

Dear PSC Clients:

As you may already be aware, on January 1, 2024, U.S. Department of Treasury's Financial Crimes Enforcement Network (FinCEN) announced that it began accepting beneficial ownership information (BOI) reports (BORI). The bipartisan Corporate Transparency Act (CTA) enacted in 2021 to curb illicit finance, requires many companies doing business in the United States to report information about the individuals who ultimately own or control them.

**Per FinCEN**, filing is simple, secure, and free of charge. Companies that are required to comply ("reporting companies") must file their initial reports by the following deadlines:

- **Existing companies:** Reporting companies created or registered to do business in the United States before January 1, 2024, must file by January 1, 2025.
- **Newly created or registered companies:** Reporting companies created or registered to do business in the United States in 2024 have 90 calendar days to file after receiving actual or public notice that their company's creation or registration is effective.

Generally, a reporting company is (1) any corporation, limited liability company, or other similar entity that was created in the United States by the filing of a document with a secretary of state or similar office (in which case it is a domestic reporting company), or any legal entity that has been registered to do business in the United States by filing of a document with a secretary of state or similar office (in which case it is a foreign reporting company), that (2) does not qualify for any of the exemptions provided under the Corporate Transparency Act.

Beneficial ownership information is not an annual requirement. A report only needs to be submitted once, unless an update is needed. You must provide:

- Name;
- Date of birth;
- Address; and
- An image of an ID number from nonexpired Driver's License or passport

The failure for a person to report in compliance with the CTA, if required, will result in a civil penalty of up to \$500 for each day the person is not in compliance, up to \$10,000, with the possibility for imprisonment for up to two years.

*CAUTION: "FinCEN has been notified of fraudulent attempts to solicit information. The fraudulent correspondence may use a subject line like "Important Compliance Notice" and asks you to click on a URL or to scan a QR code. But do not be fooled: FinCEN does not send unsolicited requests. Do not respond to these fraudulent messages, click on any links, or scan any QR codes in those messages."*

Regards,

Michelle Goldsberry