

Banking and Finance Law Daily Wrap Up, BANK SECRECY ACT—Treasury updates disruption of Cambodia -based scam operators Huione, Prince Group TCO, (Jun. 24, 2026)

Banking and Finance Law Daily Wrap Up

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The agency announced a proposed rulemaking to keep any Huione Group successors cut off from the U.S. financial system and sanctioned additional individuals and entities linked to Prince Group TCO.

The Treasury Department's Financial Crimes Enforcement Network (FinCEN) has [issued](#) a [notice of proposed rulemaking](#) to sever Cambodia-based H-Pay Service PLC (H-Pay) and any other Huione Group successor entities from the U.S. financial system. The rule will amend FinCEN's October 2025 Huione Group Final Rule to thwart circumvention. In addition, Treasury's Office of Foreign Assets Control (OFAC) announced that it sanctioned nine individuals and 26 entities linked to the Prince Group TCO, including TCO leadership, investors, in scam compounds, and front companies. Treasury Secretary Scott Bessent [said](#) the Trump Administration will "continue using its tools to disrupt the networks" behind egregious fraud emanating from scam centers in Southeast Asia.

Huione successors. In October 2025, FinCEN announced a final rule identifying Huione Group as a foreign financial institution of primary money-laundering concern under 31 U.S.C. § 5318A. The agency found the group laundered proceeds from cyber heists linked to the Democratic People's Republic of Korea and from convertible-virtual-currency investment scams run by Southeast Asian transnational criminal organizations (see [Banking and Finance Law Daily](#), Oct. 15, 2025).

FinCEN described H-Pay as a "newly operational component" of the Huione Group that "effectively assumed the business role of Huione Pay PLC within the Huione Group." FinCen said H-Pay engages in the transmission of currency for payment services like worldwide payments, savings accounts, and mobile banking. FinCEN assessed that the purpose of H-Pay is to evade public scrutiny and circumvent the special measure already imposed on Huione Group imposed through the FinCEN October 2025 Final Rule.

Although FinCEN assessed that Huione Pay PLC remains of primary money laundering concern, the ability to operate "has been increasingly constrained." According to FinCEN, a March 6, 2025 media report indicated that the Cambodian government revoked Huione Pay PLC's banking license. The National Bank of Cambodia rescinded the license by updating its list of "Payment Service Institutions." It also appears that it now lacks an active corporate registration or payment service license in the Cambodia Ministry of Commerce business registration database. However, it appears that H-Pay has "assumed its place." The proposed rulemaking provides many more allegations.

The notice of proposed rulemaking further defines Huione Group as a primary money laundering concern operating outside the U.S. FinCEN now intends to include H-Pay and any successor entities within the Huione Group definition. The rulemaking proposes to define the term "successor entity" to mean any person that replaces Huione Group, or any component of it, by acquiring assets or carrying out the affairs of Huione Group under a new name. FinCEN said it may publish notifications of future name changes or successors. The existing Huione Group special measure codified at 31 CFR 1010.664 remains in effect. Comments are due July 27, 2026.

Huione seizure. In a separate [press release](#), the Justice Department announced the seizure of a cloud computing account used by Huione Group subsidiaries used to host backend infrastructure. Assistant Attorney General A. Tysen Duva said the seizure "strikes a blow against one of the world's most prolific criminal marketplaces. Assistant

Director Heith Janke of the FBI's Criminal Division echoed that the seizure "demonstrates our commitment to disrupting every component of the illegal ecosystem and working with our partners to prevent further victimization from scams."

The DOJ thanked the intelligence teams at Chainalysis and Elliptic, and Google's CyberCrime Investigation Team, for voluntarily providing valuable information for the investigation. FinCEN said it appreciated the contributions of the Australian Transaction Reports and Analysis Centre (AUSTRAC) in achieving the seizure.

Prince Group TCO sanctions. OFAC expanded sanctions against individuals and entities that help Prince Group TCO operate scam compounds where fraud operations target victims in the United States and "around the world." OFAC already designated Prince Group and 146 related individuals as Transnational Criminal Organization (TCO) Targets by Executive Order 13581, as amended, in October 2025.

The present action principally targets Hu Xiaowei (Hu), often described as Prince Group TCO's "second-in-command" and as a "big brother" to Prince TCO's leader, Chen Zhi, who uses various aliases. Hu is purportedly responsible for setting up and supervising certain Prince TCO subsidiaries outside Cambodia, playing a role in various Prince TCO activities related to aircraft, real estate, illicit gambling, and owning companies ultimately controlled by Chen Zhi. The OFAC press release set forth allegations and OFAC designations concerning scores of Hu's corporate subordinates, various businesses, and Prince TCO investors at great length.

As a result of those OFAC designations, all property and interests in property of the designated persons described that are in the U.S. or in the possession or control of U.S. persons "are blocked and must be reported to OFAC." If a blocked person own more than 50 percent of an entity, those entities are also blocked. Violations of the sanctions may cause imposition of civil or criminal penalties on U.S. and foreign persons.

UK partnership. In a separate [release](#), OFAC said it published a featured story detailing its "enhanced partnership" with the United Kingdom (UK) Office of Financial Sanctions Implementation (OFSI) and a joint guidance document to help the private sector understand obligations under the sanctions regimes of the U.S. and UK. That release also described wind down of transactions involving CCU Commercial Bank Plc under TCO General License 2 and specified updates to the OFAC Specially Designated Nationals and Blocked Persons List.

Companies: CCU Commercial Bank Plc; H-Pay Service PLC; Haowang Guarantee; Huione Crypto; Huione Group; Huione Pay PLC; Prince Bank PLC; Prince Group TCO; Prince Huan Yu Real Estate Cambodia Group Co. Ltd; Prince Holding Group

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