

Money Laundering and Other White-Collar Crimes

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Money laundering is the means by which the proceeds of illicit activity is transmogrified into apparently legal funds. A number of means are used to make money from the commission of crimes appear to be legitimate. Persons can use cash-based businesses infused with the proceeds of crime to make it appear that the business has profited legal funds. Transfers of money into offshore accounts, shell companies, trust funds, and other cash holding vehicles can be used to make funds appear legitimate. Thus, lawyers should avoid having their trust accounts used by criminals to hide illegal proceeds. This is one reason fee agreements are so important to have in writing. *See United States v. Priscilla Ann Ellis*, 19-12452 (11th Cir. 2020)[lawyer from Killeen, Texas sentenced to 40 years for using trust account to launder money from fraud scheme]. Money laundering is charged as crimes involving transactions; movement of money to disguise its source, ownership, or control; and law enforcement investigations designed to catch launderers. Transaction is broadly defined and the individual conducting the transaction need not know what state or federal felony the monies are the proceeds of; he or she need only know that the funds are proceeds of some unlawful activity.

Also, structuring money transfers and engaging in a large number of financial transactions to confuse persons about the source of funds can be used to disguise illegal proceeds. Most recently criminals used block chain funds, that are not traceable money transactions, to hide illegal proceeds of crime. Some names for these monies are bitcoin and cryptocurrency. We heard that block chain money was being used to pay the ransom for the oil pipeline system take over; The Colonial Pipeline hack. \$2.3 million of ransom money was recovered in that transaction because Colonial included a private key in its block chain payment.

The hackers who demanded the payment had increased the size of the ransom because blockchain money required more effort to launder than traditional cash. At some point crypto currency must be changed back into cash. Such cyber hacking is typically accomplished by a criminal gaining control of the targeted company by tricking employees into opening an email with ransomware attached. So, companies would do well to train their employees to be suspicious of unsolicited email from unknown sources. It is important also to hover over what appear to be legitimate email addresses; this will reveal phishing attempts.

“[N]early 2,400 governments, healthcare facilities and schools were victims of ransomware attacks last year. Ransom payments rose to \$350 million last year, a 300% increase over 2019, the report (from the Institute for Security and Technology) says. The average such payment topped \$300,000.” Los Angeles Times, U.S. government recovered millions of dollars paid in Colonial Pipeline hack ransom, Del Quentin Wilber, June 7, 2021)

- Re: Information Purchase - Thank you for buying the item [Modern Combat 5] on the 3913]



• Apple <nor3plyx8.syuas72aopsuebxyatw82asyteyuxiasye-387381931@treysustwghaskec.com>
To: mail...
Bcc: medhamehta [REDACTED]



Dear Customer,

Your Apple ID, has just been used to purchase Modern Combat 5 ,from the App Store, on a computer or a device that had never been associated with that Apple ID.

Date: Friday, March 20, 2020
Broser: Chrome
Operating System: 11.21

If you did not make this purchase or you believe an unauthorized person has accessed your account, Please find the document attached to cancel your purchase without delay.

Sincerely,

Apple Support

Apple ID | Support | Privacy Policy
Copyright © 2020 Apple Pty Ltd, Level 3 20 Martin Place,
Sydney, NSW 2000. All Rights Reserved.

• Attachments cannot be downloaded. [Learn more](#)



Businesses in all areas, and government entities, are taking measures to prevent cyber-attacks. Law firms would be well advised to do so too. Simple physical breaks between the internet and your data provide the solution. Back up law firm files on a regular basis. Even the Courts of Appeals in Texas were attacked by ransomware in the summer of 2020. Because the Office of Court Administration had prepared for such an event, it was up and running again immediately, paid no ransom, and lost no sensitive data. Courthouse News Service, Hackers Target Texas Courts in Ransomware Attack, Travis Bubenik (May 11, 2020). The Courts innovated and sent notices of decisions *via* twitter and had a stripped-down web site up within a day. Its back up of data was also installed so that no data was lost. Fortunately, the Russian hackers did not install or upload any data of their own.

Since block chain money is difficult to trace, it will continue to be a vehicle for laundering money. But some cryptocurrencies have been shut down by US regulators. Wired, May, 2013, Kim Zatter Liberty Reserve founder indicted on \$6 billion money laundering charges. Cash businesses and businesses that deal with hard to value items like art and NFT protected items, unique digital assets, are unregulated businesses that are frequently used to launder money and avoid United States sanctions against countries and individuals. An NFT recently sold for \$69 million. The Art Industry and U.S. Policies that Undermine Sanctions, July 2020 Staff Report, Senate Permanent Committee on Investigations. The Art business is the largest unregulated business and is not subject to the Bank Secrecy Act (BSA) regulations that help law enforcement detect money laundering. However, the art auction houses are covered by the BSA. Other methods used to launder money involve gambling to disguise money as gambling winnings, structuring money into small deposits to avoid money reporting requirements, use of off shore accounts and straw or shell businesses to disguise cash ownership, under or over valuing sales, round tripping money to make it appear as proceeds of a foreign investment, bank capture by purchasing a bank and not enforcing money regulations, black salaries or paying persons' salaries with dirty money, tax havens, factoring, and use of cryptocurrencies. Criminals have also used the theft and sale of antiquities to launder illegal money and finance terrorism. *See The Thieves of Baghdad, Bogdanos (2005).*

“Some suspicious transactions require immediate action. If the MSB has reason to suspect that a customer’s transactions may be linked to terrorist activity against the United States, the MSB should immediately call the Financial Institutions Hotline, toll-free at: 1-866-556-3974.” Money Laundering Prevention, Financial Crimes Enforcement Network U.S. Department of the Treasury Washington, DC, page 13.

Therefore, there is no one method to detect and prosecute money laundering. Substantial bank regulations, monitoring of cash transactions, and reporting requirements like “know your customer” are used to assist law enforcement to detect money laundering along with monitoring of financial transactions.

Money laundering enforcement continues to arise in most white-collar cases as a means to forfeit assets. 18 U.S.C. §981(a)(1)(A). Substitute assets can be reached by the forfeiture statute as well. The forfeiture of assets is seen as a good tool to eliminate crime by removing the profit motive for committing crimes.ⁱ Since there are a large number of federal criminal statutes within the criminal code and outside of it (contained in regulations) the number of federal crimes that exist cannot be established. There are thousands of federal criminal statutes and a number of people have written that one can violate Federal criminal law without being aware. The Wall Street Journal, Many failed efforts to Count Nation's Federal Criminal Laws, Gary Fields and John Emshwiller, July 23, 2011.

Originally white-collar crimes were confined to securities, banking and government procurement fraud. Now white-collar crime encompasses health care fraud and environmental laws, money laundering, global corruption, securities fraud and antitrust violations. It also covers the avoidance by foreign countries of trade and monetary sanctions as well as including cyber-crimes, economic espionage, securities fraud, commodities regulation and corporate misconduct. In 2003, with the advent of the *Thompson* memo, more companies in addition to individuals were charged with crimes and internal investigations as well as internal anti-corruption programs came into vogue. Deferred prosecution agreements, non-prosecution agreements and soaring corporate fines also have flourished.

Crime is typically labeled white-collar when the individual accused is a professional or government official of some sort. And since every crime is motivated by profit, each can be paired with a money laundering offense. The goal of the money laundering offenses is to strip criminal organizations of their assets and thus prevent future criminal activity. However, the money laundering forfeiture statutes had the unforeseen incentive for law enforcement to over use and abuse these laws. Some reforms have been put in place through CAFRA,ⁱⁱ but many more are needed for these vague laws. For example, suspicious activity reports are required to be filed by banks and businesses for transaction amounts well

below the \$10,000 mark. A bank would do well to file them even when they are not suspicious of cash deposits from restaurants, bars, toy stores and other cash heavy businesses. There is no civil penalty or criminal punishment for over filing these reports. But such wise caution can render the reports meaningless.

Money laundering is codified in 18 U.S.C. §1956 and §1957 and these laws prohibit financial transactions with the proceeds of crime; called specified unlawful activity. The specified unlawful activities are listed in subsection 7ⁱⁱⁱ of §1956 and in 18 U.S.C. §1961(1).^{iv} 1956 criminalizes transactions that are intended to hide the source, ownership or control of money. It is punishable by twenty years in prison and a \$500,000 fine or twice the value of the laundered funds. A civil penalty of \$10,000 per violation is also available. This incentivizes banks and other businesses to comply with anti-money laundering regulations. Section 1957 criminalizes a financial transaction of \$10,000 or more conducted with criminal proceeds. A monetary transaction is a “deposit, withdrawal, transfer, or exchange, in or affecting interstate or foreign commerce, of funds or a monetary instrument... by, through, or to a financial institution as defined in Section 1956 of this title), including any transaction that would be a financial transaction under section 1956(c)(4)(B)....” It is punishable by ten years in prison and a fine of \$250,000 or twice the value of the laundered funds.

There are four types of money laundering offenses for which the Department of Justice requires advance permission to investigate or charge. These are cases involving extra territorial jurisdiction, those involving tax offenses, prosecution of attorneys and concerning financial institutions. The Money Laundering and Asset Protection Section of the Department of Justice must also be consulted before the government may pursue money laundering charges to ensure consistent case law and statute application. Prosecutors must consult the Money Laundering and Asset Protection Section before seeking to forfeit businesses, before pursuing civil remedies under §1956(b), and before pursuing cases involving financial crimes, certain promotion cases,^v prosecutions in receipt and deposit cases,^{vi} and in Title 31 investigations of financial institutions. The financial crimes category is designed to prevent this described problem: “As a general rule neither §1956 nor §1957 should be

used where the same financial transaction represents both the money laundering offense and a part of the specified unlawful activity generating the proceeds being laundered.” However, this rule was violated in the *Hemmingson* case, before Mr. Hemmingson was pardoned by President Clinton. *U.S. v. Hemmingson*, 157 F.3d 347 (5th Cir. 1998)[check cashed by Ferrouillet was both proceeds of and the underlying specified unlawful activity].

Section 1957 has an exception for attorney fee transactions. It does not cover any funds necessary to preserve one’s Sixth Amendment right to counsel. The Justice Department says that this a narrow and extremely limited exemption. However, they say that it is policy not to charge lawyers collecting legal fees unless there is proof that the attorney had actual knowledge that the money was from an illegal source. Justice Manual 9-105.600. The government is not permitted to use information from the client as he or she is seeking legal representation, privileged communications from the representation itself, and information an attorney learns during the representation to establish the attorney’s knowledge. *Id.* The lawyer who engages in the criminal conduct with his or her client for a fee is not receiving a bona fide fee, however. The Department claims that it will not charge a lawyer for willful blindness concerning the source of a fee. Further, the Department states that its lawyers cannot tell a lawyer that they are being paid with illegal proceeds just for the purpose of giving the lawyer knowledge of this fact. Justice Manual 9-105.700. In 2007, prominent attorney Ben Kuehne was indicted for accepting a fee to determine that \$5.2 million in funds from Fabio Ochoa were clean funds that could be paid as a fee to lawyer Roy Black to defend Ochoa. The Justice Department dismissed the case two years later because a case it was relying on to bring the money laundering conspiracy charges was decided against it. *U.S. v. Velez*, No. 09-10199, 2009 WL 3416116 (11th Cir., October 26, 2009). *See generally*, *ABA Journal*, DOJ Drops All Money-Laundering Charges Against Miami Lawyer, Sarah Mui, November 25, 2009). Kuehne was a very well-respected prominent Florida lawyer when he was charged. Money laundering prosecution worries lawyers, Scott Michels, ABC News July, 22, 2008. (<https://abcnews.go.com/TheLaw/story?id=5421119&page=1>). He had represented, among other luminaries, Al Gore in *Bush v. Gore*, 531 U.S. 98 (2000) the election contest case in the United States Supreme

Court from the 2000 race for United States President. It is now Justice Department policy to exempt the receipt of bona fide legal fees from prosecution under §§ 1956 and 1957. *But see U.S. v. Elso*, 422 F.3d 1305 (11th Cir. 2005)[lawyer charged with money laundering under 1956 and 1957].

Further, the term “proceeds” as used in the money laundering statute, 1956, has been held by the U.S. Supreme Court to be sufficiently vague so that in *U.S. v. Santos*, 553 U.S. 507, 128 S.Ct. 2020, 170 L.Ed.2d 912 (2008) it held the rule of lenity applied to exclude from the money laundered amount any expenses that the criminal enterprise expended to generate the funds. Simply hiding money for transport, even if substantial efforts are made to conceal the money, is not money laundering. *Regalado Cuellar v. U.S.*, 553 U.S. 550, 128 S.Ct. 1994, 170 L.Ed.2d 942 (2008). Also, the money laundering statute is not a money spending statute. So, simply providing services to a money launderer is not money laundering. *U.S. v. Cessa*, 785 F.3d 165 (5th Cir. 2015).

In 1992, the money laundering statute was amended to allow prosecution of money laundering conspiracy and with it came the ability to forfeit assets for laundering money. No overt act must be charged for a money laundering conspiracy. *Whitefield v. U.S.*, 543 U.S. 209, 125 S.Ct. 687, 160 L.Ed.2d 611 (2005). And a further notice problem with such cases is that, under Rule 32.2(a) of the Federal Rules of Criminal Procedure, the Indictment must, “contain(s) notice to the defendant that the government will seek the forfeiture of property as part of any sentence in accordance with the applicable statute. The notice should not be designated as a count of the indictment or information. The indictment or information need not identify the property subject to forfeiture or specify the amount of any forfeiture money judgment that the government seeks.” The Government typically uses Bills of Particular to give notice of what it seeks to forfeit. However, some Courts have held that this does not provide sufficient notice. *U.S. v. Jones*, 502 F.3d 388 (6th Cir. 2007) (holding that a mobile home not listed in the indictment was not subject to forfeiture). But simply asking for a money judgment in the indictment might be upheld. *See U.S. v. Rosario-Camacho*, 733 F. Supp. 2d 248 (D.P.R. 2010) (stating that when the government does not seek specific property an indictment is sufficient that does not list any specific pieces of property).

One can also lose their funds for running afoul of anti-money laundering detection mechanisms. For example, funds are frequently seized from

persons who fail to declare them when arriving in this country from a foreign country. CBP 6059B. Failing to declare the funds is a separate crime as is breaking the funds down into smaller amounts beneath the \$10,000 reporting requirement to avoid it. This is also a separate crime. 31 U.S.C. § 5324. Further, taking action to prevent banks or other businesses from complying with 26 USC §6050I (reporting the receipt of more than \$10,000 in cash or bearer instruments) is also a crime. 31 U.S.C. §§ 5313, 5315, 5324 and 5322. However, a person who simply breaks down a bank deposit or breaks up a financial transaction must do so willfully, with the specific intent to avoid the reporting requirements before they are guilty of a criminal offense. *Ratzlaf v. U.S.*, 510 U.S. 135, 114 S.Ct. 655, 126 L.Ed.2d 615 (1994)[person paying gambling debt brought in deposits of less than \$10,000 to multiple casinos was not guilty of crime because he did not do so to avoid reporting requirements]. Nevertheless, persons who make regular deposits in the thousands of dollars have come under suspicion and some have been charged with crimes simply because the nature of their cash intensive businesses results in such routine deposits. Remitter businesses who assist foreign persons in sending money to their home countries are frequently targeted for prosecution if they do not fill out suspicious activity reports for amounts totaling \$2,000. Lawyers need to be aware that under IRS regulation 6050I they need to fill out 8300 forms reporting payments of \$10,000 or more in cashier checks, money orders, travelers checks, cash or other bearer instruments. The name of the client is not privileged and accurate information must be obtained from the remitter.

In current federal charging documents, money laundering and forfeiture charges are increasingly coupled with white-collar crime.

ⁱ The reasons that Congress enacted the money laundering crimes as part of the Anti -Drug Abuse Act of 1986 was: “To create a Federal offense against money laundering; to authorize forfeiture of the profits earned by launderers; to encourage financial institutions to come forward with information about money launderers without fear of civil liability; to provide federal law enforcement agencies with additional tools to investigate money laundering; and to enhance the penalties

under existing law in order to further deter the growth of money laundering.” S. Rp. No. 99-433 2d, at 1.

ii Civil Asset Forfeiture Reform Act of 2000 (CAFRA)

iii (7)the term “[specified unlawful activity](#)” means—

(A)

any act or activity constituting an offense listed in [section 1961\(1\) of this title](#) except an act which is indictable under subchapter II of chapter 53 of title 31;

(B)with respect to a [financial transaction](#) occurring in whole or in part in the United [States](#), an offense against a foreign nation involving—

(i)

the manufacture, importation, sale, or distribution of a controlled substance (as such term is defined for the purposes of the [Controlled Substances Act](#));

(ii)

murder, kidnapping, robbery, extortion, destruction of property by means of explosive or fire, or a crime of violence (as defined in [section 16](#));

(iii)

fraud, or any scheme or attempt to defraud, by or against a foreign bank (as defined in paragraph 7 of section 1(b) of the [International Banking Act of 1978](#)); [\[1\]](#)

(iv)

bribery of a public official, or the misappropriation, theft, or embezzlement of public funds by or for the benefit of a public official;

(v)smuggling or export control violations involving—

(I)

an item controlled on the United [States](#) Munitions List established under section 38 of the [Arms](#)

[Export Control Act](#) ([22 U.S.C. 2778](#)); or

(II)

an item controlled under regulations under the Export Administration Regulations ([15 C.F.R. Parts 730–774](#));

(vi)

an offense with respect to which the United [States](#) would be obligated by a multilateral treaty, either to extradite the alleged offender or to submit the case for prosecution, if the offender were found within the territory of the United [States](#); or

(vii)

trafficking in persons, selling or buying of children, sexual exploitation of children, or transporting, recruiting or harboring a person, including a child, for commercial sex acts;

(C)

any act or acts constituting a continuing criminal enterprise, as that term is defined in section 408 of

the [Controlled Substances Act](#) ([21 U.S.C. 848](#));

(D)

an offense under section 32 (relating to the destruction of aircraft), section 37

(relating to violence at international airports), section 115 (relating to influencing,

impeding, or retaliating against a Federal official by threatening or injuring a family member), section 152 (relating to concealment of assets; false oaths and claims; bribery), section 175c (relating to the variola virus), section 215 (relating to commissions or gifts for procuring loans), section 351 (relating to congressional or Cabinet officer assassination), any of sections 500 through 503 (relating to certain counterfeiting offenses), section 513 (relating to securities of [States](#) and private entities), section 541 (relating to goods falsely classified), section 542 (relating to entry of goods by means of false statements), section 545 (relating to smuggling goods into the United [States](#)), section 549 (relating to removing goods from Customs custody), section 554 (relating to smuggling goods from the United [States](#)), section 555 (relating to border tunnels), section 641 (relating to public money, property, or records), section 656 (relating to theft, embezzlement, or misapplication by bank officer or employee), section 657 (relating to lending, credit, and insurance institutions), section 658 (relating to property mortgaged or pledged to farm credit agencies), section 666 (relating to theft or bribery concerning programs receiving Federal funds), section 793, 794, or 798 (relating to espionage), section 831 (relating to prohibited [transactions](#) involving nuclear materials), section 844(f) or (i) (relating to destruction by explosives or fire of Government property or property affecting interstate or foreign commerce), section 875 (relating to interstate communications), section 922(l) (relating to the unlawful importation of firearms), section 924(n) (relating to firearms trafficking), section 956 (relating to conspiracy to kill, kidnap, maim, or injure certain property in a foreign country), section 1005 (relating to fraudulent bank entries), 1006 [2] (relating to fraudulent Federal credit institution entries), 1007 [2] (relating to Federal Deposit Insurance [transactions](#)), 1014 [2] (relating to fraudulent loan or credit applications), section 1030 (relating to computer fraud and abuse), 1032 [2] (relating to concealment of assets from conservator, receiver, or liquidating agent of [financial institution](#)), section 1111 (relating to murder), section 1114 (relating to murder of United [States](#) law enforcement officials), section 1116 (relating to murder of foreign officials, official guests, or internationally protected persons), section 1201 (relating to kidnaping), section 1203 (relating to hostage taking), section 1361 (relating to willful injury of Government property), section 1363 (relating to destruction of property within the special maritime and territorial jurisdiction), section 1708 (theft from the mail), section 1751 (relating to Presidential assassination), section 2113 or 2114 (relating to bank and postal robbery and theft), section 2252A (relating to child pornography) where the child pornography contains a visual depiction of an actual minor engaging in sexually explicit conduct, section 2260 (production of certain child pornography for importation into the United [States](#)), section 2280 (relating to violence against maritime navigation), section 2281 (relating to violence against maritime fixed platforms), section 2319 (relating to copyright infringement), section 2320 (relating to trafficking in counterfeit goods and services), section 2332 (relating to terrorist acts abroad against United [States](#) nationals), section 2332a (relating to use of weapons of mass destruction), section 2332b (relating to international terrorist acts transcending

national boundaries), section 2332g (relating to missile systems designed to destroy aircraft), section 2332h (relating to radiological dispersal devices), section 2339A or 2339B (relating to providing material support to terrorists), section 2339C (relating to financing of terrorism), or section 2339D (relating to receiving military-type training from a foreign terrorist organization) of this title, [section 46502 of title 49, United States Code](#), a felony violation of the [Chemical Diversion and Trafficking Act of 1988](#) (relating to precursor and essential chemicals), section 590 of the [Tariff Act of 1930 \(19 U.S.C. 1590\)](#) (relating to aviation smuggling), section 422 of the [Controlled Substances Act](#) (relating to transportation of drug paraphernalia), section 38(c) (relating to criminal violations) of the [Arms Export Control Act](#), section 11 [3] (relating to violations) of the [Export Administration Act of 1979](#), section 206 (relating to penalties) of the [International Emergency Economic Powers Act](#), section 16 (relating to offenses and punishment) of the [Trading with the Enemy Act](#), any felony violation of section 15 of the [Food and Nutrition Act of 2008](#) (relating to supplemental nutrition assistance program benefits fraud) involving a quantity of benefits having a value of not less than \$5,000, any violation of section 543(a)(1) of the [Housing Act of 1949](#) (relating to equity skimming), any felony violation of the [Foreign Agents Registration Act of 1938](#), any felony violation of the Foreign Corrupt Practices Act, section 92 of the [Atomic Energy Act of 1954 \(42 U.S.C. 2122\)](#) (relating to prohibitions governing atomic weapons), or section 104(a) of the North Korea Sanctions Enforcement Act of 2016 [3] (relating to prohibited activities with respect to North Korea);

ENVIRONMENTAL CRIMES

(E) a felony violation of the [Federal Water Pollution Control Act \(33 U.S.C. 1251 et seq.\)](#), the [Ocean Dumping Act \(33 U.S.C. 1401 et seq.\)](#), the [Act to Prevent Pollution from Ships \(33 U.S.C. 1901 et seq.\)](#), the [Safe Drinking Water Act \(42 U.S.C. 300f et seq.\)](#), or the Resources Conservation and Recovery Act ([42 U.S.C. 6901 et seq.](#));

(F) any act or activity constituting an offense involving a Federal health care offense; or

(G) any act that is a criminal violation of subparagraph (A), (B), (C), (D), (E), or (F) of paragraph (1) of section 9(a) of the [Endangered Species Act of 1973 \(16 U.S.C. 1538\(a\)\(1\)\)](#), section 2203 of the [African Elephant Conservation Act \(16 U.S.C. 4223\)](#), or section 7(a) of the [Rhinoceros and Tiger Conservation Act of 1994 \(16 U.S.C. 5305a\(a\)\)](#), if the endangered or threatened species of fish or wildlife, products, items, or substances involved in the violation and relevant conduct, as applicable, have a total value of more than \$10,000;

iv As used in this chapter—

(1)

“[racketeering activity](#)” means (A) any act or threat involving murder, kidnapping, gambling, arson, robbery, bribery, extortion, dealing in obscene matter, or dealing in a controlled substance or listed chemical (as defined in section 102 of the [Controlled Substances Act](#)), which is chargeable under [State](#) law and

punishable by imprisonment for more than one year; (B) any act which is indictable under any of the following provisions of title 18, United [States](#) Code: Section 201 (relating to bribery), section 224 (relating to sports bribery), sections 471, 472, and 473 (relating to counterfeiting), section 659 (relating to theft from interstate shipment) if the act indictable under section 659 is felonious, section 664 (relating to embezzlement from pension and welfare funds), sections 891–894 (relating to extortionate credit transactions), section 1028 (relating to fraud and related activity in connection with identification documents), section 1029 (relating to fraud and related activity in connection with access devices), section 1084 (relating to the transmission of gambling information), section 1341 (relating to mail fraud), section 1343 (relating to wire fraud), section 1344 (relating to financial institution fraud), section 1351 (relating to fraud in foreign labor contracting), section 1425 (relating to the procurement of citizenship or nationalization unlawfully), section 1426 (relating to the reproduction of naturalization or citizenship papers), section 1427 (relating to the sale of naturalization or citizenship papers), sections 1461–1465 (relating to obscene matter), section 1503 (relating to obstruction of justice), section 1510 (relating to obstruction of criminal investigations), section 1511 (relating to the obstruction of [State](#) or local law enforcement), section 1512 (relating to tampering with a witness, victim, or an informant), section 1513 (relating to retaliating against a witness, victim, or an informant), section 1542 (relating to false statement in application and use of passport), section 1543 (relating to forgery or false use of passport), section 1544 (relating to misuse of passport), section 1546 (relating to fraud and misuse of visas, permits, and other documents), sections 1581–1592 (relating to peonage, slavery, and trafficking in [persons](#)), [\[1\]](#) sections 1831 and 1832 (relating to economic espionage and theft of trade secrets), section 1951 (relating to interference with commerce, robbery, or extortion), section 1952 (relating to racketeering), section 1953 (relating to interstate transportation of wagering paraphernalia), section 1954 (relating to unlawful welfare fund payments), section 1955 (relating to the prohibition of illegal gambling businesses), section 1956 (relating to the laundering of monetary instruments), section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity), section 1958 (relating to use of interstate commerce facilities in the commission of murder-for-hire), section 1960 (relating to illegal money transmitters), sections 2251, 2251A, 2252, and 2260 (relating to sexual exploitation of children), sections 2312 and 2313 (relating to interstate transportation of stolen motor vehicles), sections 2314 and 2315 (relating to interstate transportation of stolen property), section 2318 (relating to trafficking in counterfeit labels for phonorecords, computer programs or computer program documentation or packaging and copies of motion pictures or other audiovisual works), section 2319 (relating to criminal infringement of a copyright), section 2319A (relating to unauthorized fixation of and trafficking in sound recordings and music videos of live musical performances), section 2320 (relating to trafficking in goods or services bearing counterfeit marks), section 2321 (relating to trafficking in certain motor vehicles or motor vehicle parts), sections 2341–2346 (relating to trafficking in

contraband cigarettes), sections 2421–24 (relating to white slave traffic), sections 175–178 (relating to biological weapons), sections 229–229F (relating to chemical weapons), section 831 (relating to nuclear materials), (C) any act which is indictable under title 29, United [States](#) Code, section 186 (dealing with restrictions on payments and loans to labor organizations) or section 501(c) (relating to embezzlement from union funds), (D) any offense involving fraud connected with a case under title 11 (except a case under [section 157 of this title](#)), fraud in the sale of securities, or the felonious manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in a controlled substance or listed chemical (as defined in section 102 of the [Controlled Substances Act](#)), punishable under any law of the United [States](#), (E) any act which is indictable under the [Currency and Foreign Transactions Reporting Act](#), (F) any act which is indictable under the [Immigration and Nationality Act](#), section 274 (relating to bringing in and harboring certain aliens), section 277 (relating to aiding or assisting certain aliens to enter the United [States](#)), or section 278 (relating to importation of alien for immoral purpose) if the act indictable under such section of such Act was committed for the purpose of financial gain, or (G) any act that is indictable under any provision listed in section 2332b(g)(5)(B);

^v These are not more clearly defined. But the Justice manual provides that when a financial transaction that is a crime also generates the proceeds, that permission must be obtained to charge this offense.

^{vi} A class of money laundering cases where a person receives the proceeds of unlawful activity that are deposited in an account identified with that person. These types of cases should be charged as less severe crime and should not be charged unless there are “extenuating circumstances.” However, it is this author’s opinion that the above scenario is not the crime of money laundering even though it would meet the definition of a 1957 offense if the deposit was over \$10,000. It appears that there is no attempt to make illegal proceeds appear legitimate.