



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, DC 20429-9990

Financial Institution Letter
FIL-40-2006
May 4, 2006

Bank Secrecy Act

Increasing Trend of Smuggling Currency from the U.S. into Mexico

Summary:

The Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) has issued the attached advisory to U.S. financial institutions to guard against potential money laundering threats involving the smuggling of bulk U.S. currency into Mexico and the possible abuse of their financial services by certain Mexican financial institutions, including Mexican "casas de cambio."

Distribution:

FDIC-Supervised Banks (Commercial and Savings)

Suggested Routing:

Chief Executive Officer
BSA Compliance Officer

Related Topics:

Bank Secrecy Act

Attachment:

[Guidance to Financial Institutions on the Repatriation of Bulk U.S. Currency Smuggled into Mexico from the United States](#)
- PDF 49k ([PDF Help](#))

Contact:

Review Examiner Sean Forbush
at SASFIL@FDIC.gov or (202) 898-8500

Note:

FDIC Financial Institution Letters (FILs) may be accessed from the FDIC's Web site at www.fdic.gov/news/news/financial/2006/index.html.

To receive FILs electronically, please visit <http://www.fdic.gov/about/subscriptions/fil.html>.

Paper copies of FDIC FILs may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (1-877-275-3342 or (703) 562-2200).

Highlights:

- On April 20, 2006, FinCEN issued the attached advisory to U.S. financial institutions about a potential money laundering threat concerning the smuggling of U.S. currency into Mexico and the potential misuse of relationships with U.S. financial institutions by certain Mexican financial institutions, including Mexican casas de cambio.
- U.S. law enforcement has observed a dramatic increase in the smuggling of bulk cash proceeds from the sale of narcotics and other criminal activities from the United States into Mexico.
- FinCEN, the Department of the Treasury, the Bureau of Immigration and Customs Enforcement, and the Drug Enforcement Administration have identified various activities that may be associated with this currency smuggling trend.
- FinCEN issued the attached advisory to assist U.S. financial institutions in complying with their obligations under the Bank Secrecy Act. This advisory does not mean that U.S. financial institutions should curtail business with currency exchangers or other money services businesses.
- Please distribute this information to the appropriate personnel in your institution.