

New Federal Reporting Requirement for Beneficial Ownership Information (BOI)

This letter is to make you aware of reporting requirements that go into effect on **Jan. 1, 2024**, that may require your business entity to report its beneficial ownership information to the Federal government.

Beginning on Jan. 1, 2024, many companies in the United States will have to report information about their beneficial owners, i.e., the individuals who ultimately own or control the company. They will have to report the information to the **Financial Crimes Enforcement Network (FinCEN)**. FinCEN is a bureau of the U.S. Department of the Treasury.

NOTE: This will be a **free** filing that companies can complete themselves. Be wary of official-looking mail from a third-party company offering to complete the beneficial ownership reporting on behalf of your company for a fee.

Do I Need to Report?

Most businesses are small businesses that may need to file. Your company may need to report information about its beneficial owners if it is:

1. A corporation, a limited liability company (LLC), or was otherwise created in the United States by filing a document with a secretary of state or any similar office under the law of a state or Indian tribe; or
2. A foreign company and was registered to do business in any U.S. state or Indian tribe by such a filing

How Do I Report?

Reporting companies will have to report beneficial ownership information electronically through FinCEN's website: www.fincen.gov/boi.

When Do I Report?

Reports will be accepted starting on Jan. 1, 2024.

- If your company was created or registered before Jan. 1, 2024, you will have until Jan. 1, 2025, to report 801.
- If your company is created or registered on or after Jan. 1, 2024 and before Jan. 1, 2025, you must report 801 within 90 days of notice of creation or registration.
- If your company is created or registered on or after Jan. 1, 2025 you must report 801 within 30 days of notice of creation or registration.

- If there is **any change** to the required information about your company or its beneficial owners in a 801 report that your company filed, your company must file an updated 801 report no later than 30 days after the date on which the change occurred. The same 30-day timeline applies to changes in information submitted by an individual in order to obtain a FinCEN identifier. A reporting company is not required to file an updated report for any changes to previously reported personal information about a company applicant.

There are significant penalties for missing filing deadlines, including criminal (fines and/or imprisonment) or civil (monetary) penalties. There is a \$500 per day penalty, up to \$10,000, and imprisonment of up to two years for the **WILLFUL** failure to timely file initial or updated reports.

It will be your exclusive responsibility to comply with CTA, including its BOI reporting requirements. Information can be found at <https://www.fincen.gov/boi>. Please consult with legal counsel on additional questions and or concerns regarding how BOI reporting requirements and issues affects your company.

Finally, we wish to emphasize that we are sending you this letter to make you aware of these new current reporting requirements, associated risks, and suggest you contact legal counsel to assist you with the CTA and related BOI filings for entities that you own or control.

Sincerely,

Metax Services