

Continued International and Domestic Coordinated Focus on Money Laundering

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Yesterday, the U.S. Drug Enforcement Agency (DEA) [announced](#) an unspecified number of arrests of Hizballah money launderers, including Mohamad Nouredine. These arrests followed the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) designation of Nouredine pursuant to its counterterrorism authority. The OFAC [press release](#) for this designation identifies Nouredine as a key Hizballah money launderer. According to OFAC, Nouredine and his company Trade Point International S.A.R.L. established a money laundering network across Asia, Europe, and the Middle East that provides bulk cash shipping and black market currency exchange services for those seeking to hide their ill-gotten gains.

Hizballah International Financing Prevention Act of 2015

Irrespective of the detention of Nouredine, foreign financial intuitions that knowingly facilitate or conduct significant financial transactions for Trade Point International S.A.R.L. may have their U.S. correspondent or payable through accounts severed. OFAC has this authority under Section 102 of the [Hizballah International Financing Prevention Act of 2015](#), which authorizes secondary sanctions on Hizballah.

Lebanese Canadian Bank

The arrests stem from interagency investigations of the Lebanese Canadian Bank (LCB). U.S. law enforcement agencies have a long history with this now defunct Hizballah-linked bank. In February 2011, the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued a [Notice of Proposed Rulemaking](#) to exclude LCB from the U.S. financial system, finding that the bank is of "primary money laundering concern." In response to this action, the Banque du Liban revoked LCB's banking license in September 2011. The bank's remaining assets and liabilities were then sold to Société General. Two years later, LCB entered into a \$102 million [settlement agreement](#) to resolve a civil forfeiture and money laundering lawsuit filed by the U.S. Attorney for the Southern District of New York. FinCEN [withdrew](#) its Notice of Proposed Rulemaking in September 2015, on the basis that LCB no longer exists.

Coordinated Effort to Combat Money Laundering

The success of the ongoing money laundering investigation and recent arrests were possible because of the cooperation and coordination among the following international and domestic agencies:

- DEA Philadelphia, DEA Miami, DEA Newark, DEA New York
- DEA Special Operations Division and DEA Bilateral Investigative Unit
- DEA country offices in Europe
- DEA country offices in Bogota and Cartagena, Colombia
- S. Customs and Border Protection National Targeting Center
- S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN)
- S. Department of the Treasury's Office of Foreign Assets Control (OFAC)
- Various French, German, Italian and Belgian law enforcement agencies
- EUROPOL
- EUROJUST

Like the LCB investigation before it, yesterday's arrests will likely lead to additional U.S. and international actions against money launderers around the world.

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