

Important Notice to Non-Bank Residential Mortgage Lenders and Originators

The Financial Crimes Enforcement Network (FinCEN) is issuing this Notice to remind non-bank residential mortgage lenders and originators (RMLOs) of their compliance obligations under FinCEN's regulations. On February 14, 2012, FinCEN published in the *Federal Register* its Final Rule on *Anti-Money Laundering Program and Suspicious Activity Report Filing Requirements for Residential Mortgage Lenders and Originators*;¹ the effective date of this rule was April 16, 2012, and the compliance date is August 13, 2012.

Outreach to RMLOs to Assist with Compliance Obligations

To assist with understanding and complying with the Final Rule, FinCEN is providing references to information and relevant publications on FinCEN's website that RMLOs may find useful. The specific webpage for mortgage companies and brokers can be found [here](#). The website was recently updated and contains a variety of publications that should assist RMLOs with compliance. FinCEN reports and studies on mortgage and real estate fraud, which may assist RMLOs in developing red flags that could indicate money laundering and other financial crimes, are available [here](#).

FinCEN is currently working with our relevant 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 the various types of RMLOs and other loan and finance companies. In addition, FinCEN is conducting public outreach at numerous industry events and will continue to do so to assist RMLOs with understanding their compliance obligations.

To further assist with understanding of new and existing obligations, today FinCEN published an [informational webinar](#) on its website with useful references, red flags for potential money laundering, fraud, and other financial crimes and additional guidance based on inquiries that have been received at our Helpline within our BSA Resource Center.

Filing FinCEN Reports

On February 24, 2012, FinCEN issued a Final Notice requiring the electronic filing of most FinCEN reports by July 1, 2012. The deadline for mandatory E-Filing has passed; therefore, institutions now must file FinCEN reports electronically, except as indicated below. For more information about mandatory E-Filing, please see our BSA [E-Filing System Frequently Asked Questions \(FAQs\)](#) and the [E-Filing webinar](#). Institutions are encouraged to [register for E-Filing](#) as soon as possible so they may comply with FinCEN reporting requirements.

¹ Financial Crimes Enforcement Network, "Anti-Money Laundering Program and Suspicious Activity Report Filing Requirements for Residential Mortgage Lenders and Originators," 77 FR 8148-8160 (February 14, 2012), available at <http://www.gpo.gov/fdsys/pkg/FR-2012-02-14/pdf/2012-3074.pdf>.

Suspicious Activity Report (SAR) Filing

The current template for the FinCEN SAR does not include a drop-down option for RMLO filers to designate their type of financial institution. This option will be added to the next iteration of the FinCEN SAR. In the meantime, RMLO SAR filers are requested to select “OTHER” in dropdown data fields 47 and 82. In the associated text field, enter “NON-BANK RESIDENTIAL MORTGAGE.”

The next iteration of [FinCEN Suspicious Activity Report \(FinCEN SAR\) Electronic Filing Requirements](#) will include more instructions for RMLO filers related to the changes noted above.

IRS/FinCEN Form 8300

RMLOs are not defined in FinCEN’s regulations as a type of “financial institution.”² Accordingly, RMLOs currently are not required to file Currency Transaction Reports or other reports that are required of businesses and professions included in FinCEN’s definition of financial institution. However, RMLOs are required to file the [Report of Cash Payments Over \\$10,000 Received in a Trade or Business](#),³ which applies to businesses other than “financial institutions” as defined by FinCEN regulations. This report is a joint FinCEN/Internal Revenue Service (IRS) form known as IRS/FinCEN Form 8300. The regulations that govern the filing of the Form 8300, 31 CFR § 1010.330, can be found [here](#), and FAQs with regard to this form and the filing requirements can be found [here](#). Currently, the IRS/FinCEN Form 8300 is only available in paper form that must be filed at the following address:

Internal Revenue Service
Detroit Computing Center
P.O. Box 32621
Detroit, MI 48232

In the near future, the IRS/FinCEN Form 8300 will be available through the BSA E-Filing System. FinCEN will announce when this form is available to file electronically.

Questions or comments regarding the contents of this Notice should be addressed to the FinCEN Regulatory Helpline at 800-949-2732. ***Financial institutions wanting to report suspicious transactions that may relate to terrorist activity should call the Financial Institutions Toll-Free Hotline at (866) 556-3974 (7 days a week, 24 hours a day).*** The purpose of the hotline is to expedite the delivery of this information to law enforcement. Financial institutions should immediately report any imminent threat to local-area law enforcement officials.

² 31 CFR § 1010.100(t).

³ 31 CFR § 1029.330.