



# Six-Step Quick Guide to the Beneficial Ownership Information (“BOI”) Reporting Rules of the Corporate Transparency Act (“CTA”)

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Disclaimer: Some of the information provided in this Quick Guide was copied from or adapted from information promulgated in Small Entity Compliance Guide (Version 1.1 December 2023) and Beneficial Ownership Information Reporting Frequently Asked Questions (Updated: December 1, 2023) issued by the U.S. Department of the Treasury’s Financial Crimes Enforcement Network (“FinCEN”). The CTA and the BOI Reporting Rules of the CTA are subject to changes, so does the information provided by FinCEN and in this Quick Guide. However, Lathrop GPM LLP (the “Firm”) is not responsible for any changes or updates by providing this Quick Guide.

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# INTRODUCTION

## **What is the BOI Reporting Rules of the CTA?**

In September 2022, the U.S. Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN") issued the final beneficial ownership information ("BOI") reporting rules (the "**BOI Reporting Rules**") of the Corporate Transparency Act (31 U.S.C. § 5336), enacted as part of the National Defense Authorization Act for Fiscal Year 2021, as amended ("CTA"). The BOI Reporting Rules require that all entities created or registered to do business in the United States that are not exempt from being classified as "reporting companies" report up to three (3) sets of information regarding:

- (1) the "reporting companies" themselves;
- (2) the "beneficial owners" of the reporting companies, which includes individuals who either:
  - (a) own at least 25% of the "ownership interests" of the reporting company; or
  - (b) exercise "substantial control" over the reporting company;
- (3) the "company applicants" of the reporting companies, which includes individuals who either:
  - (a) directly files the documents that creates or registers the reporting companies with governmental entities; or
  - (b) is primarily responsible for directing or controlling such filing.

This information will be collected through and stored in the Beneficial Ownership Secure System ("**BOSS**"), to which only authorized personnel with specific purposes will have access. The BOI Reporting Rules took effect on **January 1, 2024**, and this Quick Guide aims to give you an overview of the BOI Reporting Rules.

## **What happens if a reporting company does not report BOI in the required timeframe?**

The willful failure to comply with the BOI Reporting Rules, or the willful provision of or attempt to provide false or fraudulent BOI, may result in penalties, including:

- civil penalties of up to \$500 for each day that the violation continues; and/or
- criminal penalties, including imprisonment for up to two (2) years and/or a fine of up to \$10,000.

Senior officers of a reporting company that fail to file a required BOI report ("**BOIR**") may be held accountable for that failure. Additionally, a person may be subject to civil and/or criminal penalties for willfully causing a reporting company not to file a required BOIR or to report incomplete or false BOI to FinCEN.

## **What is the deadline for submitting an initial BOIR?**

Reporting companies created or registered prior to January 1, 2024 will have **one (1) year**, until January 1, 2025, to submit an initial BOIR. Reporting companies created or registered during 2024 will have **90 calendar days** from formation or registration to submit an initial BOIR. Reporting companies created or registered on or after January 1, 2025 will have **30 calendar days** from formation or registration to submit an initial BOIR. Please note that reporting companies are

also obligated to submit a corrected and/or updated BOIR, when required. See the timeline chart below for details.

**Chart 1: Initial, Corrected, and Updated BOIR Filing Deadlines**

Type of BOI Reports	Reporting Company Formation Date	BOI Reports Deadlines
Initial Report	Before January 1, 2024.	By January 1, 2025.
	January 1, 2024 – December 31, 2024.	Within <b><u>90 calendar days</u></b> after the Reporting Company receives notice of the company’s creation or registration.
	On and after January 1, 2025.	Within <b><u>30 calendar days</u></b> after the Reporting Company receives notice of the company’s creation or registration.
Updated Report	N/A	Within <b><u>30 calendar days</u></b> of the occurrence of the change to the BOI previously submitted.
Corrected Report	N/A	Within <b><u>30 calendar days</u></b> after the Reporting Company becomes aware or has reason to know of an inaccuracy.

**What should you do to ensure compliance with the BOI Reporting Rules?**

The following six-step approach can help you understand your obligations with respect to the BOI Reporting Rules:

- (1) Determine if your company is exempt from being considered a “reporting company” subject to the BOI Reporting Rules.
- (2) Identify all “beneficial owner(s)” of your reporting company.
- (3) Identify all “company applicant(s)” of your reporting company (for reporting companies created/registered on or after January 1, 2024 only).
- (4) Collect required information for the reporting company, the “beneficial owner(s)” and the company applicant(s).
- (5) File the initial BOIR before the reporting deadline.
- (6) File an updated or corrected BOIR if there is any change to or inaccuracy in the previously submitted BOIR.

Details regarding each of these steps follow in the next section of this Quick Guide.



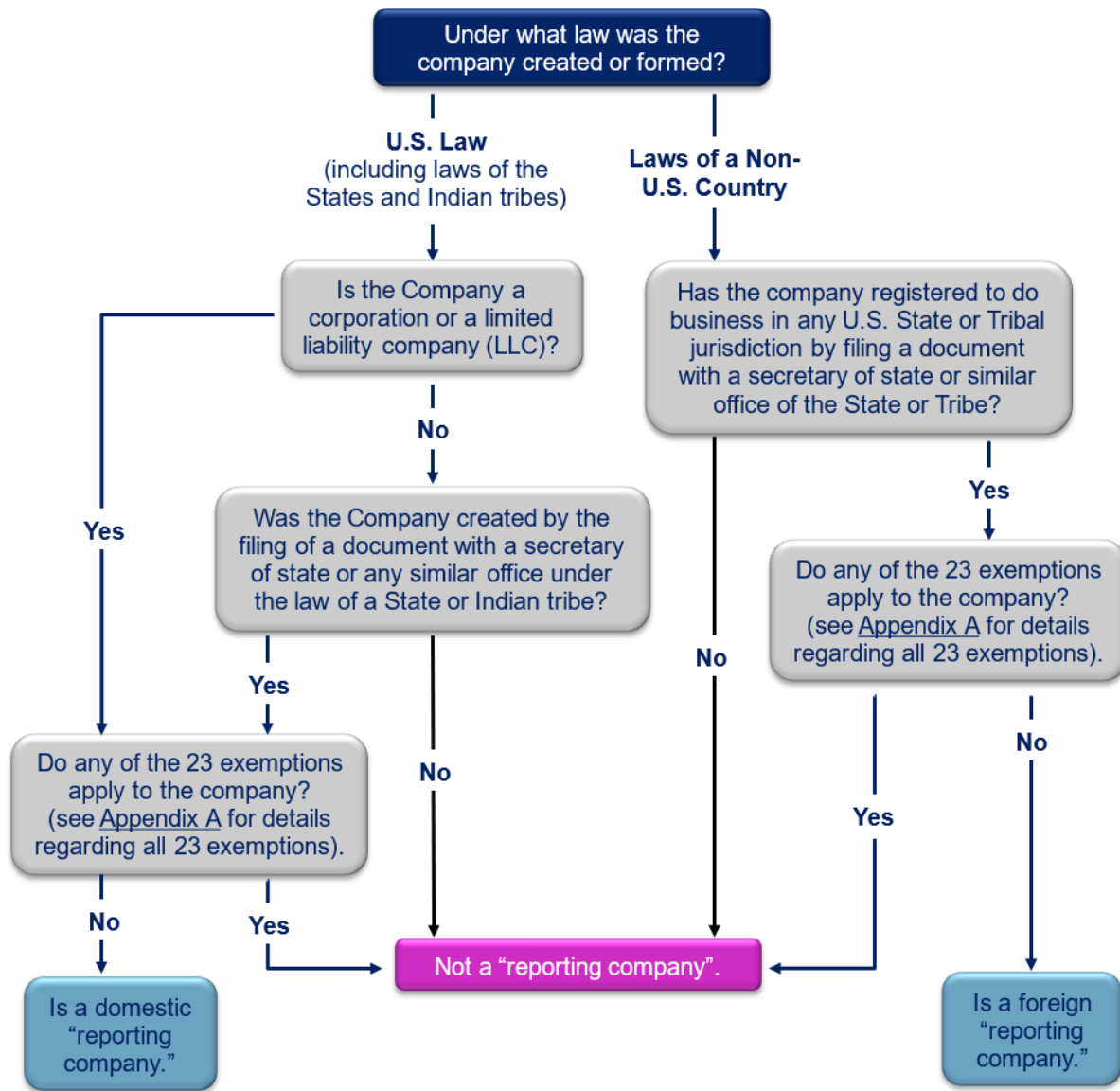
## SIX-STEP COMPLIANCE APPROACH IN PRACTICE

### **Step 1. Determine if your company is a “reporting company” subject to the BOI Reporting Rules.**

A corporation, limited liability company or any other entity created or registered to do business 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 is a reporting company subject to BOI Reporting Rules, *unless* any one of the twenty-three (23) exceptions to the definition of “reporting company” applies (see [Appendix A](#) for detailed criteria in a check-box format to determine the applicability of each exemption):

- (1) Reporting Issuer Under Securities Exchange Act of 1934
- (2) Governmental Authority
- (3) Bank
- (4) Credit Union
- (5) Depository Institution Holding Company
- (6) Money Service Business
- (7) Registered Securities Broker or Dealer
- (8) Securities Exchange or Clearing Agency
- (9) Other Exchange Act Registered Entity
- (10) Registered Investment Company or Investment Advisor
- (11) Venture Capital Fund Adviser
- (12) Insurance Company
- (13) State-Licensed Insurance Producer
- (14) Commodity Exchange Act Registered Entity
- (15) Public Accounting Firm
- (16) Regulated Public Utility
- (17) Financial Market Utility
- (18) Pooled Investment Vehicle
- (19) Tax-Exempt Entity
- (20) Entity Assisting a Tax-Exempt Entity
- (21) Large Operating Company
- (22) Subsidiary of Certain Exempt Entities
- (23) Inactive Entity (in existence on or prior to January 1, 2020)

**Chart 2 – “Reporting Company” Definition**



## **Step 2. Identify all “beneficial owner(s)” of your reporting company.**

If your company is a reporting company, the next step is to identify all of the “beneficial owner(s)” of your reporting company. A “beneficial owner” is **any individual** who, **directly or indirectly** (e.g., through another entity):

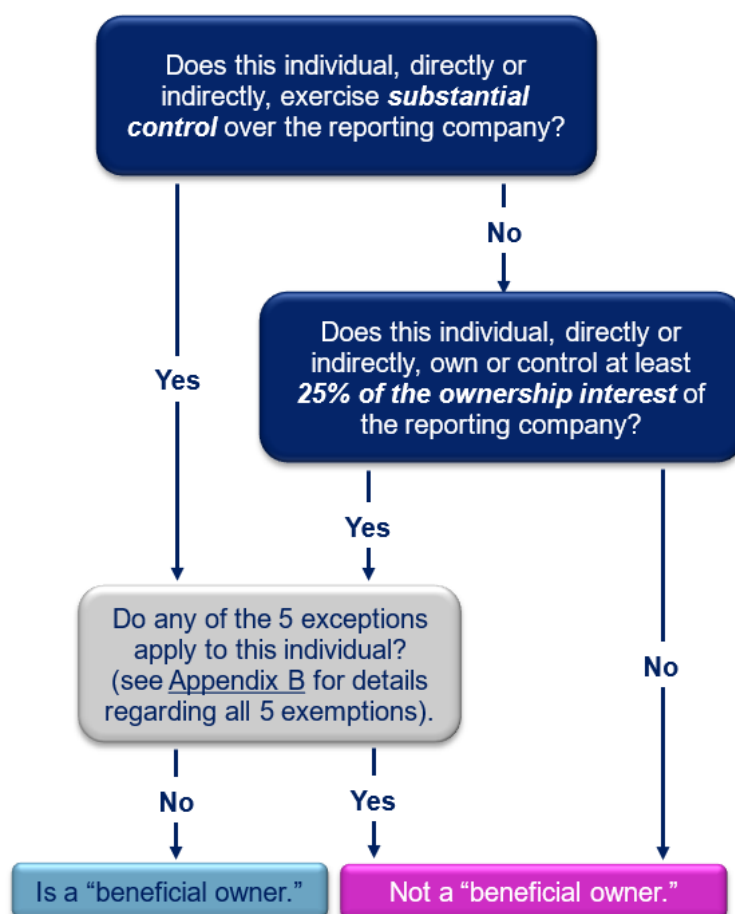
- (1) Exercises “**substantial control**” (see Chart 4 below) over the reporting company;  
*or*
- (2) Owns or controls **at least 25% of the “ownership interests”** of the reporting company;

unless any one of the five (5) exceptions to the definition of “beneficial owner” applies (see Appendix B for detailed criteria in a check-box format to determine the applicability of each exemption):

- (1) A minor child (although the information relates to a parent or legal guardian of such minor child must be reported);
- (2) A nominee, intermediary, custodian, or agent on behalf of another individual;
- (3) An employee of a reporting company, acting solely as an employee and is not a senior officer of the reporting company;
- (4) A future inheritor of the interest in the reporting company; or
- (5) A creditor of the reporting company.

According to FinCEN guidance, an initial BOIR should only include the “beneficial owners” **as of the time of the filing**, *provided however*, if a reporting company created or registered in 2024 or later ceases to exist before the expiration of the 30- or 90-day filing period, then the initial BOIR of such reporting company should reflect the BOI as of the moment prior to such reporting company ceasing to exist.

**Chart 3 – “Beneficial Owner” Definition**



### **2-1. Substantial Control**

Reporting companies are required to identify all individuals who are considered “beneficial owners.” Though the name of beneficial “owner” might be misleading, an individual could be a “beneficial owner” of a reporting company through “substantial control,” not the “ownership interest” of such reporting company. There is no limit to the number of individuals who can be reported for exercising substantial control over the reporting company. An individual exercises substantial control over a reporting company if the individual meets **any** of four (4) general criteria (see the Chart 4 below for indicators about these four criteria):

- (1) The individual is a senior officer;
- (2) The individual has authority to appoint or remove certain officers or a majority of directors of the reporting company;
- (3) The individual is an important decision-maker; or
- (4) The individual has any other form of substantial control over the reporting company.

## Chart 4 – “Substantial Control” Indicators

### Senior Officer

Any individual holding the position or exercising the authority of a:

- President;
- Chief Executive Officer (CEO);
- Chief Financial Officer (CFO);
- General Counsel (GC);
- Chief Operating Officer (COO);

or any other officer, regardless of official title, who performs a similar function as these officers.

### Appointment or Removal of Authority

Any individual with the ability to appoint or remove any **senior officer**, a majority of the board of directors or similar body, such as an individual with a majority of the voting power or voting rights of the reporting company.

### Important Decision Maker

Any Individual who directs, determines or has substantial influence over important decisions made by the reporting company, including decisions regarding the reporting company's:

(1) Business, such as:

- Nature, scope and attributes of the business;
- The selection or termination of business line or ventures, or geographic focus;
- The entry into or termination, or the fulfillment or non-fulfillment, or significant contracts;

(2) Finance, such as:

- Sale, lease, mortgage, or other transfer of any principal assets;
- Major expenditures or investments, issuances of any equity, incurrence of any significant debt, or approval of the operating budget;
- Compensation schemes and incentive programs for senior officers;

(3) Structure, such as:

- Reorganization, dissolution or merger;
- Amendments to any substantial governance documents of the reporting company, including the articles of incorporation or similar formation documents, bylaws, and significant policies or procedures.

### Catch-All

Any other form of substantial control over the reporting company. Control exercised in new and unique ways can still be substantial, e.g., flexible corporate structures may have different indicators of control than the indicators included here.

**Note for trusts:** A trustee of a trust or similar arrangement may exercise substantial control over a reporting company depending on the circumstances.

## 2-2. Ownership Interest

Reporting companies are also required to identify **all individuals** who, **directly or directly**, own or control at least 25% of the **ownership interests** of the reporting company. A reporting company may have multiple types of ownership interests. Any of the following may be an ownership interest for purposes of BOI (see Chart 5 for ownership interest types and examples):

- (1) Equity, stock, or voting rights;
- (2) Any capital or profit interest;
- (3) Convertible instruments;
- (4) Options or other non-binding privileges to buy or sell any of the foregoing; and
- (5) Any other instrument, contract, or other mechanism used to establish ownership.



## Chart 5. Types and Examples of Ownership Interests

### Equity, Stock or Voting Rights

Any interest classified as stock or anything similar, regarding whether it confers voting power or voting rights, and even if the interest is transferable.

Examples include:

- Equity, stock, or similar instrument;
- Preorganization certificate or subscription;
- Transferrable share of, voting trust certificate or certificate of deposit for, an equity security, interest in a joint venture or certificate of interest in a business trust.

### Capital or Profit Interest

Any interest in the assets or profits of a company organized as an LLC, which is similar to stock in a corporation and sometimes referred to as “unit.”

### Convertible Instruments

Any instrument convertible into **equity, stock or voting rights** or **capital or profit interest**, whether or not anything needs to be paid to exercise the conversion. The related items are also ownership interests, including but without limitation of:

- Any future or any convertible instrument, such as convertible note and simple agreement for future equity (SAFE);
- Any warrant or right to purchase, sell or subscribe to a share or interest in **equity, stock, or voting rights** or **capital or profit interest**, even if such warrant or right is a debt.

### Option or Privilege

Any put, call, straddle, or other option or privilege of buying or selling **equity, stock or voting rights, capital or profit interest, or convertible instruments**, *except* if the option or privilege is created and held by others without the knowledge or involvement of the reporting company.

### Catch-All

Any other instrument, contract, arrangement, understanding, relationship, or mechanism used to establish ownership.

**Note for trusts:** The following individuals may hold ownership interests in a reporting company through a trust or similar arrangement:

- (1) A trustee or other individual (if any) with the authority to dispose of trust assets;
- (2) A beneficiary who:
  - (a) is the sole permissible recipient of trust income and principal; or
  - (b) has the right to demand a distribution of or withdraw substantially all of the trust assets; or
- (3) A grantor or settlor who has the right to revoke or otherwise withdraw trust assets.

### Additional Notes:

- If the reporting company has issued any options, privileges, or convertible instruments, assume they have been exercised or converted when calculating any individual’s ownership interest of the reporting company.
- Ownership interests of the individual shall be calculated **at the present time**, and any options or similar interests of the individual shall be **treated as exercised**.

If you have any questions about ownership interests under the BOI Reporting Rules, please reach out to your attorney or refer to *Section 2.3 What steps can I take to identify my company's beneficial owners?* of the [Small Entity Compliance Guide](#) (Version 1.1 December 2023) issued and subject to updates by FinCEN for examples.

**Step 3. Identify all “company applicant(s)” of your reporting company (for reporting companies created/registered on or after January 1, 2024 only).**

Not all reporting companies are required to report their “company applicants.” A reporting company created or registered **before January 1, 2024** is *not* required to report its company applicant(s). In contrast, a reporting company created or registered **on or after January 1, 2024** is required to report its company applicant(s).

A company that must report its company applicants will have only up to two (2) individuals who could qualify as company applicants:

- (1) The individual who directly files the document that creates or first registers the reporting company in the United States; and
- (2) The individual who is primarily responsible for directing or controlling such filing if more than one individual is involved in the filing of the document.

**Step 4. Collect required information for the reporting company, the “beneficial owner(s)” and the company applicant(s).**

The following information and documents need to be collected for the reporting company, “beneficial owner(s)” and company applicant(s). All such information will need to be reported to FinCEN, as shown in Step 5 of this Quick Guide.

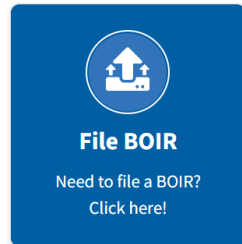
**Chart 6. Three (3) Sets of Information Required to be Reported in the BOIR to FinCEN**

Reporting Company	Beneficial Owner(s)	Company Applicant(s)
<ol style="list-style-type: none"><li>1) Full legal name;</li><li>2) Any trade name or “doing business as” name;</li><li>3) A complete current address of its principal place of business or the primary location it conducts business in the United States if it does not have a principal place of business in the United States;</li><li>4) Jurisdiction of formation/first registration;</li><li>5) IRS Taxpayer Identification Number (e.g., EIN or TIN issued by a foreign jurisdiction).</li></ol>	<ol style="list-style-type: none"><li>1) Full legal name;</li><li>2) Date of birth;</li><li>3) A complete current address of the individual's residence;</li><li>4) A unique identifying number and the issuing jurisdiction (e.g., non-expired passport, driver's license, or any other state/local/tribe-issued identification documents);</li><li>5) An image of the document from subsection 4) above.</li></ol>	<ol style="list-style-type: none"><li>1) Full legal name;</li><li>2) Date of birth;</li><li>3) A complete current address of the individual's business if the individual who forms or registers an entity in the course of his/her business;</li><li>4) A unique identifying number and the issuing jurisdiction (e.g., non-expired passport, driver's license, or any other state/local/tribe-issued identification documents);</li><li>5) An image of the document from subsection 4) above.</li></ol>

## **Step 5. File the initial BOIR before the reporting deadline.**

The BOIR can be submitted directly using the BOI E-Filing System, or through a third-party vendor. If you want to submit the BOIR directly to FinCEN using BOI E-Filing System:

- (1) Log in to the BOI E-Filing System at: <https://boiefiling.fincen.gov/>;
- (2) Click “File BOIR”;



- (3) Select one (1) of the two (2) filing methods that works best for you – filing PDF BOIR or filing Online BOIR:

A white icon of a document with a folded corner and a "PDF" label with a download arrow.

**File PDF BOIR**

- Adobe Reader is required
- Prepare report offline at your own pace, save as you go
- Reuse PDF BOIR when filing updates/corrections
- Download BOIR transcript upon submission

**Prepare BOIR**

**Submit BOIR**

A white icon of a globe with a cursor arrow pointing to it and a "WEB" label.

**File Online BOIR**

- Adobe Reader NOT required
- Prepare report online and submit now
- Prepare new Online BOIR when filing updates/corrections
- Download BOIR transcript upon submission

**Prepare & Submit BOIR**

- (4) FinCEN provides Step-by-Step Instructions for both [PDF Filing Method](#) and [Online Filing Method](#). Follow the instructions and fill out the required information for the reporting company, “beneficial owner(s)” and company applicant(s) that was collected as instructed in Step 4 of this Quick Guide.

Upon the completion and submission of any BOIR, remember to save the submission transcript as reminded by the BOI E-Filing System for your record and future reference.

If you plan to work with a third-party vendor to collect BOI and submit the BOIR, please feel free to contact your attorney for information or independently seek a reliable third-party vendor.



## 5-1. Individual FinCEN

One individual could be a “beneficial owner” and/or company applicant for multiple reporting companies, and such individual may find it cumbersome to have to submit the same BOI multiple times. Though there is no requirement to obtain a FinCEN Identifier (“**FinCEN ID**”), a unique identifying number issued to such an individual by FinCEN, compliance will be more convenient if they obtain a FinCEN ID because they will then only need to report their FinCEN ID in lieu of their detailed BOI in the future. Any individual who wishes to apply for an individual FinCEN ID can follow the [Step-by-Step Instructions](#) provided by FinCEN to apply for one.

Please also note that individual FinCEN ID applicants still need to submit BOI when applying for an individual FinCEN ID, and the individual FinCEN ID holders are still subject to ongoing reporting obligations to report updated or correct BOI when there is any change to inaccuracy in the previously reported BOI for individual FinCEN ID application purposes:

- Individuals must report **any change** to the information they submitted to obtain a FinCEN identifier no later than **30 calendar days** after the date on which the change occurred.
- If there is **any inaccuracy** in this information, an individual must correct the information no later than **30 calendar days** after the date the individual became aware of the inaccuracy or had reason to know of it.

## 5-2. Entity FinCEN

A reporting company can also have an entity FinCEN ID issued upon its submission of initial BOIR through BOI E-Filing System. All reporting entities may find that obtaining an entity FinCEN ID will facilitate future compliance because they will then only need to report their entity FinCEN ID in lieu of more detailed BOI in the future. For a reporting company to obtain such an entity FinCEN ID, it should check the box indicated in the screen shot below “3. Request to receive FinCEN ID” under the “Reporting Company” tab in the BOI E-Filing System:



FINANCIAL CRIMES  
ENFORCEMENT NETWORK

BOI E-FILING | FILE BOIR | HELP

### Beneficial Ownership Information Report (BOIR)

OMB No. 1506-0076

Complete the report in its entirety with all required information. Fields marked with an asterisk (\*) symbol are the fields that, at a minimum, must be completed by all companies to file the report. Reporting companies, however, must include all information 31 CFR 1010.380(b) requires them to provide, regardless of whether a field is marked with an asterisk (\*) symbol. These information requirements are summarized above under HELP.

Filing Information

**Reporting Company**

Company Applicant(s)

Beneficial Owner(s)

Submit

#### Part I. Reporting Company Information

Need help?

☐ 3. Request to receive FinCEN ID

Previous

Next

A reporting company may report another entity's FinCEN ID and full legal name in place of information about its "beneficial owners" when three (3) conditions are met:

- (1) the other entity obtains an entity FinCEN identifier and provides it to the reporting company;
- (2) the "beneficial owners" hold interests in the reporting company through ownership interests in the other entity; and
- (3) the "beneficial owners" of the reporting company and the other entity are the exact same individuals.

Notably, reporting companies with an entity FinCEN ID must also update or correct the company's information by filing an updated or corrected BOIR, within the appropriate deadlines specific in Chart 1 of this Quick Guide.

**Step 6. File an updated or corrected BOIR if there is any change to or inaccuracy in the previously submitted BOIR.**

Note that the BOI reporting obligation is an ongoing obligation. A corrected report must be filed within **30 calendar days** after the reporting company becomes aware of or has reason to know of an inaccuracy of any information previously reported. An updated report must also be filed within **30 calendar days** after any change to the information previously submitted, including:

- (1) If a reporting company that qualified for an exemption ceases to be exempt after filing its prior BOIR; or
- (2) If the “beneficial owner(s)” of a reporting company changes due to new appointments, new ability to exercise substantial control, or increase in ownership interests to 25% or greater.

**It is the obligation of the reporting company and its senior officer(s) to ensure the timely filing of correct and up-to-date BOI. However, a person may be subject to civil and/or criminal penalties for willfully causing a reporting company not to file a required BOIR or to report incomplete or false BOI to FinCEN.**

## Appendix A

### 23 Exemptions to “Reporting Company” Definition

**Chart 7 – “Reporting Company” Exemptions**

Exemption No.	Exemption Short Title
1	Securities Reporting Issuer
2	Governmental Authority
3	Bank
4	Credit Union
5	Depository Institution Holding Company
6	Money Service Business
7	Broker or Dealer in Securities
8	Securities Exchange or Clearing Agency
9	Other Exchange Act Registered Entity
10	Investment Company or Investment Advisor
11	Venture Capital Fund Adviser
12	Insurance Company
13	State-Licensed Insurance Producer
14	Commodity Exchange Act Registered Entity
15	Accounting Firm
16	Public Utility
17	Financial Market Utility
18	Pooled Investment Vehicle
19	Tax-Exempt Entity
21	Entity Assisting a Tax-Exempt Entity
21	Large Operating Company
22	Subsidiary of Certain Exempt Entities
23	Inactive Entity

The criteria for each exemption are provided in a check-box format on the following pages to assist your company in answering the question, “*Is my company exempt from the BOI Reporting Rules?*”

### Securities Reporting Issuer (Exemption #1)

Any entity qualifies for this exemption if **either** of the following two criteria apply:

1. The entity is an issuer of a class of securities registered under section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 78l).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is required to file supplementary and periodic information under section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(d)).	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Governmental Authority (Exemption #2)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is established under the laws of the United States, an Indian tribe, a State, or a political subdivision of a State, or under an interstate compact between two or more States.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity exercises governmental authority on behalf of the United States or any such Indian tribe, State, or political subdivision.	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Bank (Exemption #3)

Any entity qualifies for this exemption if **any** of the following three criteria apply:

1. The entity is a “bank” as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is a “bank” as defined in section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)).	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. The entity is a “bank” as defined in section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)).	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Credit Union (Exemption #4)

Any entity qualifies for this exemption if **either** of the following two criteria apply:

1. The entity is a “Federal credit union” as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is a “State credit union” as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).	<input type="checkbox"/> Yes <input type="checkbox"/> No



### Depository Institution Holding Company (Exemption #5)

Any entity qualifies for this exemption if **either** of the following two criteria apply:

1. The entity is a “bank holding company” as defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is a “savings and loan holding company” as defined in section 10(a) of the Home Owners’ Loan Act (12 U.S.C. 1467a(a)).	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Money Service Business (Exemption #6)

Any entity qualifies for this exemption if **either** of the following two criteria apply:

1. The entity is a money transmitting business registered with FinCEN under 31 U.S.C. 5330.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is a money services business registered with FinCEN under 31 CFR 1022.380.	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Broker or Dealer in Securities (Exemption #7)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is a “broker” or “dealer,” as those terms are defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is registered under section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o).	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Securities Exchange or Clearing Agency (Exemption #8)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is an “exchange” or “clearing agency,” as those terms are defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is registered under sections 6 or 17A of the Securities Exchange Act of 1934 (15 U.S.C. 78f, 78q-1).	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Other Exchange Act Registered Entity (Exemption #9)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is not a Securities Reporting Issuer as defined in Exemption #1, Broker or Dealer in Securities as defined in Exemption #7, or Securities Exchange or Clearing Agency as defined in Exemption #8.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Investment Company or Investment Advisor (Exemption #10)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is an “investment company” or “investment adviser” defined as either: <ul style="list-style-type: none"><li>• An investment company in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3); or</li><li>• An investment adviser in section 202 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2).</li></ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is registered with the Securities and Exchange Commission under either of these authorities: <ul style="list-style-type: none"><li>• The Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); or</li><li>• The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.).</li></ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Venture Capital Fund Adviser (Exemption #11)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is an investment adviser that is described in section 203(l) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(l)).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity has filed Item 10, Schedule A, and Schedule B of Part 1A of Form ADV, or any successor thereto, with the Securities and Exchange Commission.	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Insurance Company (Exemption #12)

Any entity qualifies for this exemption if the following criterion apply:

1. The entity is an “insurance company” as defined in section 2 of the Investment Company Act of 1940 (15 U.S.C. 80a-2).	<input type="checkbox"/> Yes <input type="checkbox"/> No
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### State-Licensed Insurance Producer (Exemption #13)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is an insurance producer that is authorized by a State and subject to supervision by the insurance commissioner or a similar official or agency of a State.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity has an operating presence at a physical office within the United States. The term “operating presence at a physical office within the United States” means that an entity regularly conducts its business at a physical location in the United States that the entity owns or leases and that is physically distinct from the place of business of any other unaffiliated entity.	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Commodity Exchange Act Registered Entity (Exemption #14)

Any entity qualifies for this exemption if **either** of the following two criteria apply:

1. The entity is a “registered entity” as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is one of these entities registered with the Commodity Futures Trading Commission under the Commodity Exchange Act: <ul style="list-style-type: none"><li>• “Futures commission merchant” as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a);</li><li>• “Introducing broker” as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a);</li><li>• “Swap dealer” as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a);</li><li>• “Major swap participant” as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a);</li><li>• “Commodity pool operator” as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a);</li><li>• “Commodity trading advisor” as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a); or</li><li>• “Retail foreign exchange dealer” as described in section 2(c)(2)(B) of the Commodity Exchange Act (7 U.S.C. 2(c)(2)(B)).</li></ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Accounting Firm (Exemption #15)

Any entity qualifies for this exemption if the following criterion apply:

1. The entity is a public accounting firm registered in accordance with section 102 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7212).	<input type="checkbox"/> Yes <input type="checkbox"/> No
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### Public Utility (Exemption #16)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is a “regulated public utility” as defined in 26 U.S.C. 7701(a)(33)(A).	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity provides telecommunications services, electrical power, natural gas, or water and sewer services within the United States.	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Financial Market Utility (Exemption #17)

Any entity qualifies for this exemption if the following criterion apply:

1. The entity is a financial market utility designated by the Financial Stability Oversight Council under section 804 of the Payment, Clearing, and Settlement Supervision Act of 2010 (12 U.S.C. 5463).	<input type="checkbox"/> Yes <input type="checkbox"/> No
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## Pooled Investment Vehicle (Exemption #18)

Any entity qualifies for this exemption if **both** of the following criteria apply:

1. The entity is a pooled investment vehicle if <b><u>either</u></b> of these statements apply to the entity:	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"><li>• Is an investment company, as defined in section 3(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(a); or</li><li>• Is a company that would be an investment company under that section but for the exclusion provided from that definition by paragraph (1) or (7) of section 3(c) of that Act (15 U.S.C. 80a-3(c)); and is identified by its legal name by the applicable investment adviser in its Form ADV, (or successor form) filed with the Securities and Exchange Commission or will be so identified in the next annual updating amendment to Form ADV required to be filed by the applicable investment adviser pursuant to rule 204-1 under the Investment Advisers Act of 1940 (17 CFR 275.204-1).</li></ul>	
2. The entity is operated or advised by any of these types of exempt entities:	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"><li>• Bank, as defined in Exemption #3;</li><li>• Credit Union, as defined in Exemption #4;</li><li>• Broker or Dealer in Securities, as defined in Exemption #7;</li><li>• Investment Company or Investment Adviser, as defined in Exemption #10; or</li><li>• Venture Capital Fund Adviser, as defined in Exemption #11.</li></ul>	

### *Special rule for foreign pooled investment vehicles.*

If an entity is formed under the laws of a foreign country and meets the criteria of Exemption #18, the entity is referred to as “Foreign Pooled Investment Vehicles” in the BOI Reporting Rules and is subject to a separate reporting requirement below:

- You do not need to report information about each beneficial owner and any company applicants, but you must report one individual who exercises substantial control over the company, and if more than one individual exercise substantial control over the company, you must report information about the individual who has the greatest authority over the strategic management of the company.



### Tax-Exempt Entity (Exemption #19)

Any entity qualifies for this exemption if **any** of the following four criteria apply:

1. The entity is an organization that is described in section 501(c) of the Internal Revenue Code of 1986 (Code) (determined without regard to section 508(a) of the Code) and exempt from tax under section 501(a) of the Code.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is an organization that is described in section 501(c) of the Code, and was exempt from tax under section 501(a) of the Code, but lost its tax-exempt status less than 180 days ago.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. The entity is a political organization, as defined in section 527(e)(1) of the Code, that is exempt from tax under section 527(a) of the Code.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. The entity is a trust described in paragraph (1) or (2) of section 4947(a) of the Code.	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Entity Assisting a Tax-Exempt Entity (Exemption #20)

Any entity qualifies for this exemption if **all four** of the following criteria apply:

1. The entity operates exclusively to provide financial assistance to, or hold governance rights over, any tax- exempt entity described by Exemption #19.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is a United States person as defined in section 7701(a)(30) of the Internal Revenue Code of 1986.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. The entity is beneficially owned or controlled exclusively by one or more United States persons that are United States citizens or lawfully admitted for permanent residence. “Lawfully admitted for permanent residence” is defined in section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)).	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. The entity derives at least a majority of its funding or revenue from one or more United States persons that are United States citizens or lawfully admitted for permanent residence.	<input type="checkbox"/> Yes <input type="checkbox"/> No

## Large Operating Company (Exemption #21)

Any entity qualifies for this exemption if **all six** of the following criteria apply:

1. The entity employs more than 20 full time employees, when applying the meaning of full-time employee provided in 26 CFR 54.4980H-1(a) and 54.4980H-3. In general, “full-time employee” means, with respect to a calendar month, an employee who is employed an average of at least 30 hours of service per week with an employer.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. More than 20 full-time employees of the entity are employed in the “United States,” as that term is defined in 31 CFR 1010.100(hhh).	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. The entity has an operating presence at a physical office within the United States. “Operating presence at a physical office within the United States” means that an entity regularly conducts its business at a physical location in the United States that the entity owns or leases and that is physically distinct from the place of business of any other unaffiliated entity.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. The entity filed a Federal income tax or information return in the United States for the previous year demonstrating more than \$5,000,000 in gross receipts or sales. If the entity is part of an affiliated group of corporations within the meaning of 26 U.S.C. 1504, refer to the consolidated return for such group.	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. The entity reported this greater-than-\$5,000,000 amount as gross receipts or sales (net of returns and allowances) on the entity’s IRS Form 1120, consolidated IRS Form 1120, IRS Form 1120-S, IRS Form 1065, or other applicable IRS form.	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. When gross receipts or sales from sources outside the United States, as determined under Federal income tax principle, are excluded from the entity’s amount of gross receipts or sales, the amount remains greater than \$5,000,000.	<input type="checkbox"/> Yes <input type="checkbox"/> No

## Subsidiary of Certain Exempt Entities (Exemption #22)

Any entity qualifies for this exemption if the following criterion apply:

- |   |   |
|---|---|
| <p>1. The entity's ownership interests are controlled or wholly owned, directly or indirectly, by any of these types of exempt entities:</p> <ul style="list-style-type: none"><li>• Securities reporting issuer, as defined in Exemption #1;</li><li>• Governmental authority, as defined in Exemption #2;</li><li>• Bank, as defined in Exemption #3;</li><li>• Credit union, as defined in Exemption #4;</li><li>• Depository institution holding company, as defined in Exemption #5;</li><li>• Broker or dealer in securities, as defined in Exemption #7;</li><li>• Securities exchange or clearing agency, as defined in Exemption #8;</li><li>• Other Exchange Act registered entity, as defined in Exemption #9;</li><li>• Investment company or investment adviser, as defined in Exemption #10;</li><li>• Venture capital fund adviser, as defined in Exemption #11;</li><li>• Insurance company, as defined in Exemption #12;</li><li>• State-licensed insurance producer, as defined in Exemption #13;</li><li>• Commodity Exchange Act registered entity, as defined in Exemption #14;</li><li>• Accounting firm, as defined in Exemption #15;</li><li>• Public utility, as defined in Exemption #16;</li><li>• Financial market utility, as defined in Exemption #17;</li><li>• Tax-exempt entity, as defined in Exemption #19; or</li><li>• Large operating company, as defined in Exemption #21.</li></ul> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> |
|---|---|

### Inactive Entity (Exemption #23)

Any entity qualifies for this exemption if **all six** of the following criteria apply:

1. The entity was in existence on or before January 1, 2020.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The entity is not engaged in active business.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. The entity is not owned by a foreign person, whether directly or indirectly, wholly or partially. "Foreign person" means a person who is not a United States person. A United States person is defined in section 7701(a)(30) of the Internal Revenue Code of 1986 as a citizen or resident of the United States, domestic partnership and corporation, and other estates and trusts.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. The entity has not experienced any change in ownership in the preceding twelve-month period.	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. The entity has not sent or received any funds in an amount greater than \$1,000, either directly or through any financial account in which the entity or any affiliate of the entity had an interest, in the preceding twelve-month period.	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. The entity does not otherwise hold any kind or type of assets, whether in the United States or abroad, including any ownership interest in any corporation, limited liability company, or other similar entity.	<input type="checkbox"/> Yes <input type="checkbox"/> No

## Appendix B

### Five (5) Exceptions to “Beneficial Owner” Definition

#### Chart 8 – “Beneficial Owner” Exemptions

Exemption No.	Exemption Short Title
1	Minor Child
2	Nominee, Intermediary, Custodian, or Agent
3	Employee
4	Inheritor
5	Creditor

The following checkboxes are intended to help your company determine whether any exceptions apply to an individual who might otherwise qualify as a beneficial owner.

#### **Minor Child (Exemption #1)**

An individual qualifies for this exception if the following criterion applies:

- |  |  |
|--|--|
| 1. The individual is a minor child, as defined under the law of the State or Indian tribe in which the domestic reporting company is created or the foreign reporting company is first registered. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
|--|--|

*Special rule for minor child:* If the answer above is yes, the reporting company may instead report information about the parent or legal guardian of the minor child.

**Note:** This exception only applies if a parent or legal guardian’s information is reported in lieu of the minor child’s information. Also, when the minor child reaches the age of majority, as defined by the law of the State or Indian tribe in which the reporting company was created or first registered, the exception no longer applies. At that time, if the individual is a beneficial owner, the reporting company must file an updated BOIR providing the individual’s own information.

#### **Nominee, Intermediary, Custodian, or Agent (Exemption #2)**

An individual qualifies for this exception if the following criterion applies:

- |   |  |
|---|--|
| 1. The individual merely acts on behalf of an actual beneficial owner as the beneficial owner’s nominee, intermediary, custodian, OR agent. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
|---|--|

**Note:** Individuals who perform ordinary advisory or other contractual services (such as tax professionals) likely qualify for this exception. In scenarios where this exception applies, the actual beneficial owner must still be reported.

### Employee (Exemption #3)

An individual qualifies for this exception if **all three** of the following criteria applies:

1. The individual is an employee of the reporting company, when applying the meaning of “employee” provided in 26 CFR 54.4980H-1(a)(15). In general, the term employee means that an individual is subject to the will and control of the employer in what and how to do work, and that the employer may discharge the individual from work.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The individual’s substantial control over, or economic benefits from, the reporting company are derived solely from the employment status of the individual as an employee.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. The individual is not a senior officer of the reporting company. The term “senior officer” means any individual holding the position or exercising the authority of a President, Chief Financial Officer (CFO), General Counsel (GC), Chief Executive Officer (CEO), or Chief Operating Officer (COO), or any other officer, regardless of official title, who performs a similar function.	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Inheritor (Exemption #4)

An individual qualifies for this exception if the following criterion applies:

1. The individual’s only interest in the reporting company is a future interest through a right of inheritance, such as through a will providing a future interest in a company.	<input type="checkbox"/> Yes <input type="checkbox"/> No
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**Note:** Once the individual inherits the interest, this exception no longer applies, and the individual may qualify as a beneficial owner.

### Creditor (Exemption #5)

An individual qualifies for this exception if the following criterion applies:

1. The individual is a creditor of the reporting company.	<input type="checkbox"/> Yes <input type="checkbox"/> No
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**Note:** The term “creditor” means an individual who would meet the definition of a beneficial owner of the reporting company solely through rights or interests for the payment of a predetermined sum of money, such as a debt incurred by the reporting company, or a loan covenant or other similar right associated with such right to receive payment that is intended to secure the right to receive payment or enhance the likelihood of repayment.

For example, an individual qualifies for the creditor exception if the individual is entitled to payment from the reporting company to satisfy a loan or debt, so long as this entitlement is the only ownership interest the individual has in the reporting company.