



# Financial Crimes Enforcement Network

*A bureau of the U.S. Department of the Treasury*

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## **FinCEN Reminds Mortgage Companies and Brokers of New Regulatory Requirements**

### **Director Freis addresses mortgage regulators**

VIENNA, Va. – Financial Crimes Enforcement Network (FinCEN) Director James H. Freis, Jr. today announced the issuance of an [advisory](#) for non-bank residential mortgage lenders and originators (RMLOs) to help them identify and report suspicious activity related to potential mortgage fraud. In his [remarks](#) before the American Association of Residential Mortgage Regulators' (AARMR's) 23<sup>rd</sup> Annual Regulatory Conference, he also discussed FinCEN's new anti-money laundering (AML) requirements for RMLOs. As of Monday, Aug. 13, RMLOs must comply with FinCEN's [final rule](#) requiring the establishment of AML programs and the filing of suspicious activity reports (SARs).

“FinCEN is looking forward to working with the mortgage company and mortgage broker community, as well as our regulatory and law enforcement partners, to protect this sector of the financial system from illicit actors, and these financial institutions and their customers from fraud and financial loss,” Director Freis said. “This step closes a regulatory gap and will augment the information available to law enforcement about suspicious activity in this sector.”

FinCEN's [Web site](#) is a key source of information available to both regulators and RMLOs. FinCEN has created a [page](#) under the “Financial Institutions” link specifically for mortgage companies and brokers, which contains a variety of publications to assist RMLOs with compliance. Earlier this week, FinCEN issued a [Notice](#) to remind RMLOs of their compliance obligations under FinCEN's regulations. In addition, FinCEN issued an [administrative ruling](#), providing that RMLOs who are also subsidiaries of financial institutions that require the RMLOs to have AML programs and file SARs and are examined by a Federal functional regulator are deemed to comply with FinCEN's regulations. FinCEN has also made available a [Webinar](#) for RMLOs that contains useful references, red flags for potential money laundering, and additional guidance based on inquiries that have been received through FinCEN's Regulatory Helpline.

FinCEN is currently working with its regulatory partners to develop an examination manual, which will ensure consistent compliance examination procedures. FinCEN will issue the examination manual following a period of gathering information and feedback to ensure accuracy, applicability, and longevity of the manual across certain classes of RMLOs and other loan and finance companies. In addition, FinCEN is conducting public outreach at numerous industry events to assist RMLOs with understanding their compliance obligations.

To help the mortgage industry stay informed of regulatory developments, FinCEN also has created an additional category within FinCEN Updates – FinCEN’s e-mail subscription management service designed to keep the financial industry, the media, and the public informed of news, rulemakings, advisories, and other developments at FinCEN. Those interested in subscribing to receive email alerts when new information concerning mortgage companies and brokers is posted to FinCEN’s Web site can do so by going to <https://public.govdelivery.com/accounts/USFINCEN/subscriber/new> .

RMLOs who have questions regarding compliance regulations should contact FinCEN’s Regulatory Helpline at 800-949-2732.

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*FinCEN’s mission is to enhance the integrity of financial systems by facilitating the detection and deterrence of financial crime.*