



FinCEN Alert-Bulk Cash Smuggling and Repatriation by Mexico-Based Criminal Organizations

On March 31st, FinCEN issued an alert on Bulk Cash Smuggling and Repatriation by Mexico-Based Transnational Criminal Organizations in support of Executive Order 14157. The alert was intended to educate and urge financial institutions to be vigilant of the methods used to smuggle cash from the U.S. to Mexico to repatriate the funds into the financial systems of both countries. The transnational criminal organizations are using Mexican businesses, often close to the Southwest Border, to return the formerly smuggled funds into the U.S. using foreign and domestic armored car services (ACVs) and air transport. The ACVs then deliver the funds to a U.S. financial institution and deposit them into accounts owned by the Mexico-based businesses or transmitted by the MSBs on behalf of the Mexico-based businesses. Institutions are warned not to conclude the presentation of a Report of International Transportation of Currency or Monetary Instruments as an indication that the source of the funds is legitimate and reminded to file Suspicious Activity Reports.

The Alert also provides a list of Red Flags to watch out for, including:

- A large volume of cash is delivered to a U.S.-based financial institution via an ACS on behalf of a customer who operates a Mexico-based business, a business located near the U.S. Southwest border, or a U.S.-based company with an affiliated Mexico-based business. Following the delivery, the customer then rapidly moves the funds to a financial institution based in Mexico, makes transfers to another business in the United States they own and operate, or purchases a large volume of goods.
- Large volumes of cash are transported by an ACS or passenger vehicles to a U.S.-based MSB located along the Southwest border and rapidly transferred to Mexico.
- A customer who owns a Mexico-based business, or a customer with an affiliated Mexico-based business, receives a large credit from a U.S.-based ACS into their account at a U.S.-based financial institution.
- A customer who owns a Mexico-based business receives a large credit into their account at a U.S.-based financial institution after depositing bulk cash into the U.S.-based financial institution's vault at a U.S.-based ACS secure storage facility.
- A customer who owns a Mexico-based business receives a large cross-border wire transfer to their account at a U.S.-based financial institution from a Canada-based financial institution.

You can read the full alert [here](#).

CCI suggests sharing these red flags with your BSA Officer and staff. For any questions, please reach out via inquiries@completecompli.com.

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