



## GEOGRAPHIC TARGETING ORDER

The Director of the Financial Crimes Enforcement Network (“FinCEN”), U.S. Department of the Treasury, hereby issues a Geographic Targeting Order (“Order”) requiring [*title insurance company*] to collect and report information about the persons involved in certain residential real estate transactions, as further described in this Order.

### **I. AUTHORITY**

The Director of FinCEN may issue an order that imposes certain additional recordkeeping and reporting requirements on one or more domestic financial institutions or nonfinancial trades or businesses in a geographic area. See 31 U.S.C. § 5326(a); 31 CFR § 1010.370; and Treasury Order 180-01. Pursuant to this authority, the Director of FinCEN hereby finds that reasonable grounds exist for concluding that the additional recordkeeping and reporting requirements described below are necessary to carry out the purposes of the Bank Secrecy Act and prevent evasions thereof.<sup>1</sup>

### **II. ADDITIONAL RECORDKEEPING AND REPORTING REQUIREMENTS**

#### **A. Business and Transactions Covered by this Order**

1. For purposes of this Order, the “Covered Business” means [*title insurance company*] and any of its subsidiaries and agents.
2. For purposes of this Order, a “Covered Transaction” means a transaction in which:
  - i. A Legal Entity (as defined in Section III.A of this Order);
  - ii. Purchases residential real property:
    1. For a total purchase price of \$500,000 or more in the Texas county of Bexar;
    2. For a total purchase price of \$1,000,000 or more in the Florida county of Miami-Dade, Broward, or Palm Beach;
    3. For a total purchase price of \$1,500,000 or more in the Borough of Brooklyn, Queens, Bronx, or Staten Island in New York City, New York;

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<sup>1</sup> The Bank Secrecy Act is codified at 12 U.S.C. §§ 1829b, 1951-1959 and 31 U.S.C. §§ 5311-5314, 5316-5332. Regulations implementing the Bank Secrecy Act appear at 31 CFR Chapter X.

4. For a total purchase price of \$2,000,000 or more in the California county of San Diego, Los Angeles, San Francisco, San Mateo, or Santa Clara; or
  5. For a total purchase price of \$3,000,000 or more in the Borough of Manhattan in New York City, New York; and
- iii. Such purchase is made without a bank loan or other similar form of external financing; and
  - iv. Such purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form.

**B. Reports Required to be Filed by the Covered Business**

1. If the Covered Business is involved in a Covered Transaction, then the Covered Business shall report the Covered Transaction to FinCEN by filing a FinCEN Form 8300 within 30 days of the closing of the Covered Transaction. Each FinCEN Form 8300 filed pursuant to this Order must be: (i) completed in accordance with the terms of this Order and the FinCEN Form 8300 instructions (when such terms conflict, the terms of this Order apply), and (ii) e-filed through the Bank Secrecy Act E-filing system.<sup>2</sup>
2. A Form 8300 filed pursuant to this Order shall contain the following information about the Covered Transaction:
  - i. Part I shall contain information about the identity of the individual primarily responsible for representing the Purchaser (as defined in Section III.A of this Order). The Covered Business must obtain and record a copy of this individual's driver's license, passport, or other similar identifying documentation. A description of such documentation must be provided in Field 14 of the form.
  - ii. Part II shall contain information about the identity of the Purchaser. The Covered Business should select Field 15 on the FinCEN Form 8300, which will enable reporting of multiple parties under Part II of the form.
  - iii. Part II shall also contain information about the identity of the Beneficial Owner(s) (as defined in Section III.A of this Order) of the Purchaser. The Covered Business must obtain and record a copy of the Beneficial Owner's driver's license, passport, or other similar identifying documentation. A description of such documentation must be provided in Field 27 of the form.
  - iv. Part III shall contain information about the Covered Transaction as follows:

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<sup>2</sup> For more information on E-filing, go to this Website: <http://bsaefiling.fincen.treas.gov/main.html> and do the following: (a) review "Getting Started"; (b) fill out a Supervisory User Application Form; (c) assign the supervisory user to represent your business; (d) obtain a digital certificate; and (e) register on the system.

1. Field 28: Date of closing of the Covered Transaction.
  2. Field 29: Total amount transferred in the form of payment specified in Section II.A.2.iv of this Order.
  3. Field 31: Total purchase price of the Covered Transaction.
  4. Field 34: Address of real property involved in the Covered Transaction.
- v. Part IV shall contain information about the Covered Business.
- vi. The Comments section to the Form 8300 shall contain the following information:
1. The term “REGTO” as a unique identifier for this Order.
  2. If the purchaser involved in the Covered Transaction is a limited liability company, then the Covered Business must provide the name, address, and taxpayer identification number of all its members.
  3. If a Form 8300 is being filed by an agent of the Covered Business named in this Order, then the agent shall include the name of such Covered Business.

### **III. GENERAL PROVISIONS**

#### **A. Additional Definitions**

1. For purposes of this Order:
  - i. “Beneficial Owner” means each individual who, directly or indirectly, owns 25% or more of the equity interests of the Purchaser.
  - ii. “Legal Entity” means a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the United States or a foreign jurisdiction.
  - iii. “Purchaser” means the Legal Entity that is purchasing residential real property as part of a Covered Transaction.
2. All terms used but not otherwise defined herein have the meaning set forth in Chapter X of Title 31 of the United States Code of Federal Regulations.

#### **B. Order Period**

The terms of this Order are effective beginning on August 28, 2016 and ending on February 23, 2017 (except as otherwise provided in Section III.C of this Order).

#### **C. Retention of Records**

The Covered Business must: (1) retain all records relating to compliance with this Order for a period of five years from the last day that this Order is effective (including any renewals of this Order); (2) store such records in a manner accessible within a reasonable period of time; and

(3) make such records available to FinCEN or any other appropriate law enforcement or regulatory agency, upon request.

**D. No Effect on Other Provisions of the Bank Secrecy Act**

Nothing in this Order modifies or otherwise affects any provision of the regulations implementing the Bank Secrecy Act to the extent not expressly stated herein.

**E. Compliance**

The Covered Business must supervise, and is responsible for, compliance by each of its officers, directors, employees, and agents with the terms of this Order. The Covered Business must transmit this Order to each of its agents. The Covered Business must also transmit this Order to its Chief Executive Officer or other similarly acting manager.

**F. Penalties for Noncompliance**

The Covered Business and any of its officers, directors, employees, and agents may be liable, without limitation, for civil or criminal penalties for violating any of the terms of this Order.

**G. Validity of Order**

Any judicial determination that any provision of this Order is invalid does not affect the validity of any other provision of this Order, and each other provision must thereafter remain in full force and effect. A copy of this Order carries the full force and effect of an original signed Order.

**H. Paperwork Reduction Act**

The collection of information subject to the Paperwork Reduction Act contained in this Order has been approved by the Office of Management and Budget (“OMB”) and assigned OMB Control Number 1506-0056.

**I. Questions**

All questions about the Order must be addressed to the FinCEN Resource Center at (800) 767-2825 (Monday through Friday, 8:00 a.m. - 6:00 p.m. EST).

Dated: July 22, 2016

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Jamal El-Hindi  
Acting Director  
Financial Crimes Enforcement Network  
U.S. Department of the Treasury