SonarPulse

AI-POWERED FINANCIAL CRIME SURVEILLANCE

WEEK OF 8–14 SEPTEMBER 2026

Financial Crime Weekly Digest

Global enforcement actions, regulatory moves & intelligence from the world of AML & financial crime.

STORY OF THE WEEK

Treasury grounds 27 Iranian airlines — and targets the intermediaries serving Mahan Air

ENFORCEMENT

'Dubai Bank' underground banking arrests · Xinbi marketplace · Hizballah and Iran finance networks

REGULATORY

$17.5B in suspicious activity tied to possible health-care fraud · digital ID under CIP · proposed third-party risk guidance

STORY OF THE WEEK · USA / IRAN / UAE / TÜRKIYE

Treasury Grounds Iran's Airlines — and Targets the Routes Around Them

27 AIRLINES

designated in one action, alongside nine facilitators in the UAE, Türkiye, Malaysia, Kazakhstan and the UK

On **8 September** OFAC sanctioned **36 targets** for supporting Iran's aviation sector, which Treasury says the regime uses to move weapons, personnel and illicit cargo. The **27 Iranian airlines** were designated under E.O. 13902 **for operating in Iran's aviation sector**. The other **nine**, including aircraft-transfer intermediaries, cargo service providers and general sales agents, were designated under counter-terrorism authority E.O. 13224 in connection with **Mahan Air**. OFAC also suspended three Iran-related aviation authorisations. Treasury says Mahan Air received at least three **Boeing 777s** diverted through the **UAE and Oman** in summer 2026.

The same day FinCEN issued **Alert FIN-2026-Alert006**. It says front companies posing as technology, aviation or logistics firms in third countries often buy aircraft components from the US or other Western countries for export to Iran, and that Iranian airlines rely on freight forwarders and smugglers in transshipment jurisdictions such as **Türkiye or the UAE**. "You are at risk of being cut off from the global financial system," Treasury Secretary **Scott Bessent** warned anyone doing business with Iran's remaining airlines.

- 27 Iranian airlines (E.O. 13902) plus 9 facilitators (E.O. 13224) · 8 Sept 2026
- Three Iran-related aviation authorisations suspended; Iran GL DD authorises the wind-down of certain civil aviation-related transactions
- FinCEN Alert FIN-2026-Alert006 lists seven red flags for Iranian aviation procurement
- Flags include: a free-zone general trading company with no apparent aviation business ordering Western-origin aircraft parts; recently incorporated logistics firms in high-risk transshipment jurisdictions sharing an address with similar companies; aircraft long in storage or frequently re-registered
- SAR key term: FIN-2026-IRANAIR

WHY IT MATTERS FOR COMPLIANCE TEAMS

None of these red flags needs an Iranian name to appear: FinCEN says they are meant to help detect activity even when Iran's direct involvement is not readily identifiable in transaction details. A recently incorporated logistics company in a high-risk transshipment jurisdiction sharing an address with similar firms, a free-zone general trading company that does not ordinarily deal in aviation goods, a customer in a jurisdiction of concern ordering parts from one country for delivery to a forwarder in another — each becomes a flag once aircraft parts are involved, and FinCEN stresses that no single flag is determinative. That puts the weight on **KYB and trade-finance monitoring in the transshipment hubs**, not on sanctions screening alone. **Institutions banking free-zone traders in the UAE should test their onboarding and trade-monitoring rules against the seven indicators now.**

ENFORCEMENT ACTIONS

Law Enforcement Strikes This Week

EUROPOL · SPAIN / UAE / EUROPE

21 ARRESTS

21 Arrests in 'Dubai Bank' Underground Banking Case

Europol announced on **8 September** that an investigation led by Spain's National Police and supported by Europol, with contributions from the Netherlands, Sweden and the United States (including the DEA), has led to **21 arrests** for offences including participation in a criminal organisation, drug trafficking and money laundering. Among those arrested is a leading figure in the underground banking network known as **'Dubai Bank'**, which is suspected of making large sums available to criminal organisations in different countries within very short periods. Spain issued **19 international arrest warrants**; six have been executed, with **four arrests in the UAE**, one in Egypt and one in the Netherlands. Investigators also identified the use of tokens, frequently a banknote serial number, to authenticate cash transactions. Authorities have **identified, seized or frozen** assets worth about **EUR 20 million**, including **48 properties** and **121 bank accounts**.

OFAC · SOUTHEAST ASIA / DIGITAL ASSETS

TCO

Xinbi Illicit Marketplace Designated

On **9 September** OFAC designated **Xinbi Guarantee** as a significant transnational criminal organisation. Treasury says the Chinese-language platform runs an illicit online marketplace connecting criminal syndicates, including scam-centre operators, with merchants selling financial services, technology and other goods, and provides escrow services to scam operators and laundering networks. OFAC also designated **Anwen Technology** (Cambodia), developer of the XinbiPay wallet that Xinbi launched, and **SafeW Technology** (Singapore), developer of the encrypted messenger to which Xinbi began moving its merchant and money-laundering networks around June 2025. Treasury says the marketplace has processed the equivalent of **over $24 billion** in digital assets and fiat since around 2022. The DOJ's Scam Center Strike Force seized infrastructure and digital-asset wallets used by Xinbi the same day.

OFAC · IRAQ / LEBANON / UAE / TÜRKIYE

19 PERSONS

Hizballah and Iran Finance Networks Hit

On **10 September** OFAC added **14 individuals and five entities** to the SDN List. Sixteen were designated under counter-terrorism authority E.O. 13224 in networks tied to **Kata'ib Hizballah** and **Lebanese Hizballah** — among them two Lebanese money exchangers, a Hizballah money courier and two Lebanese exchange businesses. Three were designated under E.O. 13902 for **Iran's financial sector**: Dubai-based **Shams & Bahr Trading Company**, an exchange Treasury says has been used to remit millions of dollars from Iraq to Iran via the UAE, and two individuals acting for it. OFAC also moved Iran-related specific licence applications to a **presumption of denial**, except as required by law or in certain circumstances, such as risk to life, limb or environmental safety.

OFAC · UNITED STATES / IRAN

$1.43M

Individual Settles 39 Apparent Iran Violations

A US person agreed on **10 September** to pay **$1,427,230** to settle **39 apparent violations** of Iran sanctions between 2019 and 2021: providing management consulting and advisory services to one of Iran's leading software companies, receiving

REGULATORY DEVELOPMENTS

Regulatory Moves
Reshaping the Compliance Landscape

UNITED STATES

$17.5 Billion in Suspicious Activity Tied to Possible Health-Care Fraud

FinCEN published a **Financial Trend Analysis** on **9 September** identifying about **$17.5 billion** in suspicious financial activity potentially linked to health-care fraud, based on **5,702 BSA reports** filed between 1 March 2025 and 28 February 2026. Depository institutions filed about **89%** of the reports, and **home health care businesses** were identified as the suspected fraudulent provider in **20%** of them, the largest share. The figure is suspicious activity reported, not proven fraud.

UNITED STATES

Digital IDs May Be Used for Customer Identification

On **8 September** FinCEN, jointly with staff of the Federal Reserve, the FDIC, the NCUA and the OCC, issued FAQs on state-issued **mobile driver's licences** and other government-issued **verifiable digital credentials** under the CIP Rule. A bank or credit union **may** consider an unexpired credential of this kind that evidences nationality or residence and bears a photograph or similar safeguard as one of its documentary verification methods — **if its own CIP allows it** and it has the technology or systems to extract the relevant information. If a credential shows indications of fraud, the institution must consider that in deciding whether it can form a reasonable belief that it knows the customer's true identity. The CIP Rule neither requires nor prohibits reliance on such credentials, and the FAQs do not alter existing BSA requirements or set new supervisory expectations.

UNITED STATES

Whistleblower Bulletin on Iran Finance

FinCEN issued a **Whistleblower Bulletin** on **10 September** inviting tips from US and non-US whistleblowers on Bank Secrecy Act and OFAC sanctions violations tied to Iran, including those involving **Iranian proxies and facilitators operating outside Iran**. Awards of **10–30%** of collected penalties may be paid if a tip leads to a Treasury or DOJ enforcement action that collects **more than $1 million** in penalties and the other statutory requirements are met; potential OFAC violations require a **nexus to the United States**. The bulletin's typologies include company types and jurisdictions at higher risk for Iranian sanctions evasion, including those from Iraq, the UAE, Türkiye and China. For trading and payment firms in those jurisdictions, an insider with a financial reason to report is now a realistic risk.

UNITED STATES

Third-Party Risk Guidance Rewrite Proposed

On **11 September** the **FDIC, Federal Reserve Board, NCUA and OCC** requested comment on **proposed** principles-based guidance on third-party risk management which, like all supervisory guidance, is non-binding. When it is finalised, the federal bank regulatory agencies plan to **rescind** their existing third-party risk management guidance and **replace** it. Separately, the Fed, FDIC and OCC issued a statement on community banks' engagement with **core service providers**, whose critical systems it describes as including compliance and reporting. Comments are due **60 days** after Federal Register publication. This is not an AML rule, but outsourced screening, monitoring and KYC services are third-party relationships, so the final text will matter to compliance teams.

ON OUR RADAR

Watch This Space

REGULATORY DEADLINE · UAE

Central Bank Law: One Year From 16 September 2025

The CBUAE Rulebook shows **Federal Decree-Law No. 6 of 2025**, the central bank law, as effective from 16 September 2025. **Article 184** gives agencies and persons subject to it one year from entry into force to reconcile their positions, and lets the CBUAE Board of Directors extend that period. Its licensed activities include payment services using virtual assets, and Article 62 extends the CBUAE's jurisdiction to anyone carrying on or facilitating a licensed financial activity, whatever the technology, including platforms and technological infrastructure that facilitate financial services. Under **Article 168** the CBUAE may fine a licensed financial institution up to AED 1 billion, or a violating party up to ten times the funds involved in the violation. The law does not apply to the financial free zones. Check the CBUAE's own notices for any extension before treating the period as closed.

MONEY MULES · UAE

Sharjah Prosecutor Warns on Account Renting

As reported by Gulf News on 10 September, Dr Abdullah Mohammed Al Ali of the Sharjah Public Prosecution warned on Sharjah TV that renting out a bank account, setting up a fake company or issuing forged invoices can expose people to serious criminal charges, and said newly arrived residents are among the most common targets of account-rental schemes. According to the report, he said money-laundering offences can carry prison terms of 15 to 25 years and fines of up to Dh200 million. Those penalty figures come from the news report of his interview; we have not checked them against the law text.

SCAM ECONOMY · SOUTHEAST ASIA

After Huione, the Users Moved to Xinbi

Treasury says that after FinCEN's listing of Huione Pay as a financial services conglomerate of primary money laundering concern, cybercriminals tried to preserve their operations by moving their activity to Xinbi Guarantee's marketplace, which kept offering substantially similar services to an overlapping customer base. Around June 2025, in response to growing law-enforcement scrutiny, Xinbi began moving its merchant and money-laundering networks to the SafeW messenger. Expect Xinbi's merchants to look for the next venue, which is why wallet and counterparty screening needs refreshing after every designation.

TRADE SANCTIONS · UNITED KINGDOM

OTSI Moves to Intelligence-Led Cases

The UK's Office of Trade Sanctions Implementation received 178 reports or referrals in 2025–26, according to its annual review published on 27 August. The majority came from the financial services sector, and 111 cases (62%) were reported by sectors under mandatory reporting obligations. OTSI has not yet imposed any civil monetary penalties. About 6% of the cases it opened were proactively initiated, and it aims to increase significantly the number of proactive and intelligence-led investigations — a sign that reporting alone will not stay the main trigger.

This Week's
3 Key Takeaways

01 The Iran Campaign Reached the Supply Chain

Last week OFAC designated a Türkiye-based bank, Golden Global Bank, and its two subsidiaries; this week it targeted airlines, aircraft-transfer intermediaries, cargo service providers and general sales agents. FinCEN's aviation red flags include recently incorporated logistics firms in high-risk transshipment jurisdictions sharing an address with similar companies, and free-zone general traders that do not ordinarily deal in aviation goods ordering aircraft parts. KYB and trade monitoring, not name screening alone, is where this risk gets caught.

02 Scam Money Moves Through Marketplaces

Treasury says Xinbi's marketplace, which provides escrow services to scam operators and laundering networks, processed the equivalent of over $24 billion. Designating a marketplace hits many merchants at once, but Treasury's own account shows cybercriminals moving to Xinbi after the Huione Pay action. Screen digital-asset counterparties against fresh designations, not last quarter's list.

03 Underground Banking Has a Gulf Address

On 3 September FATF published a report finding that more than 80% of reporting jurisdictions identify underground banking, hawala and similar service providers among their principal professional money-laundering channels. This week Europol described one alleged network, ‘Dubai Bank’: a leading figure is among the 21 arrested, and four of the six arrest warrants executed so far led to arrests in the UAE. Europol notes that such networks can settle payments through trade transactions and companies' bank accounts rather than moving money across borders for every transaction. That leaves traces with the brokers and trading companies around them, which makes it a KYB and correspondent-monitoring problem.

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AI-Powered Financial Crime Surveillance

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27	$24B	$17.5B	€20M
AIRLINES	**XINBI THROUGHPUT**	**SUSPICIOUS ACTIVITY**	**ASSETS IDENTIFIED**
OFAC · 8 Sept	US Treasury · since ~2022	Possible health-care fraud · 5,702 BSA reports	Identified, seized or frozen · Europol

#FinancialCrime #AML #Sanctions #KYC #KYB #Compliance #RiskTech #SonarPulse

Sources: US Treasury / OFAC · FinCEN · FDIC · Federal Reserve · OCC · NCUA · Europol · FATF · CBUAE · Gulf News · UK OTSI