

# FinCEN Issued Advisory on the Use of Chinese Money Laundering Networks



Issue Date

28 Aug 2025

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# SUMMARY

- FinCEN issued an advisory warning U.S. financial institutions about the extensive use of Chinese Money Laundering Networks (CMLNs) to launder drug proceeds.
- Institutions should file SARs with the keyword “CMLN-2025-A003”, monitor for red flags, apply EDD, and use 314(b) safe harbor for information sharing.

## KEY RED FLAGS

- Customers showing wealth inconsistent with stated occupations (e.g., students, retirees).
- Use of fake or multiple IDs.
- Unexplained large cash deposits, or wire transfers linked to real estate..
- Business income not matching the scale/frequent wires to Mexico, China.
- Escrow/title firms funded by unrelated foreign entities.