

Geographic Targeting Order Covering TITLE INSURANCE COMPANY
May 8, 2020



Financial Crimes Enforcement Network
U.S. Department of the Treasury

Washington, D.C. 20220

GEOGRAPHIC TARGETING ORDER

The Director of the Financial Crimes Enforcement Network (“FinCEN”) 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 C.F.R. § 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 (“BSA”) or prevent evasions thereof.¹

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. Residential real property is purchased by a Legal Entity (as this term is defined in Section III.A of this Order);
 - ii. The purchase price of the residential real property is in the amount of \$300,000 or more in any of the following areas:
 1. The Texas counties of Bexar, Tarrant, or Dallas;
 2. The Florida counties of Miami-Dade, Broward, or Palm Beach;

1. 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 C.F.R. Chapter X.

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3. The Boroughs of Brooklyn, Queens, Bronx, Staten Island, or Manhattan in New York City, New York;
 4. The California counties of San Diego, Los Angeles, San Francisco, San Mateo, or Santa Clara;
 5. The City and County of Honolulu in Hawaii;
 6. The Nevada county of Clark;
 7. The Washington county of King;
 8. The Massachusetts counties of Suffolk, or Middlesex; or
 9. The Illinois county of Cook;
- 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, a money order in any form, a funds transfer, or virtual currency.

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 Currency Transaction Report, within 30 days of the closing of the Covered Transaction. Each Currency Transaction Report filed pursuant to this Order must be:
(i) completed in accordance with the terms of this Order and the Currency Transaction Report instructions (when such terms conflict, the terms of this Order apply), and
(ii) e-filed through the BSA E-Filing system.² To report a Covered Transaction, the Covered Business shall use the Currency Transaction Report template located at this link: https://bsaefiling.fincen.treas.gov/docs/GTO/RealEstate_GTO_Template.pdf.
2. A Currency Transaction Report filed pursuant to this Order shall contain the information specified in this section II.B about the Covered Transaction (when completing Part I, a Covered Business should select the + field as necessary to allow for the reporting of multiple parties).

2. In order to electronically file a Currency Transaction Report, a Covered Business will need a BSA E-Filing User account. To create a BSA E-Filing User account, please visit <https://bsaefiling.fincen.treas.gov/Enroll.html>. For more information on E-Filing, please visit <https://bsaefiling.fincen.treas.gov/>, and review the "Getting Started with BSA E-Filing" link.

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Part I

3. A Covered Business must include in Part I information about the identity of the individual primarily responsible for representing the Legal Entity by selecting Field 2, box b (“Person conducting transaction for another”). The Covered Business also 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 20.
4. A Covered Business also must include in Part I information about the identity of the Legal Entity by selecting Field 2, box c (“Person on whose behalf transaction was conducted”), and also selecting the “If entity” check box.
5. A Covered Business also must include in Part I information about the identity of the Beneficial Owner(s) (as defined in Section III.A of this Order) of the Legal Entity by selecting Field 2, box c. 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 20 of the form.

Part II

6. Part II shall contain information about the Covered Transaction as follows:
 - i. Field 23: Date of closing of the Covered Transaction.
 - ii. Field 25.z: Total purchase price of the Covered Transaction and the method of payment (leave Fields 25 a – i blank).

Part III

7. Part III shall contain information about the Covered Transaction as follows (when completing Part III, if the Covered Transaction involves the purchase of multiple properties, a Covered Business should select the + field as necessary to allow for the reporting of multiple property addresses):
 - i. Fields 33-37: Address of real property involved in the Covered Transaction.
 - ii. Field 41: Total purchase price of the real property listed in Fields 33-37. This should reflect the same purchase price as Field 25.z, except where multiple properties are purchased in the same Covered Transaction. When reporting a purchase of multiple properties in the same Covered Transaction, report total purchase price in Part II, Field 25.z, and price per property in Field 41 for each property.

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Part IV

8. Part IV shall contain information about the Covered Business. The Covered Business shall ensure the term “REGTO0520” remains in Field 45 of Part IV.

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 Legal Entity purchasing real property in the Covered Transaction.
 - 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, other than a business whose common stock or analogous equity interests are listed on a securities exchange regulated by the Securities Exchange Commission (“SEC”) or a self-regulatory organization registered with the SEC, or an entity solely owned by such a business.
2. All terms used but not otherwise defined herein have the meaning set forth in 31 C.F.R. Chapter X.

B. Order Period

The terms of this Order are effective beginning May 10, 2020 and ending on November 5, 2020 (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 otherwise modifies or affects any provision of the regulations implementing the BSA to the extent not expressly stated herein.

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E. Confidentiality

This Order and its terms are not confidential.

F. 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.

G. 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.

H. 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.

I. 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.

J. Questions

All questions about the Order should be directed to the FinCEN Resource Center at FRC@FinCEN.gov.

Dated: May 8, 2020

Kenneth A. Blanco
Director
Financial Crimes Enforcement Network
U.S. Department of the Treasury