.

Multiple First Names: If an individual has two first names and no middle name, both first names should be entered in the first name field (e.g., an individual who has "Mary Elizabeth" as a first name, but no middle name, should enter "Mary Elizabeth" in the first name field). The middle name field should be left blank.

Name Suffix: A name suffix may be abbreviated: Junior can be JR, Senior can be SR, the Third can be III, etc.

Punctuation, abbreviations, and special characters should be used in names only when they are part of the individual's legal name.

3. Addresses

Addresses provided on BOIRs must be in certain data formats to be accepted.

ZIP Codes: ZIP Codes must be five or nine digits. ZIP Codes and foreign postal codes must be entered without formatting or special characters such as spaces or hyphens. For example, the ZIP Code 12345-6120 should be entered as 123456120. The foreign postal code HKW 702 should be entered HKW702.

U.S. Territories: When an address is in a U.S. Territory, the Territory code must be selected in the "U.S. or U.S. Territory" field. The BOIR will then automatically fill the State field with the relevant Territory code.

Non-U.S. Addresses: When an address is not in the United States, enter the street address, city, country/jurisdiction, and foreign postal code. If a foreign address contains information that does not exactly match the BOIR address fields, provide the foreign address information in the existing BOIR address fields regardless of whether the field fully matches the address information. All foreign address information should be reflected somewhere in the BOIR address fields provided.

No abbreviations are permitted in city names, which must be completely spelled out. A U.S. city name must match the city name used by the U.S. Postal Service for the associated State and ZIP Code.

4. Unique Identifying Numbers

Enter all unique identifying numbers as a single text string without formatting or special characters such as hyphens or periods. An identifying number in the format NNN-NN-NNNN should be entered as NNNNNNNNN.

5. Identifying Document Image Attachment

Reporting companies must attach identifying document images to BOIRs. As discussed above, several types of identifying documents may be used, including a non-expired U.S. passport or State-issued driver's license. Images of these identifying documents must be provided for all company applicants identified in Part II (item 33) and all beneficial owners identified in Part III (item 51) of the BOIR. A complete, clear, and readable image of the page or side of the identifying document containing the unique identifying number of the company applicant or beneficial owner, and other identifying data must be provided. An attachment to a BOIR cannot be larger than four (4) megabytes of data. Multiple attachments may be added to a BOIR, but only one image attachment is permitted per company applicant or beneficial owner reported in a BOIR.

6. Prohibited Words and Phrases

Do not use the following words or variations of these words in text fields of the BOIR:

- a. AKA
- b. DBA
- c. NMN
- d. NONE
- e. NOT APPLICABLE
- f. OTHER
- g. SAME
- h. SAME AS ABOVE
- i. SEE ABOVE
- j. T/A
- k. UNKNOWN
- l. VARIOUS
- m. XX

b. Item Instructions

The item instructions show a line item, or field, of the BOIR followed by line-by-line instructions on how to fill out each item.

NOTE: Filers must provide information in EVERY field marked with the * symbol in ALL CIRCUMSTANCES. Filers must also provide information in all fields not marked with the * symbol that are applicable to the filer. For example, the “Middle Name” field is not marked with a * symbol; the filer MUST provide information in that field IF the relevant individual’s legal name includes a middle name. Notwithstanding any other instruction, reporting companies must provide all information required pursuant to 31 CFR 1010.380(b).

BOIR Section: Filing Information

BOIR Item 1:

1. *Type of filing (*select one checkbox, 1a-1d*)

- a. Initial report
- b. Correct prior report
- c. Update prior report
- d. Newly exempt entity

Reporting company information associated with most recent report, if any:

- e. Legal name
- f. Tax identification type (*select one from list*)
 - EIN
 - SSN/ITIN
 - Foreign
- g. Tax identification number
- h. Country/Jurisdiction (if foreign tax ID only) (*select one from list*)

Instructions for Item 1 – Type of filing:

Check box 1a “Initial report” if this is the first BOIR filed for the reporting company.

Check box 1b “Correct prior report” if the report corrects inaccurate information from a previously filed BOIR.

Check box 1c “Update prior report” if the report updates a previously filed BOIR, for example, to include one or more new beneficial owners.

Check box 1d “Newly exempt entity” if, after having filed a BOIR, the reporting company is now exempt from BOI reporting requirements. If this checkbox is selected, then filer must fill out fields 1e–1h (reporting company information associated with most recent report) and no other fields in the BOIR.

If type of filing 1b, 1c, or 1d is selected, enter values for 1e “Legal name”, 1f “Tax identification type”, and 1g “Tax identification number” for the reporting company that match the most recently filed BOIR. For example, if the reporting company previously filed an initial report and then an updated report, the reporting company information in the next updated report should match the reporting company information provided on the most recently filed updated report rather than the initial report.

For 1f, select the tax identification type (i.e., a U.S. Employer Identification Number (EIN), a U.S. Social Security Number or Individual Taxpayer Identification Number (SSN-ITIN), or foreign taxpayer identification number (Foreign)) the reporting company reported in the most recently filed BOIR. If tax identification type entered in 1f is “Foreign”, select the corresponding foreign country/jurisdiction in 1h “Country/Jurisdiction (if foreign tax ID only)” associated with the foreign tax identification number.

BOIR Item 2:

2. Date prepared (auto-filled when the form is finalized)

Instructions for Item 2 – Date prepared:

This item is automatically populated with the current date.

BOIR Section: Part I Reporting Company Information

Reporting company information is entered in fields 3 through 16 of the BOIR.

BOIR Item 3:

3. Request to receive FinCEN Identifier (FinCEN ID)

Instructions for Item 3 – Request to receive FinCEN Identifier (FinCEN ID):

Check this box to receive a unique FinCEN Identifier for the reporting company. The FinCEN Identifier will be provided in the submission confirmation details provided to the filer after the BOIR is accepted.

BOIR Item 4:

4. Foreign pooled investment vehicle

Instructions for Item 4 – Foreign pooled investment vehicle:

Check this box if the reporting company is a foreign pooled investment vehicle required to report information pursuant to 31 CFR 1010.380(b)(2)(iii).

If the reporting company is a foreign pooled investment vehicle, the company need only report one beneficial owner who exercises substantial control over the entity. If more than one

individual exercise substantial control over the entity, the entity shall report information with respect to the individual who has the greatest authority over the strategic management of the entity. The report should not include any information about company applicants.

BOIR Item 5:

Full legal name and alternate name(s):

5. * Reporting company legal name

Instructions for Item 5 – Reporting company legal name:

Enter the reporting company’s full legal name as recorded on the articles of incorporation or other documents creating or registering the entity.

BOIR Item 6:

6. Alternate name (e.g., trade name, DBA)

Instructions for Item 6 – Alternate name:

Enter any of the reporting company’s trade names, “doing business as” or DBA names, or “trading as” or T/A names. If the reporting company has multiple alternate names, use the “+” or “-” buttons in the BOIR to add additional alternate name fields (one field for each alternate name). Do not include the acronyms DBA or AKA with the alternate name.

BOIR Item 7:

Form of identification:

7. * Tax identification type (*select one from list*)
- EIN
 - SSN/ITIN
 - Foreign

Instructions for Item 7 – Tax identification type:

Select “EIN” if the reporting company has a U.S. Employer Identification Number (EIN). Select “SSN-ITIN” if the reporting company utilizes a U.S. Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN) as a tax identification number. Select “Foreign” if the reporting company has a tax identification number issued by a foreign jurisdiction and does not have a U.S. tax identification number.

BOIR Item 8:

8. * Tax Identification number

Instructions for Item 8 – Tax identification number:

Enter the tax identification number for the reporting company.

BOIR Item 9:

9. Country/Jurisdiction (if foreign tax ID only) (*select one from list*)

Instructions for Item 9 – Country/Jurisdiction:

If the tax identification type in item 7 is “Foreign”, select the foreign country/jurisdiction that issued the foreign tax identification number.

BOIR Item 10:

Jurisdiction of formation or first registration:

10. * a. Country/Jurisdiction of formation (*select from list*)

Domestic reporting company: (*complete if U.S. or U.S. Territory selected in 10a*)

b. State of formation

c. Tribal jurisdiction of formation

d. Name of other Tribe

Foreign reporting company: (*required if foreign country selected in 10a*)

e. State of first registration

f. Tribal jurisdiction of first registration

g. Name of other Tribe

Instructions for Item 10 – Jurisdiction of formation or first registration:

Enter the country/jurisdiction of formation in item 10a. If United States is selected in 10a, then items 10b–10d should be completed, identifying the State or Tribal jurisdiction of formation. If a U.S. Territory is selected in 10a, then item 10b is automatically populated with the relevant U.S. Territory, and items 10c and 10d are unavailable. If Item 10a is a foreign country, then item 10e – 10f should be completed, identifying the State/U.S. Territory or Tribal jurisdiction in which the foreign reporting company first registered to do business in the United States. If the Tribal jurisdiction of formation (10c) or Tribal jurisdiction of first registration (10f) is not listed in the drop-down, select “Other” and enter the name of the Tribe in 10d or 10g.

BOIR Items 11-15:

Current U.S. address:

11. * Address (number, street, and apt. or suite no.)

12. * City

13. * U.S. or U.S. Territory

14. * State (*select from list, U.S. State or U.S. Territory only*)

15. * ZIP Code

Instructions for Items 11–15 – Reporting company address:

Enter the reporting company’s complete current street address information, including city, State, ZIP Code, and select in item 13 whether the address is in the United States or a specific U.S.

Territory. If the reporting company has a principal place of business in the United States or U.S. Territory, the street address should be that of the principal place of business. Otherwise, the street address should be the primary location in the United States or U.S. Territory where the reporting company conducts business. If a U.S. Territory is selected in item 13, then item 14 is automatically populated with the relevant U.S. Territory.

BOIR Item 16:

16. Existing reporting company

Instructions for Item 16 – Existing reporting company:

Check this box if the reporting company was created or registered before January 1, 2024. Do not check the box if the reporting company was created or registered on or after January 1, 2024. Reporting companies that check this box are not required to report any company applicants; proceed to Part III.

BOIR Item 17:

17. Reserved for future use.

Instructions for Item 17:

Item 17 is reserved for future use on the BOIR. It is not currently in use, and no information is currently required for this item.

BOIR Section: Part II Company Applicant Information

Company applicant information is entered in fields 18 through 33 of the BOIR. Company applicants are individuals; no companies or legal entities may be reported as company applicants. Reporting companies may also provide FinCEN Identifiers for company applicants instead of this information. See detailed description below.

Use the “+” or “-” keys at the top of this section to add or remove additional company applicants. No more than two company applicants should be reported.

If existing reporting company was checked in item 16, company applicant information is not required; proceed to Part III.

BOIR Item 18:

Company applicant FinCEN ID:

18. FinCEN ID

Instructions for Item 18 – FinCEN ID:

Reporting companies may report the FinCEN ID for a company applicant instead of the information in fields 19 through 33. Enter the FinCEN ID as a single text string. If a FinCEN ID for the company applicant is not provided, information about the company applicant must be provided in fields 19 through 33.

BOIR Item 19:

Full legal name and date of birth:

19. * Individual's last name

Instructions for Item 19 – Last name:

Enter the company applicant's legal last name.

BOIR Item 20:

20. * First name

Instructions for Item 20 – First name:

Enter the company applicant's legal first name.

BOIR Item 21:

21. Middle name

Instructions for Item 21 – Middle name:

Enter the company applicant's middle name if the company applicant's legal name has a middle name. Leave this item blank if the company applicant does not have a middle name.

BOIR Item 22:

22. Suffix

Instructions for Item 22 – Suffix:

Enter the company applicant's suffix such as JR, SR, III, etc., if the company applicant has a suffix to their legal name. Leave this item blank if the company applicant's legal name does not include a suffix.

BOIR Item 23:

23. * Date of birth

Instructions for Item 23 – Date of birth:

Enter the company applicant's date of birth using the format MM/DD/YYYY where MM = month, DD = day, and YYYY = year (e.g., 01/25/1970). The month, day, and year must be provided; no partial dates are accepted.

BOIR Item 24:

Current address:

24. * Address type (*select checkbox 24a or 24b*)

a. Business address

b. Residential address

Instructions for Item 24 – Address type:

Indicate address type as “Business address” or “Residential address” for the company applicant. For a company applicant who forms or registers an entity in the course of their business, such as paralegals, report the street address of such business. In any other case, the individual’s residential street address must be reported.

BOIR Items 25-29:

- 25. * Address (number, street, and apt. or suite no.)
- 26. * City
- 27. * Country/Jurisdiction
- 28. * State
- 29. * ZIP/Foreign postal code

Instructions for Items 25–29 – Company applicant address:

Enter the company applicant’s street address information, including the city, country or jurisdiction, State, and ZIP code or foreign postal code. U.S. Territories are included in the drop-down menu for “Country/Jurisdiction.” The “State” (item 28) will be automatically populated when a U.S. Territory is selected in the “Country/Jurisdiction” (item 27). Item 28 “State” is required if the country selected in item 27 is the United States, Canada, or Mexico.

BOIR Item 30:

Form of identification and issuing jurisdiction:

- 30. * Identifying document type (*select one from list, 30a-30d*)
 - a. State-issued driver’s license
 - b. State/local/Tribe-issued ID
 - c. U.S. passport
 - d. Foreign passport

Instructions for Item 30 – Identifying document type:

Select the company applicant’s identifying document type from the list of acceptable documents: a non-expired State-issued driver’s license, a non-expired State/local/Tribe-issued identification document issued for the purpose of identifying the individual, a non-expired U.S. passport, or, only if the company applicant does not have one of these identifying documents, a non-expired foreign passport.

BOIR Item 31:

31. * Identifying document number

Instructions for Item 31 – Identifying document number:

Enter the identifying document number from the company applicant's identifying document.

BOIR Item 32:

32. * Identifying document issuing jurisdiction

- a. Country/Jurisdiction
- b. State
- c. Local/Tribal
- d. Other local/Tribal description

Instructions for Item 32 – Identifying document issuing jurisdiction:

Enter in item 32a the country/jurisdiction that issued the company applicant's identifying document. If a U.S. Territory issued the identifying document, select the applicable U.S. Territory in item 32a (the same U.S. Territory will then be automatically populated in item 32b "State" as a result). Enter in 32b the State issuing the identifying document when country/jurisdiction is United States, if applicable. If a local or Tribal government issued the identifying document, select "United States" in item 32a and then select the applicable local or Tribal description in item 32c. If the name of the relevant local or Tribal jurisdiction is not included in the drop-down menu in item 32c, select "Other" and enter the name of the local or Tribal jurisdiction in item 32d.

BOIR Item 33:

33. * Identifying document image

Instructions for Item 33 – Identifying document image:

Use the "Add Attachment" button on the BOIR to attach a clear, readable image of the page or side of the identifying document referenced in item 31 containing the unique identifying number and other identifying data. Use the "Remove Attachment" button to remove the attached image if necessary. An attachment to a BOIR cannot be larger than four (4) megabytes of data and must be in one of the following formats: JPG/JPEG, PNG, or PDF. Only one (1) attachment file may be added per company applicant.

BOIR Item 34:

34. Reserved for future use.

Instructions for Item 34:

Item 34 is reserved for future use on the BOIR. It is not currently in use, and no information is currently required for this item.

BOIR Section: Part III Beneficial Owner Information

Beneficial owner information is entered in fields 35 through 51 of the BOIR. Reporting companies may also report a FinCEN Identifier for a beneficial owner instead of this information. See detailed description below.

Use the “+” or “-” keys at the top of this section to add or remove additional beneficial owners. There is no limit on the number of beneficial owners that may be reported.

BOIR Item 35:

35. Parent/Guardian information instead of minor child

Instructions for Item 35 – Parent/Guardian information instead of minor child:

If the beneficial owner for the reporting company is a minor child, you may check this box and complete Part III with information about a parent or legal guardian of the minor child.

BOIR Item 36:

Beneficial owner FinCEN ID:

36. FinCEN ID

Instructions for Item 36 – FinCEN ID:

Reporting companies may provide a FinCEN Identifier for a beneficial owner instead of Items 37 through 51. Enter the FinCEN ID as a single text string. If a FinCEN ID for the beneficial owner is not provided, information about the beneficial owner must be provided in fields 37 through 51.

BOIR Item 37:

Exempt entity:

37. Exempt entity

Instructions for Item 37 – Exempt entity:

Check this box if the beneficial owner holds its ownership interest in the reporting company exclusively through one or more exempt entities, and the name of that exempt entity or entities are being reported in lieu of the beneficial owner’s information. If checked, provide the legal name of the exempt entity in field 38.

BOIR Item 38:

Full legal name and date of birth:

38. * Individual’s last name or entity’s legal name

Instructions for Item 38 – Individual’s last name or entity’s legal name:

Enter the beneficial owner’s legal last name or the exempt entity’s legal name. An entity’s legal name is the name on the articles of incorporation or other document that created or registered the entity. Do not abbreviate names unless an abbreviation is part of the legal name.

BOIR Item 39:

39. * First name

Instructions for Item 39 – First name:

Enter the beneficial owner's legal first name.

BOIR Item 40:

40. Middle name

Instructions for Item 40 – Middle name:

Enter the beneficial owner's middle name if the beneficial owner's legal name includes a middle name. Leave this item blank if the beneficial owner does not have a middle name.

BOIR Item 41:

41. Suffix

Instructions for Item 41 – Suffix:

Enter the beneficial owner's suffix such as JR, SR, III, etc., if the beneficial owner has a suffix to their legal name. Leave this item blank if the beneficial owner's legal name does not include a suffix.

BOIR Item 42:

42. * Date of birth

Instructions for Item 42 – Date of birth:

Enter the beneficial owner's date of birth, using the format MM/DD/YYYY where MM = month, DD = day, and YYYY = year (e.g., 01/25/1970). The month, day, and year must be provided; no partial dates will be accepted.

BOIR Items 43–47:

Residential address:

43. * Address (number, street, and apt. or suite no.)

44. * City

45. * Country/Jurisdiction

46. * State

47. * ZIP/Foreign postal code

Instructions for Items 43–47 – Beneficial owner address:

Enter the beneficial owner's residential street address information, including the city, country or jurisdiction, State, and ZIP code or foreign postal code. U.S. Territories are included in the drop-down menu for "Country/Jurisdiction." The "State" (item 46) will be automatically populated when a U.S. Territory is selected in the "Country/ Jurisdiction" (item 45). Item 46 "State" is required if the country selected in item 45 is the United States, Canada, or Mexico.

BOIR Item 48:

Form of identification and issuing jurisdiction:

48. * Identifying document type (*select one from list 48a-48d*)

- a. State-issued driver's license
- b. State/local/Tribe-issued ID
- c. U.S. passport
- d. Foreign passport

Instructions for Item 48 – Identifying document type:

Select the beneficial owner's non-expired identifying document type from the list of acceptable identification documents: a State-issued driver's license, a State/local/Tribe-issued identification document issued for the purpose of identifying the individual, a U.S. passport, or, only if the beneficial owner does not have one of these three types of identifying documents, a foreign passport.

BOIR Item 49:

49. * Identifying document number

Instructions for Item 49 – Identifying document number:

Enter the identifying document number from the beneficial owner's identifying document.

BOIR Item 50:

50. * Identifying document issuing jurisdiction

- a. Country/Jurisdiction
- b. State
- c. Local/Tribal
- d. Other local/Tribal description

Instructions for Item 50 – Identifying document issuing jurisdiction:

Enter in item 50a the country/jurisdiction that issued the beneficial owner's identifying document. If a U.S. Territory issued the identifying document, select the applicable U.S. Territory in item 50a (the same U.S. Territory will then be automatically populated in item 50b "State" as a result). Enter in 50b the State that issued the identifying document when country/jurisdiction is United States, if applicable. If a local or Tribal government issued the identifying document, select "United States" in 50a and then select the applicable local or Tribal description in item 50c. If the name of the relevant local or Tribal jurisdiction is not included in the drop-down menu in item 50c, select "Other" and enter the name of the local or Tribal jurisdiction in item 50d.

BOIR Item 51:

51. * Identifying document image

Instructions for Item 51 – Identifying document image:

Use the “Add Attachment” button on the BOIR to attach a clear, readable image of the page or side of the identifying document referenced in item 49 containing the unique identifying number and other identifying data. Use the “Remove Attachment” button to remove the attached image if necessary. An attachment to a BOIR cannot be larger than four (4) megabytes of data and must be in one of the following formats: JPG/JPEG, PNG, or PDF. Only one (1) attachment file may be added per beneficial owner.

Exhibit 4

Excerpt: FinCEN Small Entity Compliance Guide

1.2 Is my company exempt from the reporting requirements?

The Reporting Rule exempts twenty-three (23) specific types of entities from the reporting requirements listed in Chart 2 below. An entity that qualifies for any of these exemptions is not required to submit BOI reports to FinCEN.

Chart 2 – Reporting company exemptions

| Exemption No. | Exemption Short Title |
|---------------|--|
| 1 | Securities reporting issuer |
| 2 | Governmental authority |
| 3 | Bank |
| 4 | Credit union |
| 5 | Depository institution holding company |
| 6 | Money services business |
| 7 | Broker or dealer in securities |
| 8 | Securities exchange or clearing agency |
| 9 | Other Exchange Act registered entity |
| 10 | Investment company or investment adviser |
| 11 | Venture capital fund adviser |
| 12 | Insurance company |
| 13 | State-licensed insurance producer |
| 14 | Commodity Exchange Act registered entity |
| 15 | Accounting firm |
| 16 | Public utility |
| 17 | Financial market utility |
| 18 | Pooled investment vehicle |
| 19 | Tax-exempt entity |
| 20 | Entity assisting a tax-exempt entity |
| 21 | Large operating company |
| 22 | Subsidiary of certain exempt entities |
| 23 | Inactive entity |

Special rule for foreign pooled investment vehicles.

If an entity meets the criteria of Exemption #18 and is formed under the laws of a foreign country, the entity is subject to a separate reporting requirement. These companies are referred to as “foreign pooled investment vehicles” in the Reporting Rule and their reporting requirement is explained in [Chapter 4.2](#) of this Guide.

See special rule at 1010.380(b)(2)(iii).

The criteria for each exemption are provided in a check-box format in the following pages to assist your company in answering the question, “Is my company exempt from the reporting requirements?”

Securities reporting issuer (Exemption #1)

An entity qualifies for this exemption if **either** of the following two criteria apply:

| | |
|---|--|
| 1. The entity is an issuer of a class of securities registered under section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l). | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. The entity is required to file supplementary and periodic information under section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)). | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Governmental authority (Exemption #2)

An entity qualifies for this exemption if **both** of the following criteria apply:

| | |
|---|--|
| 1. The entity is established under the laws of the United States, an Indian tribe, a State, or a political subdivision of a State, or under an interstate compact between two or more States. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. The entity exercises governmental authority on behalf of the United States or any such Indian tribe, State, or political subdivision. | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Bank (Exemption #3)

An entity qualifies for this exemption if **any** of the following three criteria apply:

| | |
|---|--|
| 1. The entity is a “bank” as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813). | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. The entity is a “bank” as defined in section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)). | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. The entity is a “bank” as defined in section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)). | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Credit Union (Exemption #4)

An entity qualifies for this exemption if **either** of the following two criteria apply:

| | |
|---|--|
| 1. The entity is a “Federal credit union” as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752). | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. The entity is a “State credit union” as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752). | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Tax-exempt entity (Exemption #19)

An entity qualifies for this exemption if **any** of the following four criteria apply:

| | |
|--|--|
| 1. The entity is an organization that is described in section 501(c) of the Internal Revenue Code of 1986 (Code) (determined without regard to section 508(a) of the Code) and exempt from tax under section 501(a) of the Code . | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. The entity is an organization that is described in section 501(c) of the Code , and was exempt from tax under section 501(a) of the Code , but lost its tax-exempt status less than 180 days ago. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. The entity is a political organization, as defined in section 527(e)(1) of the Code , that is exempt from tax under section 527(a) of the Code . | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. The entity is a trust described in paragraph (1) or (2) of section 4947(a) of the Code . | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Entity assisting a tax-exempt entity (Exemption #20)

An entity qualifies for this exemption if all **four** of the following criteria apply:

| | |
|--|--|
| 1. The entity operates exclusively to provide financial assistance to, or hold governance rights over, any tax-exempt entity described by Exemption #19 . | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. The entity is a United States person as defined in section 7701(a)(30) of the Internal Revenue Code of 1986 . | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. The entity is beneficially owned or controlled exclusively by one or more United States persons that are United States citizens or lawfully admitted for permanent residence. “Lawfully admitted for permanent residence” is defined in section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)). | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. The entity derives at least a majority of its funding or revenue from one or more United States persons that are United States citizens or lawfully admitted for permanent residence. | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Large operating company (Exemption #21)

An entity qualifies for this exemption if all **six** of the following criteria apply:

| | |
|--|--|
| 1. The entity employs more than 20 full time employees, when applying the meaning of full-time employee provided in 26 CFR 54.4980H-1(a) and 54.4980H-3 . In general, “full-time employee” means, with respect to a calendar month, an employee who is employed an average of at least 30 hours of service per week with an employer. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. More than 20 full-time employees of the entity are employed in the “United States,” as that term is defined in 31 CFR 1010.100(hhh) . | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. The entity has an operating presence at a physical office within the United States. “Operating presence at a physical office within the United States” means that an entity regularly conducts its business at a physical location in the United States that the entity owns or leases and that is physically distinct from the place of business of any other unaffiliated entity. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. The entity entity filed a Federal income tax or information return in the United States for the previous year demonstrating more than \$5,000,000 in gross receipts or sales. If the entity is part of an affiliated group of corporations within the meaning of 26 U.S.C. 1504 , refer to the consolidated return for such group. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. The entity reported this greater-than-\$5,000,000 amount as gross receipts or sales (net of returns and allowances) on the entity’s IRS Form 1120 , consolidated IRS Form 1120 , IRS Form 1120-S , IRS Form 1065 , or other applicable IRS form. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6. When gross receipts or sales from sources outside the United States, as determined under Federal income tax principle, are excluded from the entity’s amount of gross receipts or sales, the amount remains greater than \$5,000,000. | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Subsidiary of certain exempt entities (Exemption #22)

An entity qualifies for this exemption if the following criterion applies:

1. The entity's ownership interests are controlled or wholly owned, directly or indirectly, by **any** of these types of exempt entities:
 - Securities reporting issuer, as defined in [Exemption #1](#);
 - Governmental authority, as defined in [Exemption #2](#);
 - Bank, as defined in [Exemption #3](#);
 - Credit union, as defined in [Exemption #4](#);
 - Depository institution holding company, as defined in [Exemption #5](#);
 - Broker or dealer in securities, as defined in [Exemption #7](#);
 - Securities exchange or clearing agency, as defined in [Exemption #8](#);
 - Other Exchange Act registered entity, as defined in [Exemption #9](#);
 - Investment company or investment adviser, as defined in [Exemption #10](#);
 - Venture capital fund adviser, as defined in [Exemption #11](#);
 - Insurance company, as defined in [Exemption #12](#);
 - State-licensed insurance producer, as defined in [Exemption #13](#);
 - Commodity Exchange Act registered entity, as defined in [Exemption #14](#);
 - Accounting firm, as defined in [Exemption #15](#);
 - Public utility, as defined in [Exemption #16](#);
 - Financial market utility, as defined in [Exemption #17](#);
 - Tax-exempt entity, as defined in [Exemption #19](#); or
 - Large operating company, as defined in [Exemption #21](#).

☐ Yes ☐ No

Inactive entity (Exemption #23)

An entity qualifies for this exemption if all **six** of the following criteria apply:

| | |
|--|--|
| 1. The entity was in existence on or before January 1, 2020. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. The entity is not engaged in active business. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. The entity is not owned by a foreign person, whether directly or indirectly, wholly or partially. “Foreign person” means a person who is not a United States person. A United States person is defined in section 7701(a)(30) of the Internal Revenue Code of 1986 as a citizen or resident of the United States, domestic partnership and corporation, and other estates and trusts. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. The entity has not experienced any change in ownership in the preceding twelve-month period. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. The entity has not sent or received any funds in an amount greater than \$1,000, either directly or through any financial account in which the entity or any affiliate of the entity had an interest, in the preceding twelve-month period. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6. The entity does not otherwise hold any kind or type of assets, whether in the United States or abroad, including any ownership interest in any corporation, limited liability company, or other similar entity. | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Exhibit 5

Reporting Company Compliance Plan Sequence

Reporting Company Compliance Plan Sequence

