SonarPulse

AI-POWERED FINANCIAL CRIME SURVEILLANCE

WEEK OF 27 OCTOBER – 2 NOVEMBER 2026

Financial Crime Weekly Digest

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

STORY OF THE WEEK

FATF October plenary: Bulgaria, Côte d'Ivoire, the DRC and Monaco leave the grey list, the call-for-action list is unchanged, and virtual assets and scam compounds move up the agenda

ENFORCEMENT

OFAC targets DPRK IT worker facilitators · a Rwandan financial institution and the Ministry of Defence over M23 · a fiduciary group chairman indicted on four laundering counts

REGULATORY

FinCEN flags foreign-agent-directed payments, naming UAE exchange houses · a FinCEN notice on charity abuse · ADGM's crypto mining guidance asks for beneficial ownership

STORY OF THE WEEK · GLOBAL / FATF

Four Off the Grey List, None On. The FATF Turns on Crypto and Scam Compounds

Feb 2027

when the FATF expects tangible improvements from Vietnam or will consider next steps, and the date by which, without further progress, it will consider countermeasures on Myanmar

On **30 October**, closing its first Plenary under the UK Presidency of Giles Thomson (Paris, 28 – 30 October), the FATF agreed to remove **Bulgaria, Côte d'Ivoire, the Democratic Republic of the Congo and Monaco** from its list of jurisdictions under increased monitoring, following successful on-site visits. Its outcomes statement announces no addition, and the country list on the October page is the one on the June page. FinCEN says the call-for-action list remains the same: **Iran, the DPRK and Myanmar** (Burma). **Of our six jurisdictions, the UAE, Saudi Arabia, Qatar, Mauritius and Morocco appear on neither list and are not named in the outcomes statement.** Kuwait, Iraq, Lebanon, Syria and Yemen remain under increased monitoring.

The Plenary also agreed to launch a **targeted review** of jurisdictions with materially important virtual asset sectors, with results to be published in June and October 2027. It approved a report on the illicit financial flows linked to **scam compounds**, which it said on 30 October would be published the following week, as the first output of its Roadmap on combatting fraud. It adopted the mutual evaluation reports of **Mexico and the United States**, to be published in December 2026 after a quality and consistency review, and agreed tailored assessments for low-capacity countries.

- Vietnam: the FATF expresses significant concern at the pace of progress and says all deadlines expired in May 2025
- Iran: the FATF reiterates its call to apply effective countermeasures · Myanmar: enhanced due diligence, and not countermeasures
- Bosnia and Herzegovina, Haiti, Iraq and Yemen chose not to report this cycle, so earlier statements are repeated and may not reflect current status
- A Learning and Development Forum on the risk-based approach is set for Dallas on 1 – 2 December 2026

WHY IT MATTERS FOR COMPLIANCE TEAMS

The FATF does not call for enhanced due diligence on grey-listed jurisdictions; it encourages taking the information into account in risk analysis, and says its Standards do not envisage derisking. FinCEN tells US institutions to consider the decisions and the reasons behind delistings when assessing risk. So a delisting is an input, not an automatic downgrade. Three questions for this week. **Has your country risk table been updated for the four removals, with a recorded rationale? Does it rest on the FATF's reasons or only on the list? And if your book has virtual asset exposure, do you know which jurisdictions you would expect the 2027 review to examine, and why?**

ENFORCEMENT ACTIONS

Law Enforcement Strikes This Week

OFFICE OF FOREIGN ASSETS CONTROL · UNITED STATES / DPRK / RUSSIA

10 + 1

OFAC Sanctions 10 Individuals and One Entity Over DPRK IT Worker Schemes

On **28 October** OFAC sanctioned **10 individuals and one entity** for their roles in DPRK government-run IT worker schemes that Treasury says defraud US businesses and fund the DPRK's weapons programmes. Treasury says the DPRK relies on fraudulent documents, stolen identities and fabricated personas to place its workers with legitimate companies, then appropriates most of their wages. Those designated include Russian national Vitold Obertas, who Treasury says has conducted nearly **$2 million** of cryptocurrency conversions for DPRK officials since January 2025, and the Russia-located First Financial and Technical Development Center. Digital currency addresses appear in the SDN entries.

OFFICE OF FOREIGN ASSETS CONTROL · UNITED STATES / RWANDA / DRC

E.O. 13413

A Rwandan Financial Institution and the Ministry of Defence Designated Over Support for M23

Also on **28 October**, OFAC sanctioned the Rwandan Ministry of Defence and **Zigama Credit and Savings Society**, which Treasury calls a Rwandan financial institution operating on behalf of Rwanda's security services. Treasury says Zigama facilitated payments to entities in China and other countries for weapons and military equipment for the Rwanda Defence Force, and financial transactions for M23 and the Congo River Alliance **amounting to tens of millions of dollars**, and that a Zigama branch enabled the transportation of gold from M23-controlled territory in eastern DRC to Kigali. Both were designated under E.O. 13413, as amended.

US ATTORNEY, E.D. CALIFORNIA · UNITED STATES / UNITED KINGDOM / UAE

4 COUNTS

Chairman of a Fiduciary Group With a Dubai Location Appears on a Money Laundering Indictment

Announced **27 October**: James Sutherland, 77, a UK citizen and Chairman of the **Zetland Fiduciary Group**, a financial services business with locations in Hong Kong, Shanghai, Singapore and Dubai, made his initial appearance in the Eastern District of California on an indictment returned on 25 June 2026 charging four counts of money laundering. According to the indictment, on multiple occasions he laundered funds which had been represented to be, and which he believed to be, proceeds of computer hacking. He faces a maximum of 20 years in prison and a $500,000 fine if convicted. The charges are only allegations, and he is presumed innocent.

REGULATORY DEVELOPMENTS

Regulatory Moves Reshaping the Compliance Landscape

UNITED STATES / UAE / CHINA / EAST AFRICA

FinCEN Alert: Foreign Agents Directing US Money Transmitters to Pay Third Parties

On **30 October** FinCEN issued alert **FIN-2026-Alert009**, reporting **more than $8 billion** in suspicious foreign-agent-directed payments between 2021 and 2025; FinCEN notes BSA reporting is not proof of illegal activity. Its patterns include transfers by US money services businesses to beneficiaries with no clear business purpose, including **foreign exchange houses in the UAE**, Chinese commercial banks and trading companies, and recipients across East Africa. Red flags include round-dollar payments and payments to general trading companies or companies with no web presence. FinCEN says no customer type, including MSBs, should be considered uniformly high risk, and asks filers to use the key term FIN2026FOREIGNAGENT.

UNITED STATES

FinCEN Notice on Illicit Use of Charities, With a Risk-Based Caveat

Also on **30 October** FinCEN issued notice **FIN-2026-NTC2** to help institutions identify suspicious activity involving the exploitation of domestic and international charities and non-profit organisations. It says bad actors can funnel funds to terrorists, divert funds from government programmes and steal money intended for charitable causes. It also says the vast majority of US-based NPOs present a low risk of terrorist financing and other illicit activities, and encourages evaluating each NPO individually. The notice sets out red flags on an NPO and its officers, on sources of funds and on uses of funds. The filing key term is FIN2026NPO.

UAE / ADGM

ADGM Publishes Crypto Mining Guidance: a Licensed Commercial Activity, Not a Financial Service

On **28 October** ADGM's Registration Authority published its Guidance on Crypto Mining Activities in and from ADGM, issued under section 23 of the Commercial Licensing Regulations 2025. It treats crypto mining as a licensable commercial activity overseen by the Registration Authority and **not a regulated financial service**. Its stated features include governance and transparency expectations covering disclosure of corporate structure and **ultimate beneficial ownership**, confidential disclosure of on-chain reward-flow addresses, and risk-based supervision. ADGM describes this as a first phase; the Authority will consult on a regulatory framework in a second phase.

ON OUR RADAR

Watch This Space

SANCTIONS · ACQUISITIONS · UNITED STATES / RUSSIA

Extreme Networks Pays $1,529,685 Over Sales to a Blocked Russian Defence Manufacturer

On **27 October** OFAC announced that Extreme Networks, Inc. agreed to pay **$1,529,685** to settle potential civil liability for nine apparent violations: exports of networking equipment and services between September 2018 and March 2022 to an entity majority owned by a designated Russian company. OFAC determined the apparent violations were egregious and voluntarily self-disclosed. OFAC says the action emphasises sanctions diligence before acquiring a company or its assets, and oversight of foreign operations.

CRYPTO · PERIMETER · UNITED KINGDOM

The FCA Secures High Court Undertakings From HTX on Crypto Promotions

On **29 October** the FCA said it had secured High Court undertakings to ensure that HTX (formerly Huobi) will not knowingly promote cryptoasset services unlawfully to UK consumers. The FCA took legal action in October 2025 for breaking UK financial promotion rules and has now reached a settlement with Huobi Global S.A. It says HTX is no longer active in the UK: consumers can no longer make deposits and new UK users cannot sign up. The case concerns financial promotions, not AML controls.

BRIBERY · SHELL COMPANY · UNITED STATES / LATIN AMERICA

A Former BizJet Sales Manager Pleads Guilty, Extradited From Panama in a 2012 Case

Announced **30 October**: Jald Jensen, 73, a former BizJet regional sales manager, pleaded guilty to conspiracy to violate the Foreign Corrupt Practices Act. According to court documents, he bribed foreign officials and conspired to conceal and funnel money through bank accounts, including through **his shell company**. He was extradited from Panama in September 2026 on charges from a 2012 indictment. Sentencing is to be scheduled for 2027, with a maximum of five years.

This Week's 3 Key Takeaways

01 Record Why a Country Moved, Not Only That It Moved

Four jurisdictions left the grey list, and the FATF tells each to keep working with its regional body to sustain its improvements. FinCEN's line is the useful one: consider the decisions and the reasons behind delistings when assessing risk. Before changing a country score, read the FATF's statement on that country, write down what changed, and check the next steps on those that stay, notably Vietnam, where the FATF has set February 2027 for tangible improvements.

02 Ask Who the Payment Is Really For

FinCEN's alert describes payments where the party giving the instruction, the party being paid and the stated purpose do not fit together: a "settlement" wired to a general trading company, for example. If you bank or are a money transmitter, test whether your monitoring sees third-party payments under agent arrangements, and whether you hold invoices or contracts for them. The UAE and other named places are examples of where FinCEN saw these flows; FinCEN itself says no single red flag is determinative, so this is a pattern to look for, not a country rule.

03 Our Six: None on the FATF's Lists; the UAE Through ADGM and FinCEN

The UAE, Saudi Arabia, Qatar, Mauritius and Morocco are on neither FATF list published on 30 October. Beyond ADGM's guidance, the UAE appears through others' documents: FinCEN's alert and a Dubai location in the Zetland indictment release. From the regulators of Saudi Arabia, Qatar, Mauritius and Morocco we found no in-week financial crime item among the pages we could reach. Several sites block automated access or did not list recent items, so that is what we could see, not proof that nothing was published.

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200+

JURISDICTIONS AND OBSERVERS IN THE FATF GLOBAL NETWORK

FATF · 30 Oct · "more than 200"

$8B+

SUSPICIOUS FOREIGN-AGENT-DIRECTED PAYMENTS, 2021 – 2025

FinCEN · 30 Oct · reported, not proven

$1,529,685

OFAC SETTLEMENT WITH EXTREME NETWORKS

OFAC · 27 Oct · nine apparent violations

Feb 2027

FATF DATE FOR VIETNAM AND FOR MYANMAR

FATF · 30 Oct · next steps or countermeasures

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

Sources: FATF · FinCEN · US Treasury / OFAC · US Department of Justice · FCA · ADGM