

WEEK OF 29 SEPTEMBER – 5 OCTOBER 2026

Financial Crime Weekly Digest

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

STORY OF THE WEEK

The US Treasury moves against the A7 Network: a proposed FinCEN rule, a FinCEN Alert and an OFAC designation, all on one day

ENFORCEMENT

Almost £30m in suitcases, flown from UK airports to Dubai · sham charities and crypto for Hamas · the DFSA fines an ADGM-licensed firm

REGULATORY

OFAC warns foreign banks dealing with Iran · AMLA finalises its customer due diligence standards · FATF publishes Canada's mutual evaluation

STORY OF THE WEEK · UNITED STATES / RUSSIA / IRAN

Treasury Targets the A7 Network: Designation, Alert, Proposed Rule

\$17 BILLION+

processed by the A7 Network's Sub-Agents between January 2025 and June 2026, aggregated globally, as identified by FinCEN's investigation

On **1 October**, as part of Operation Economic Outcast, the US Treasury took what it calls “unprecedented action” against the **A7 Network**, “a shadow banking network with ties to Russia used by the Iranian regime to evade sanctions”. Three measures came together. FinCEN **proposed** a rule that would prohibit transmittals of funds regarding transactions involving the A7 Network's Sub-Agents, under section 9714(a) of the Combating Russian Money Laundering Act; the comment period closes 30 days after publication in the Federal Register. FinCEN issued an **Alert** with red flags. And OFAC sanctioned the A7 Network as a **significant transnational criminal organization**. Treasury says the network is led by Ilan Mironovich Shor, and that its Sub-Agents are companies “purpose-built to disguise payments linked to sanctioned sectors and persons as ordinary commercial activity”.

Keep the numbers apart. The **\$17 billion** is what FinCEN's investigation identified. The larger figure — more than 2,000 transactions a day and more than 7.5 trillion rubles, the dollar equivalent of \$91.5 billion — is what the network **claimed “by its own account”** as of January 2026. FinCEN's Alert adds that, as of June 2026, the network operates hundreds of companies with bank accounts at **approximately 435 financial institutions in at least 83 countries**, and that it forms, acquires or partners with companies in third countries “such as” Hong Kong, Indonesia, the Kyrgyz Republic, the Seychelles, Türkiye and the **United Arab Emirates** — examples, not a complete list.

- Announced 1 October 2026 · FinCEN Alert FIN-2026-Alert007 · SAR key term “FIN-2026-A7NETWORK”
- The FinCEN rule is proposed, not final: it would prohibit transmittals of funds involving A7 Network Sub-Agents
- OFAC: the A7 Network is sanctioned as a significant transnational criminal organization
- FinCEN: the A7A5 token is a ruble-backed stablecoin developed within the network

WHY IT MATTERS FOR COMPLIANCE TEAMS

A Sub-Agent is built to look like an ordinary trading company, so a name match is unlikely to be what finds it. FinCEN's red flags are about behaviour and paper: **a recently-formed company with unusually high volumes of large transactions over a short period; payments routed through several potential shell companies in multiple jurisdictions for no clear economic purpose; invoices with overly simplified or vague product details**. FinCEN also flags access from VPN infrastructure on servers in jurisdictions “such as Dubai, Hong Kong, or Kyrgyz Republic”, and says no single red flag is determinative.

ENFORCEMENT ACTIONS

Law Enforcement Strikes This Week

UK NATIONAL CRIME AGENCY · UNITED KINGDOM / UAE

SENTENCED

Almost £30 Million in Suitcases, Flown From UK Airports to Dubai

On **2 October** the NCA announced sentences for members of a crime group which smuggled **almost £30 million of cash** out of the UK to the UAE hidden in suitcases. The group worked with a British Dubai-based organiser — **alleged**, and awaiting extradition to face trial — using Dubai-bound flights from Manchester, Birmingham and Brussels between December 2017 and November 2019. Couriers carried cash in **up to five suitcases at a time**, undeclared on departure. One courier declared **£3.9 million on arrival in Dubai on 14 occasions**. **£788,455** was seized at UK airports.

US TREASURY / US DEPARTMENT OF JUSTICE · UNITED STATES / FRANCE / GAZA

DESIGNATED · CHARGED

Sham Charities and Crypto: a Hamas Financing Network

On **2 October** OFAC designated a member of Hamas's military wing, two France-based individuals and two affiliated entities. Treasury describes a financing architecture that moved **more than \$2 million** to Hamas “through deceptive charitable fronts and cryptocurrency channels”; the Gaza-based member oversees a network that has used **various money services businesses and cryptocurrency wallets**. The same day the Justice Department announced an unsealed indictment charging him, three arrests in the US and three in France. Its figure differs: **more than \$1.7 million** collected through purported charitable campaigns since January 2020. The charges are allegations.

US TREASURY / US DEPARTMENT OF JUSTICE · UNITED STATES / MEXICO / VENEZUELA

10 TARGETS

ATM Jackpotting as Revenue for Tren de Aragua

On **30 September** OFAC designated **10 targets** involved in a Tren de Aragua fraud scheme: “jackpotting”, in which malware forces ATMs to dispense cash. Treasury says the network **uses cryptocurrency transactions to launder the proceeds**. As of August 2025, reported losses from **alleged** jackpotting attacks in the US total **\$40.73 million across over 1,500 attacks**. On **2 October** the Justice Department announced the apprehension of the alleged engineer of the malware, Anibal Alexander Canelon Aguirre, who **entered not guilty pleas**.

DUBAI FINANCIAL SERVICES AUTHORITY · UAE / DIFC

USD 109,200 FINE

Licensed in ADGM Is Not Authorised in DIFC

On **1 October** the DFSA announced a fine of **USD 109,200** on Vault Wealth Limited, a firm incorporated in ADGM and licensed by the FSRA, for carrying on financial services in or from DIFC without DFSA authorisation; the fine was reduced by 30% because the firm agreed to settle. Its employees worked from the office of a related DIFC entity not regulated by the DFSA, where prospective clients were given financial advice and provided **know-your-customer documentation**. The DFSA treated as aggravating that senior management **failed to act on concerns raised by the firm's then Compliance Officer**.

REGULATORY DEVELOPMENTS

Regulatory Moves

Reshaping the Compliance Landscape

UNITED STATES / IRAN

OFAC to Foreign Banks Dealing With Iran: You “Could Be Targeted at Any Time”

On **5 October** OFAC published an Alert, “Notice to Foreign Financial Institutions Conducting Business with Iran”. It says foreign financial institutions that continue to do business with Iran or its financial sector **may be sanctioned** under Operation Economic Outcast, and that those continuing to transact with sanctioned Iranian financial institutions “could be targeted at any time without advance notification and should take immediate action to terminate such activity and relationships”. The Alert names its precedents: Treasury’s 28 August action on **Banque Misr UAE**, the 4 September designation of Türkiye-based Golden Global Bank and the 14 September designation of VTB Bank. One sentence reaches beyond Iran’s borders: the risk covers “providing financial services to Iranian banks **or their subsidiaries or branches in third countries**”. On shadow banking, institutions potentially exposed should take steps to detect and disrupt the activity, incorporating Treasury’s recommended mitigation measures **on a risk basis**. This is an alert, not a new rule or designation.

EUROPEAN UNION

AMLA Finalises Its Customer Due Diligence Standards — Final Drafts, Not Yet Law

On **1 October** the EU’s AMLA said it had finalised three sets of regulatory technical standards for the private sector: on **business relationships and occasional transactions**, including how to identify linked transactions; on **customer due diligence**, covering the information to collect and verify, proportionate measures for lower-risk situations, non-face-to-face verification, electronic identification and the **screening of politically exposed persons, their family members and close associates**; and on **group-wide arrangements**. Mind the status. The final draft standards have been **submitted to the European Commission**; once adopted and published in the Official Journal, they are **proposed to apply six months after their entry into force**. The same day AMLA published final draft standards on cooperation between home and host supervisors of cross-border groups.

GLOBAL / CANADA

FATF Publishes Canada’s Mutual Evaluation — Regular Follow-Up

On **29 September** the FATF and the Asia/Pacific Group on Money Laundering published their mutual evaluation of **Canada**, assessed at the time of an on-site visit in November 2025. Canada has taken steps to strengthen its defences, including by advancing its framework for beneficial ownership transparency, but should improve the effectiveness of risk-based supervision and prioritise the investigation and prosecution of complex money laundering cases. On supervision, a significant proportion of financial institutions and VASPs are **not subject to an entity-level risk assessment**, and the focus on higher-risk DNFBPs leaves certain sectors vulnerable, **notably dealers in precious metals and stones and real estate**. Canada is **placed in regular follow-up**, with a roadmap of Key Recommended Actions to complete within three years.

ON OUR RADAR

Watch This Space

SANCTIONS MAINTENANCE · UNITED STATES

OFAC's Third Round of Removals: 125 Off the Lists, 22 Entries Updated

On **5 October** Treasury announced that OFAC had removed **125 individuals and entities** from its sanctions lists and **updated 22 list entries** “to facilitate and enhance compliance screening”. Those removed include deceased individuals, defunct companies and entries lacking sufficient information for robust screening. Treasury says entries without appropriate identifying information can produce **false positive matches**. A removal changes your screening results as surely as a designation does.

COUNTERFEIT CURRENCY · MAURITIUS

The Bank of Mauritius Warns of Counterfeit Banknotes

On **1 October** the Bank of Mauritius issued a public notice alerting the public to **reports of counterfeit Mauritian banknotes in circulation**. Anyone who suspects a note may be counterfeit should refrain from accepting it and report the matter to the nearest police station. The Bank recalls that the Bank of Mauritius Act 2004 makes it an offence to possess counterfeit banknotes, and says it is working with the Police, relevant authorities and regulatees. The notice gives no figures.

MARKET OFFENCES · MOROCCO

The AMMC and the Judiciary Hold Their First Exchange Meeting

In a press release dated **2 October**, Morocco's capital markets authority, the AMMC, said it had held its first exchange meeting with the Conseil Supérieur du Pouvoir Judiciaire on 30 September, under a framework agreement the two signed on 20 May 2026. It brought together **more than thirty magistrates**; topics included capital-market regulation and **criminal policy on market offences**.

CRYPTO-ASSETS · UNITED STATES / UNITED KINGDOM

FinCEN Withdraws Two Crypto Proposals; the FCA Opens Its Gateway

On **5 October** FinCEN announced it is withdrawing two **proposed** rules: one on recordkeeping, verification and reporting for certain transactions involving **convertible virtual currencies and unhosted wallets**, and one that would have imposed a special measure on **convertible virtual currency mixing**. Neither had become a final rule. In the UK, from **30 September** crypto firms can apply to the FCA for authorisation; firms that intend to continue operating should **apply by 28 February 2027**, ahead of the regime coming into force on 25 October 2027. The FCA says **authorisation is not automatic**.

This Week's

3 Key Takeaways

01

The Evasion Network Is Built to Look Like Trade

Treasury's description of the A7 Network is of companies purpose-built to make sanctioned payments appear to be ordinary commercial activity, using falsified trade documents and misleading goods descriptions. FinCEN says the network's companies hold accounts at approximately 435 financial institutions in at least 83 countries, and names the UAE among its examples of where such companies are set up. That is a monitoring and document-review problem before it is a list problem: test the red flags in the Alert against new corporate customers with sudden, large, short-lived transaction volumes, and remember that the FinCEN rule is still a proposal.

02

Iran Exposure Now Includes Branches in Third Countries

Last week our lead story was the Central Bank of the UAE barring Bank Melli Iran's UAE branches from transactions to and from Iran. This week OFAC's Alert tells foreign financial institutions that providing financial services to Iranian banks or their subsidiaries or branches in third countries risks sanctions, and that institutions transacting with sanctioned Iranian financial institutions could be targeted at any time without advance notification. Read the two together. If your institution holds any relationship with an Iranian bank's branch or subsidiary outside Iran, the question to answer now is whether it has been ended, and who can evidence that.

03

Our Six: the UAE, Mauritius and Morocco This Week

From the regulators of the six jurisdictions this digest follows, we confirmed in-week publications from the DFSA (a fine for unauthorised financial services in DIFC), the Bank of Mauritius (a counterfeit banknote notice) and Morocco's AMMC (a first meeting with the judiciary). The UAE also appears in others' releases: as the destination of the cash in the NCA case, and among FinCEN's examples of where A7 Network companies are set up. We found nothing on financial crime dated 29 September – 5 October from the Saudi or Qatari regulators we could reach; several sites block automated access, so that is what we could see, not proof that nothing was published.

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\$17B+

**PROCESSED BY A7
NETWORK SUB-AGENTS**

FinCEN · 1 Oct · January 2025 to
June 2026

£788,455

**CASH SEIZED AT UK
AIRPORTS**

NCA · 2 Oct · of almost £30m
smuggled to the UAE

125

**REMOVED FROM OFAC'S
SANCTIONS LISTS**

US Treasury · 5 Oct · and 22 list
entries updated

\$40.73M

**REPORTED ATM
JACKPOTTING LOSSES**

US Treasury · 30 Sept · alleged
attacks, as of Aug 2025

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

Sources: US Treasury / OFAC · FinCEN · US Department of Justice · UK National Crime Agency · DFSA · EU AMLA · FATF · UK Financial Conduct Authority · Bank of Mauritius · AMMC (Morocco) · Central Bank of the UAE