



FinCEN Workflow Considerations

FinCEN will be a large lift for production teams. Thinking about workflow early can help reduce friction.

Implementation Date =
December 1, 2025

Agenda

- Making a Plan for Your Unique Agency
- Begin Gathering Information to Calculate Staffing Impact
- Securing & Storing Non-Public Information
- Using Certifications
- Communicating with REALTORS

This is Required. No One Wants to Go to Jail.

Mens Rea	Fine or Penalty?	Criminal?
Negligent?	Not more than \$1,394 per violation; up to \$108,489 for a pattern	No
Willful?	Criminal – up to \$250,000 Civil – Not more than the greater amount involved in the transaction (not to exceed \$278,937) or \$69,733	Yes, up to five years in prison

Who are Your Agency's Experts?

In the Know

Legal Compliance

Workflow

Best Practices Pillar 3

Training, Auditing, Re-Training

Educating REALTORS & Consumers

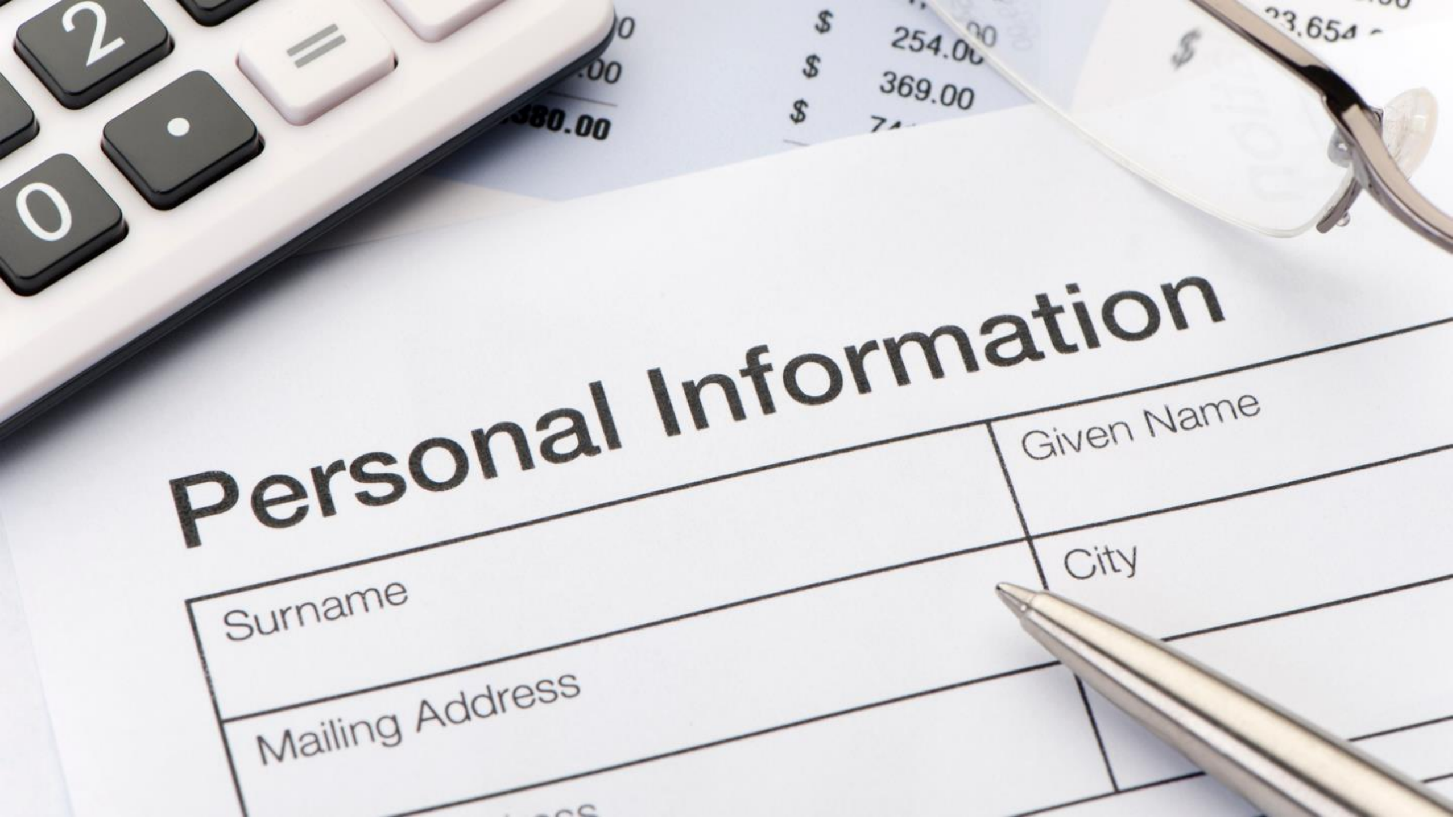




Calculating Staffing Impact

What Can Be Calculated Today?

- Gather Reports from past 3 years
- Determine Number of Cash Transactions to Entities or Trusts
- Predict Months When You See the Most of These Transactions
- Determine Who Brings You These Deals



Personal Information

Surname

Given Name

City

Mailing Address


- Talk with IT Expert About Increased Costs of Storage
- Safely
 - Collecting Information
 - Storing Information
- Determine Access to Stored Information
- Developing Plan for Safe Destruction of No-Longer Needed Information

Record Keeping Requirements

Reasonable Reliance Language

- (a) “The reporting person may reasonably rely on information collected from others under the conditions described in paragraph (j).”
- (j) *Reasonable reliance*—(1) *General*. Except as described in paragraph (j)(2) of this section, the reporting person may rely upon information provided by other persons, absent knowledge of facts that would reasonably call into question the reliability of the information provided to the reporting person.

...
- (2) *Certification when reporting beneficial ownership information*. For purposes of reporting information described in paragraphs (e)(1)(ii) and (e)(2)(iii) of this section, the reporting person may rely upon information provided by the transferee or a person representing the transferee in the reportable transfer, absent knowledge of facts that would reasonably call into question the reliability of the information to the reporting person, if the person providing the information certifies the accuracy of the information in writing to the best of the person’s knowledge.

A real estate agent, a man in a blue suit and light blue shirt, stands on the left, gesturing with his right arm towards a couple. The couple, a woman in a white top and plaid shirt and a man in a blue t-shirt, stand on the right, looking at the agent. They are in a bright, modern house with large windows and white trim. Two speech bubbles are overlaid on the image, containing text related to a real estate transaction.

Before I show you the
updated kitchen, are you
going to purchase using
an entity or trust?

Is there a walk-in
pantry?

Begin Collection

- When will you ask if the transaction involves a buyer that is an entity or trust?
- How will your office determine what files require collection of information?
- When will your office begin to collect information in the workflow?
- How will your office document what has been collected and what is still outstanding?

- Who will review the certifications for reasonable reliance purposes?
- How will you determine whether you have all the required information?
- If an exception or exemption applies, how will you document this determination?
- Will you require all necessary information be provided before scheduling closing? Before closing?

Pre-Closing

Nope. Not Going To.

- What will your procedures be if a party refuses to provide the information?
- Will you designate a point person for refusing parties?
- Will you document the refusal?
- Will you still close the transaction?

- Who will input the information post-closing?
- How will you verify & document FinCEN received the report?
- What processes need to be created to make sure reports handled in timely manner?

Post-Closing

Storage

- Who will store the information surrounding the filing, certification, and designation agreement?
- What is your retention program for the information?

- How will you train on the processes for your agency?
- When will you start audits for compliance and how will they be conducted?
- How will you document training and auditing?

Training & Auditing

THANK YOU.

Questions?