The name is misleading. The Bank Secrecy Act (BSA) is not just a law for banks. It reaches a wide range of businesses that handle money, move value, or provide certain financial services—including money service businesses, casinos, and many crypto exchanges.

That matters for founders and operators because BSA obligations can shape how a business verifies customers, monitors transactions, keeps records, and reports suspicious activity. It also matters to people who see potential violations: FinCEN whistleblower awards are real, but they are not quick or automatic.

Here is the catch: being in an industry that handles money does not automatically make every company subject to every BSA rule. Coverage depends on what the business actually does, how it is structured, and which regulations apply to that activity.

What the BSA Does

Congress passed the BSA to help detect and prevent money laundering and other financial crime. In practice, it requires covered businesses to maintain records and build anti-money-laundering (AML) controls. Depending on the business, those controls may include customer identification, transaction monitoring, suspicious activity reporting, and cash transaction reporting.

The law's reach extends beyond the companies most people call "banks." The BSA uses a broader concept of a financial institution, and regulations apply different requirements to different types of institutions. A money transmitter and a securities broker, for example, do not necessarily follow identical rules.

So the useful question is not simply, "Does this industry fall under the BSA?" Ask instead: "Is this company a covered financial institution for this activity, and which specific rules apply?"

Industries Covered Beyond Traditional Banks

1. Money service businesses

Money service businesses (MSBs) are among the clearest examples of BSA coverage outside traditional banking. The category can include businesses that transmit money, exchange currency, cash checks, issue or sell money orders or traveler's checks, or provide certain prepaid access services.

Common examples include independent money-transfer companies, currency exchangers, check-cashing businesses, and some payment providers. A business can qualify as an MSB based on the services it provides, not the label it uses in marketing. Calling a product a "wallet," "platform," or "payment app" does not settle the issue.

MSBs generally need a written AML program tailored to their business. Depending on the service and facts, they may also have registration, recordkeeping, and reporting duties. For example, a money transmitter may need controls to detect suspicious transfers across customers, agents, locations, or payment channels.

There are thresholds and exceptions, so not every business that handles a payment is automatically an MSB. The details of the service matter—especially whether the company accepts and transmits funds for customers.

2. Casinos and card clubs

Casinos and certain card clubs are covered by BSA rules. Federal regulations generally define a covered casino or card club using an annual gaming-revenue threshold, along with other conditions. The rules can apply to relevant tribal gaming operations as well.

Casinos face particular AML risks because customers may move between cash, chips, gambling activity, and payouts. A casino's compliance program may need to address customer identification, records, cash transactions, and suspicious activity—not just what happens at the cashier's cage.

For example, a pattern involving repeated cash exchanges, limited gaming, and requests for payouts in a different form may warrant review. That does not prove a crime occurred. It illustrates why casinos need procedures that assess the full pattern rather than treating each transaction in isolation.

3. Crypto exchanges and other virtual-asset businesses

Some crypto exchanges are subject to BSA requirements as money transmitters or other covered financial institutions. FinCEN has said that businesses exchanging or transmitting convertible virtual currency may have MSB obligations when their activities meet the relevant definitions.

The key word is "some." The fact that a company uses blockchain technology, lists tokens, or calls itself a crypto exchange does not by itself answer the legal question. A platform's role in accepting, transmitting, exchanging, or controlling customer value can matter. So can whether it acts for customers or only provides software or other services.

Where BSA rules apply, the company may need an AML program, required records, and processes for identifying and reporting suspicious activity. A business operating across borders may also face overlapping rules in other countries. That does not mean every crypto project is automatically a regulated money transmitter, or that one jurisdiction's analysis decides the question everywhere.

4. Securities and commodities businesses

Parts of the securities and commodities industries also have BSA obligations. Covered businesses can include broker-dealers, certain mutual funds, futures commission merchants, and introducing brokers in commodities, subject to the rules applicable to each category.

These firms may need controls that account for how customers fund accounts, trade, transfer assets, and withdraw proceeds. A compliance program designed for a retail bank may not fit a brokerage or futures business. The risks and transaction patterns differ.

5. Insurance and other financial businesses

Some insurance companies are covered for particular products and activities, especially in areas where a product can function as a vehicle for moving or storing value. Certain loan or finance businesses may also have BSA-related obligations under specific rules.

There are also rules covering certain dealers in precious metals, precious stones, or jewels when they meet regulatory conditions. The details matter: a jewelry shop is not automatically subject to the same requirements as a financial institution simply because it sells valuable goods.

Real estate is another area where broad claims can be misleading. Some real-estate-related businesses and transactions may be subject to targeted requirements, but it is not accurate to say that every real estate agent or property company has the same BSA duties as a bank.

Quick Reference: Who May Be Covered?

Business type Why BSA rules may apply What to check Money service businesses They may transmit money, exchange currency, cash checks, or provide other covered services. Exact service, thresholds, registration status,

and applicable FinCEN rules. Casinos and card clubs Covered gaming businesses have AML, recordkeeping, and reporting duties. Gaming revenue, business type, and specific casino regulations. Crypto exchanges Some activities can qualify as money transmission or another regulated financial activity. Whether the company accepts, exchanges, or transmits customer value, and how it operates. Securities and commodities firms Various brokerages, funds, and futures businesses are subject to industry-specific rules. Entity type, services offered, and the rules for that regulated category. Insurance, lending, and precious-metals businesses Specific products, activities, or thresholds can bring particular businesses into scope. The applicable regulation—not just the industry label.

What BSA Coverage Usually Means in Practice

For a covered business, BSA compliance is not just a policy document sitting in a shared drive. The program generally needs to fit the company's actual products, customers, locations, and transaction risks. Depending on the rules, the work can include:

- **Written AML policies and procedures:** Clear steps employees can follow, matched to the business's risk profile.
- **Internal controls:** Systems to identify unusual activity and route it to people who can investigate.
- **Training:** Employees need to understand what to escalate and how to preserve relevant information.
- **Independent testing:** A review of whether the program works in practice, not just whether it exists on paper.
- **Records and reports:** Required filings and documentation, which vary by institution and transaction.

These are broad categories, not a universal checklist. A company should map each requirement to its legal entity, products, and operating model. For a startup, that often means documenting how money enters the system, who controls it, where it goes, and who can stop or reverse a transaction.

FinCEN Whistleblower Awards: Real, but Not Fast

FinCEN whistleblower awards are not clickbait. Federal law provides a potential award for people who voluntarily provide original information that leads to successful enforcement action involving violations of the BSA. But "potential" is doing important work in that sentence.

The 2022 AML Whistleblower Improvement Act strengthened the program created under the Anti-Money Laundering Act of 2020. Among other changes, it established a funded statutory structure for awards through the Treasury Department's Consolidated Penalties Fund. That funding structure is different from a promise that every person who submits a tip will receive money.

When the legal conditions are met, the statute provides for awards generally ranging from 10% to 30% of monetary sanctions collected in a qualifying action. The award is discretionary. It is not a fixed percentage owed simply because someone reported a concern.

Factors can include how significant the information was, whether it was original and useful, how much it assisted the investigation, and whether the person took part in the misconduct. The outcome also depends on an enforcement action that satisfies the program's requirements and results in collected sanctions. No successful action, or no qualifying collection, can mean no award.

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And the timeline can be long. A tip may need to be assessed, investigated, and connected to an enforcement case. The case itself can take years. Award decisions come after the relevant process—not on the schedule of someone

hoping to leave a job or pay next month's bills.

What a potential whistleblower should preserve

People considering a report should focus on facts, not guesses. Useful information may include dates, transaction details, the entities involved, the relevant systems or controls, and why the conduct may violate a BSA requirement. A clear timeline is usually more useful than a long narrative full of conclusions.

Do not take records you are not authorized to access, alter company data, or assume that posting allegations publicly is the same as making a protected report. Confidentiality and eligibility rules can be technical. If you are evaluating a possible claim, ask a qualified attorney specifically about the program's voluntary-reporting rules, what counts as original information, confidentiality protections, and how your own role could affect eligibility.

How to Use Tycoonstory.com and Facebook Responsibly

Tycoonstory.com and Facebook can be useful places to discover business stories, industry discussions, and questions worth investigating. They are not substitutes for the Bank Secrecy Act, FinCEN regulations, or official agency guidance.

That distinction matters when a post says "crypto is exempt," "every payment app is a bank," or "report a company and collect 30%." Each statement skips important conditions. Treat social posts and business-media articles as leads, then verify the underlying rule and the facts about the business.

For compliance decisions, look for the actual regulation or FinCEN guidance that applies to the service. For whistleblower questions, read the program requirements and ask targeted questions about eligibility, process, and timing. Vague advice to "talk to a professional" is not enough; know what issue you need answered.

The Bottom Line

The BSA covers much more than banks. Money service businesses, casinos, some crypto exchanges, securities and commodities firms, and certain insurance, lending, and precious-metals businesses may all face BSA obligations.

But coverage is activity-specific. The right analysis starts with what the company does—not what it calls itself—and then matches those activities to the relevant rules. FinCEN whistleblower awards are also real, with a statutory 10% to 30% range in qualifying cases, but awards are discretionary and the process can take time.



For operators, the practical move is to map products and money flows to applicable requirements before growth makes the controls harder to build. For potential whistleblowers, the practical move is to preserve lawful, specific facts and understand the program's eligibility rules before assuming a report will produce an award.

