

Supporting Statement
OMB Control Number 1506–0083

Imposition of Special Measure Regarding Huione Group as a Foreign Financial Institution of Primary Money Laundering Concern

1. Circumstances that make the collection necessary:

The legislative framework generally referred to as the Bank Secrecy Act (BSA) consists of the Currency and Foreign Transactions Reporting Act of 1970, as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act),¹ and other legislation, including the Anti-Money Laundering Act of 2020 (AML Act).² The BSA is codified at 12 U.S.C. 1829b and 1951–1960, 31 U.S.C. 5311–5314 and 5316–5336, including notes thereto, with implementing regulations at 31 CFR Chapter X.

The BSA authorizes the Secretary of the Treasury (Secretary), *inter alia*, to require financial institutions to keep records and file reports that are determined to have a high degree of usefulness in criminal, tax, or regulatory investigations, risk assessments or proceedings, or in intelligence or counter-intelligence activities, including analysis, to protect against terrorism, and to implement anti-money laundering/countering the financing of terrorism (AML/CFT) programs and compliance procedures.³ The Secretary has delegated to the Director of the Financial Crimes Enforcement Network (FinCEN) the authority to administer the BSA.⁴

Section 311 of the USA PATRIOT Act, codified at 31 U.S.C. 5318A, grants FinCEN the authority, upon finding that reasonable grounds exist for concluding that a foreign jurisdiction, financial institution, class of transactions, or type of account is of “primary money laundering concern,” to require domestic financial institutions and financial agencies to take one or more “special measures.”

Special measures one through four, codified at 31 U.S.C. 5318A(b)(1)–(b)(4), impose additional recordkeeping, information collection, and reporting requirements on covered U.S. financial institutions. Special measure five, codified at 31 U.S.C. 5318A(b)(5), allows FinCEN to impose prohibitions or conditions on the opening or maintaining in the United States of certain correspondent accounts. Special measures are safeguards that protect the U.S. financial system from money laundering and terrorist financing.

¹ Pub. L. No. 107–56, 115 Stat. 272 (Oct. 26, 2001).

² The AML Act was enacted as Division F, 6001–6511, of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Pub. L. No. 116–283, 134 Stat. 3388 (2021).

³ See 31 U.S.C. 5311(1) – (2).

⁴ Treasury Order 180-01 (*reaffirmed* Jan. 14, 2020); *see also* 31 U.S.C. 310(b)(2)(I) (providing that the Director of FinCEN “[a]dminister the requirements of subchapter II of chapter 53 of this title, chapter 2 of title I of Public Law 91–508, and section 21 of the Federal Deposit Insurance Act, to the extent delegated such authority by the Secretary.”).

On May 5, 2025, FinCEN issued a Notice of Proposed Rulemaking (NPRM) proposing special measure five to prohibit U.S. financial institutions from opening or maintaining a correspondent account for, or on behalf of, Huione Group,⁵ and requiring that U.S. financial institutions apply due diligence to correspondent accounts they maintain on behalf of foreign financial institutions that is reasonably designed to guard against the indirect use of those accounts by Huione Group.

On October 16, 2025, FinCEN issued a final rule.⁶ As proposed in the NPRM, the final rule requires U.S. financial institutions to notify their foreign correspondent account holders that they may not provide Huione Group with access to correspondent accounts maintained at the U.S. financial institution. The requirement is intended to ensure cooperation from correspondent account holders in preventing Huione Group's access to the U.S. financial system. U.S. financial institutions are required to document compliance with the notification requirement. The information will be used by Federal agencies and certain self-regulatory organizations to verify compliance with the rule.

2. Use of the information:

The collection of information in the final rule relates to both disclosure and recordkeeping. The information required to be disclosed by U.S. financial institutions to third-parties—i.e., a one-time notice to correspondent account holders—is intended to ensure cooperation from correspondent account holders in preventing Huione Group's access to the U.S. financial system, as well as to increase awareness within the international financial community of the risks and deficiencies of Huione Group. The information required to be maintained by U.S. financial institutions will be used by Federal agencies and certain self-regulatory organizations to verify compliance with the requirement that a U.S. financial institution notify its correspondent account holders that they may not provide Huione Group with access to the correspondent account maintained at the institution.

3. Use of improved information technology to reduce burden:

Under the final rule, satisfactory notice is given by transmitting a one-time notice by mail, fax, or e-mail, or by including the notice in the next regularly occurring transmittal from the U.S. financial institution to its correspondent account holders. U.S. financial institutions may use any method of information technology to document their compliance with the notice requirement in the proposed rule, including keeping an electronic copy of the actual notice that is sent to financial institutions.

4. Efforts to identify duplication:

⁵ FinCEN, [*Special Measure regarding Huione Group, as a Foreign Financial Institution of Primary Money Laundering Concern*](#), 90 FR 18934 (May 5, 2025), proposed to be codified at 31 C.F.R. 1010.664. The NPRM defines Huione Group to mean “all subsidiaries, branches, and offices of Huione Group operating as a financial institution in any jurisdiction.” 31 C.F.R. 1010.664(a)(1).

⁶ FinCEN, [*Imposition of Special Measure Regarding Huione Group, as a Foreign Financial Institution of Primary Money Laundering Concern*](#), 90 FR 48295 (Oct. 16, 2025).

This final rule is unique in that it is the only federal rule identifying Huione Group as a “primary money laundering concern” and prohibiting U.S. financial institutions from opening or maintaining a correspondent account for, or on behalf of, Huione Group.

5. Methods used to minimize burden on small businesses or other small entities:

Typically, U.S. financial institutions engaged in correspondent banking are large financial institutions. The one-time notice to correspondent account holders and the requirement to document compliance with that notice requirement are not expected to impose a significant economic burden on U.S. financial institutions. For these reasons, FinCEN does not anticipate that the final rulemaking will have a significant impact on a substantial number of small financial institutions or other potentially affected businesses. Accordingly, FinCEN certifies that this rule will not have a significant economic impact on a substantial number of small entities.

6. Consequences to Federal program or policy activities if collection is not conducted or is conducted less frequently:

Under the final rule, a U.S. financial institution is required to notify its correspondent account holders that they may not provide Huione Group with access to a correspondent account maintained at the U.S. financial institution. The failure to transmit such notice will make it more difficult for the special measure to achieve its goal of preventing Huione Group’s access to the U.S. financial system. Further, a U.S. financial institution is required to document its compliance with the requirement. Failure to maintain such documentation will make it impossible to verify compliance with the requirement, and by extension, to guard against the use of the U.S. financial system by a financial institution found to be of primary money laundering concern.

7. Special circumstances requiring data collection inconsistent with the guidelines in 5 CFR 1320.5(d)(2):

Under 31 CFR 1010.430(d), all records that are required to be retained by 31 CFR Chapter X must be retained for a period of five years. The requirement that financial institutions maintain records of notification to their foreign correspondent account holders must be kept for five years to verify compliance with the requirement as such records may relate to civil penalty actions that are subject to statutes of limitation longer than three years.

8. Efforts to consult with persons outside the agency.

On May 5, 2025, FinCEN published in the Federal Register a notice and request for comments of its intention to impose information collection requirements in connection with the imposition of a special measure concerning Huione Group as a financial institution of primary money laundering concern.⁷ Comments on the NPRM,

⁷ FinCEN, [*Special Measure regarding Huione Group, as a Foreign Financial Institution of Primary Money*](#)

closed on June 4, 2025. FinCEN received eight comments.⁸ Of the eight comments received, three were responsive to the NPRM:

- FinCEN received one comment from Huione Pay PLC, submitted through its outside counsel. The comment attempted to clarify differences in the corporate structure between itself and the broader Huione Group, and it described ongoing remediation efforts being taken to address FinCEN’s concerns. The comment represented that Huione Pay PLC is an “independent entity,” without providing corroborating evidence demonstrating it is a distinct entity from the Huione Group.
- The second responsive comment suggested that FinCEN modify certain definitions in the rule. These suggestions included: (1) adopting a more comprehensive definition of “Huione Group” that encompasses any entity under demonstrable direct or indirect control of Huione Group; (2) establishing a standalone definition for “Correspondent Account;” and (3) using less subjective language, including more concise definitions of “reasonable steps.”
- The third responsive comment expressed support for FinCEN’s identification of Huione Group as being of primary money laundering concern. The commenter suggested that targeting Huione Group alone is insufficient to effectively safeguard the U.S. financial system, and that FinCEN should work with other government agencies to take additional steps, including punitive measures against other large facilitators of money laundering.
- FinCEN received five other comments that were not responsive to the NPRM, including suggestions to investigate other, unrelated alleged financial crimes, and separate comments entirely unrelated to this rulemaking process.

Laundering Concern, 90 FR 18934 (May 5, 2025), proposed to be codified at 31 C.F.R. 1010.664.

⁸ For a list of comments, see <https://www.regulations.gov/docket/FINCEN-2025-0004/comments>.

9. Payment or gift to respondents.

No payments or gifts will be provided to respondents.

10. Assurance of confidentiality provided to respondents and basis for the assurance in statute, regulation, or agency policy:

The information collected will be available to Treasury or its designee to verify compliance with the notice requirement; all such information collections under the BSA must be used consistent with a purpose set forth in 31 U.S.C. 5311, including furthering a criminal, tax, or regulatory investigation, risk assessment, or proceeding, or use in intelligence or counterintelligence activities, including analysis, to protect against terrorism.

11. Justification for questions of a sensitive nature:

There are no questions of a sensitive nature in the collection of information, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. Any personally identifiable information collected under the BSA is strictly controlled as outlined in FinCEN's Privacy Act System of Records Notice for BSA reports.⁹

12. Estimated burden:

Estimated Number of Respondents:

Estimated Number of Potential Respondents: Approximately 15,710.¹⁰

Estimated Number of Expected Respondents: Approximately 127.¹¹

Estimated Time per Respondent:

Year 1: 8 hours.¹²

9 FinCEN, *Privacy Act of 1974, as Amended; System of Records Notice (FinCEN .002 - Suspicious Activity Report System)*, 79 FR 20969 (Apr. 14, 2014); FinCEN, *Privacy Act of 1974, as Amended; System of Records Notice (FinCEN .003 - Bank Secrecy Act Reports System)*, 79 FR 20969 (Apr. 14, 2014) both available at [Federal Register :: Privacy Act of 1974, as Amended; System of Records Notice](#).

10 This estimate is informed by public and non-public data sources regarding both an expected maximum number of entities that may be affected and the number of active, or currently reporting, registered financial institutions, and is detailed in Table 1 of the Huione Group 311 Final Rule.

11 While this regulation applies to all covered institutions described in Table 1 of the Huione Group 311 Final Rule, in practice the burden will only be imposed on select institutions that maintain correspondent accounts for foreign banks. Table 2 of the Huione Group 311 Final Rule presents an estimate of this subpopulation of banks, brokers or dealers in securities, mutual funds, futures commission merchants, and introducing brokers in commodities based on data from the most recent calendar year end.

12 The estimated average annual burden associated with the collection of information in this proposed rule is, in total, one business day, or eight hours per affected financial institution in year one. See the Huione Group 311 Final Rule.

Years 2+: 0.25 hours.¹³
Three-year Average: ~2.83 hours.¹⁴

Estimated Total Annual Burden:

Year 1: 1,016 hours.¹⁵
Years 2+: 31.75 hours.
Three-year Average: Approximately 360 hours.

13. Estimated total annual cost burden:

Year 1: approximately \$121,920.
Years 2+: approximately \$3,810.
Three-year Average: approximately \$43,180.

FinCEN has not separately estimated, or assigned a dollar value to, the non-labor costs associated with this information collection requirement.

14. Estimated annual cost to the Federal government:

FinCEN does not expect the final rule to incrementally increase annual costs to the Federal government.

15. Change in burden:

None. This is a new collection; however, financial institutions are accustomed to documenting their compliance with federal requirements.

16. Plans for tabulation or publication:

There are no plans for tabulation or publication.

17. Reason why display of expiration date for OMB approval is not appropriate:

FinCEN requests that it not be required to display the expiration date so that the regulations will not have to be amended for the new expiration date every three years.

18. Exception to the certification statement in OMB Form 83-I:

There are no exceptions to the certification statement.

¹³ The assigned average annual burden per affected covered financial institution in subsequent years is fifteen minutes (0.25 hours) per year. See the Huione Group 311 Final Rule.

¹⁴ The three-year average annual expected burden per affected covered financial institution includes one business day (8 hours) hours in year one, and fifteen minutes (0.25 hours) in years two and three, respectively. See the Huione Group 311 Final Rule.

¹⁵ 127 expected respondents multiplied by eight hours per respondent equals 1,016 total annual burden hours. See the Huione Group 311 Final Rule.