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INDUSTRY NOTICE 2017-14

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**FinCEN Issues Advisory to Financial Institutions
Regarding Widespread Political Corruption in Venezuela and Proceeds
Moving Through U.S. Financial System**

FinCEN issued advisory [FIN-2017-A006](#) to alert financial institutions of widespread public corruption in Venezuela and the methods Venezuelan senior political figures (and their associates and front persons) may use to move and hide corruption proceeds. This advisory also provides financial red flags to assist in identifying and reporting to FinCEN suspicious activity that may be indicative of Venezuelan corruption, including the abuse of Venezuelan government contracts, wire transfers from shell corporations, and real estate purchases in the South Florida and Houston, Texas regions.

Awareness of money laundering schemes used by corrupt Venezuelan officials may help financial institutions (1) differentiate between illicit and legitimate transactions, and (2) identify and report transactions involving suspected corruption proceeds being held or moved by their customers, including through their private and correspondent banking relationships.

Consistent with a risk-based approach, however, financial institutions should be aware that normal business and other transactions involving Venezuelan nationals and businesses do not necessarily represent the same risk as transactions and relationships identified as being connected to the Venezuelan government, Venezuelan officials, and Venezuelan state-owned enterprises (SOEs) involved in public corruption that exhibit the red flags addressed in the advisory.

For questions or comments regarding the contents of the advisory, contact FinCEN. Contact information is located at the end of the FinCEN Advisory.