



# FinCEN

# ALERT

FIN-2024-Alert002

This document has been rescinded.

July 11, 2024

## Supplemental Alert: FinCEN Highlights Additional Red Flags Regarding Financing of Israeli Extremist Settler Violence Against Palestinians in the West Bank

### Suspicious Activity Report (SAR) Filing Request:

FinCEN requests that financial institutions reference this alert in SAR field 2 (Filing Institution Note to FinCEN) and the narrative by including the key term “**FIN-2024-WBEXTREMISM**”.

The Financial Crimes Enforcement Network (FinCEN) previously issued an alert ([February 2024 Alert](#)) to financial institutions<sup>1</sup> related to the financing of Israeli extremist settler violence against Palestinians in the West Bank.<sup>2</sup> This supplemental alert provides additional red flags to assist U.S. financial institutions in identifying and reporting suspicious activity related to the financing of this violence. Additionally, this alert requests that financial institutions continue to use the existing SAR code (**FIN-2024-WBEXTREMISM**) when submitting SARs specific to the

financing of Israeli extremist settler violence in the West Bank and reminds financial institutions of their Bank Secrecy Act (BSA) reporting obligations.

As noted in the February 2024 Alert, the United States has consistently opposed actions that undermine peace, security, or stability in the West Bank, including attacks by Israeli violent extremist settlers against Palestinians, attacks by Palestinian violent extremists against Israelis, and other acts that unduly restrict civilians’ access to essential services and basic necessities and risk further escalating tensions and expanding the conflict in the region.<sup>3</sup>

Treasury continues to be concerned by reports of escalating violence in the West Bank,<sup>4</sup> including reported attacks by Israeli settlers on humanitarian aid convoys,<sup>5</sup> and encourages continued

1. See 31 U.S.C. § 5312(a)(2); 31 CFR § 1010.100(t).
2. See FinCEN, FIN-2024-Alert001, “[FinCEN Alert on Israeli Extremist Settler Violence Against Palestinians in the West Bank](#)” (“February 2024 Alert”) (Feb. 1, 2024).
3. See U.S. Department of State (State), “[Announcement of Visa Restriction Policy to Promote Peace, Security, and Stability in the West Bank - United States Department of State](#)” (Dec. 5, 2023); White House “[Readout of President Biden’s Call with Prime Minister Netanyahu of Israel](#)” (Nov. 6, 2023); White House “[Readout of the Vice President’s Call with President Isaac Herzog of Israel](#)” (Dec. 3, 2023), and State, “[Secretary Blinken’s Call with Israeli Minister Gantz](#)” (Nov. 16, 2023); State, Press Briefings, [October 30, 2023](#) and [November 1, 2023](#).
4. See State, “[West Bank Violence](#)” (Apr. 15, 2024); White House “[On-the-Record Press Gaggle by White House National Security Communications Advisor John Kirby](#)” (Mar. 14, 2024); White House “[Readout of National Security Advisor Jake Sullivan’s Meetings with Palestinian Authority President Mahmoud Abbas](#)” (Dec. 15, 2023). For statistics related to ongoing violence and casualties in the West Bank, see United Nations Office for the Coordination of Humanitarian Affairs (OCHA), “[Hostilities in the Gaza Strip and Israel – News and Updates](#)” (e.g., July 3, 2024 Humanitarian Situation Update #186).
5. See State, “[Sanctioning Israeli Group for Disrupting and Destroying Humanitarian Aid to Civilians](#)” (June 14, 2024).

reporting by financial institutions of suspicious activity potentially related to the financing of these violent acts. Since publication of the February 2024 Alert, Treasury's Office of Foreign Assets Control (OFAC) and the Department of State have collectively designated 13 individuals and entities<sup>6</sup> under Executive Order (E.O.) 14115, which authorizes the U.S. government to impose financial sanctions on foreign persons that, *inter alia*, are responsible for or complicit in, or have directly or indirectly engaged or attempted to engage in (1) actions that threaten the peace, security, or stability of the West Bank; or (2) planning, ordering, otherwise directing, or participating in specified actions affecting the West Bank, such as violence targeting civilians and property destruction.<sup>7</sup>

OFAC reminds individuals and financial institutions that all U.S. persons, which generally include any person in the United States, any entity organized under U.S. law, and any U.S. citizen or legal permanent resident anywhere in the world, are generally prohibited from making any contribution or provision of funds, goods, or services by, to, or for the benefit of any individual or entity designated under E.O. 14115 and any entities owned 50 percent or more by such designated individuals or entities.<sup>8</sup> This includes engaging in crowdfunding activities that are used to raise funds internationally in support of designated violent extremist Israeli settlers, as well as other fundraising undertaken on behalf of such designated persons.<sup>9</sup> Non-U.S. persons are also subject to certain OFAC prohibitions, such as prohibitions on causing or conspiring to cause U.S. persons to violate U.S. sanctions, as well as engaging in conduct that evades U.S. sanctions. Violations of U.S. sanctions may result in civil or criminal penalties,<sup>10</sup> and persons who materially support any person blocked pursuant to E.O. 14115 may themselves be sanctioned.

FinCEN is providing additional red flag indicators of suspicious activity potentially related to the financing of Israeli extremist settler violence against Palestinians in the West Bank, including flags derived from open-source reporting. All red flag indicators highlighted in the [February 2024 Alert](#) remain valid,<sup>11</sup> and FinCEN has identified the following additional red flag indicators to

6. See Treasury, "[Treasury Designates Entities Involved in Raising Funds for Violent Extremists in the West Bank](#)" (Apr. 19, 2024); State, "[Designations Related to Destabilizing Activities Affecting the West Bank](#)" ("State April 2024 Press Release") (Apr. 19, 2024); State, "[Imposing Further Sanctions to Promote Peace, Security, and Stability in the West Bank](#)" ("State March 2024 Press Release") (Mar. 14, 2024); State, "[Announcement of Further Measures to Promote Peace, Security, and Stability in the West Bank](#)" (Feb. 1, 2024).
7. See Executive Order 14115, "[Imposing Certain Sanctions on Persons Undermining Peace, Security, and Stability in the West Bank](#)" ("E.O. 14115") (Feb. 1, 2024).
8. See Section 3 of E.O. 14115, *supra* note 7; see also OFAC, "[Frequently Asked Questions](#)" Question #11.
9. See OFAC, Interpretive Guidance, "[Guidance on transactions related to subsistence or basic human needs for individuals designated under Executive Order 14115, 'Imposing Certain Sanctions on Persons Undermining Peace, Security, and Stability in the West Bank'](#)" (Mar. 26, 2024).
10. See Department of Justice, "[Department of Commerce, Department of the Treasury, and Department of Justice Tri-Seal Compliance Note: Obligations of foreign-based persons to comply with U.S. sanctions and export control laws](#)" (Mar. 6, 2024).
11. FinCEN continues to emphasize that legitimate charities should have access to financial services and can transmit funds through legitimate and transparent channels. As set out in the Joint Fact Sheet on BSA Due Diligence Requirements for Charities and Non-Profit Organizations, banks are reminded to apply a risk-based approach to customer due diligence (CDD) requirements when developing the risk profiles of charities and other non-profit customers. The application of a risk-based approach is consistent with existing CDD and other BSA/AML compliance requirements. FinCEN, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit

help financial institutions detect, prevent, and report potential suspicious activity related to the financing of Israeli extremist settler violence against Palestinians in the West Bank:

- 1 Payments involving entities, individuals, addresses on accounts, receiving addresses, or IP addresses linked to any West Bank “outpost.”<sup>12</sup>
- 2 References or payments to accounts held in the name of Israeli violent extremist settler groups or individuals involved or implicated in violence against Palestinians in the West Bank, including references or payments to accounts held by known immediate family members of designated individuals. The West Bank region may also be referred to as “Judea and Samaria,” “Shomron,” “Yehuda,” or “Yehuda v’Shomoron” by supporters of Israeli settlements in the West Bank.<sup>13</sup>
- 3 References or payments to accounts or webpages that are fundraising for convicted, imprisoned, or U.S.-sanctioned violent extremists who targeted Palestinians in the West Bank.
- 4 Accounts that share a merchant representative, email, phone number, social media page, or physical address with accounts held in the name of designated individuals or entities.
- 5 Payments to beneficiaries, accounts, or crowdfunding campaigns linked to social media indicating support for violence in the West Bank, including pictures and videos, support for violence targeting Palestinians in the West Bank, or references to known or designated Israeli settler violent extremists, outposts, herding farms, or groups. Crowdfunding campaigns and social media may include phrases like “State Land,” “Area C,” “preserving State Land,” “Hilltop Youth,” “Youth of the Hills,” or “stopping supply convoys.”

FinCEN reminds financial institutions that, as no single red flag is necessarily indicative of illicit or suspicious activity, financial institutions should consider all the surrounding facts and circumstances before determining whether a specific transaction is suspicious or associated with potential Israeli extremist settler violence.

FinCEN requests that financial institutions reference this alert by including the key term “**FIN-2024-WBEXTREMISM**” in SAR field 2 (Filing Institutions Note to FinCEN) and the narrative to indicate a connection between the suspicious activity being reported and this supplemental alert and the February 2024 Alert.

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Union Administration, and Office of the Comptroller of the Currency, “[Joint Fact Sheet on Bank Secrecy Act Due Diligence Requirements for Charities and Non-Profit Organizations](#)” (Nov. 19, 2020).

12. Outposts are settlements considered illegal under Israeli law. Violent actors have used outposts as bases from which to perpetrate violence. See State, “[2023 Country Reports on Human Rights Practices: Israel, West Bank and Gaza](#)” (2023); State, “[Imposing Further Sanctions to Promote Peace, Security, and Stability in the West Bank](#)” (Mar. 14, 2024). The United States Government has consistently opposed the expansion of Israeli settlements in the West Bank, which exacerbate tensions and undermine the prospects for a negotiated two-state solution. For more information, see State March 2024 Press Release, *supra* note 6; see also State, “[Israeli Settlement and Outpost Legalization Announcement](#)” (Feb. 13, 2023); State, “[Settlements in the West Bank](#)” (May 21, 2023).
13. For more information see State, “[West Bank and Gaza 2022 International Religious Freedom Report](#)” (May 2023), at p. 23.

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The information contained in this alert is derived from FinCEN's analysis of Bank Secrecy Act data, open-source reporting, and information provided by law enforcement partners.

### **For Further Information**

Questions or comments regarding the contents of this alert should be sent to [frc@fincen.gov](mailto:frc@fincen.gov).

**The mission of the Financial Crimes Enforcement Network is to safeguard the financial system from illicit use, combat money laundering and its related crimes including terrorism, and promote national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.**