



## U.S. Department of Justice

### Criminal Division

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Office of the Assistant Attorney General

Washington, D.C. 20530

May 12, 2025

#### MEMORANDUM

**TO:** All Criminal Division Personnel

**FROM:** Matthew R. Galeotti  
Head of the Criminal Division

**SUBJECT:** Focus, Fairness, and Efficiency in the Fight Against White-Collar Crime<sup>1</sup>

The core mission of the Department of Justice (Department) is to do justice, uphold the rule of law, protect the American public, and vindicate victims' rights. The Department's efforts to carry out this mission are multi-faceted. Prosecutors and investigators in the Criminal Division are currently working tirelessly to, among other things, pursue the Total Elimination of Cartels and Transnational Criminal Organizations (TCOs),<sup>2</sup> dismantle human smuggling organizations, curb the flow of fentanyl and other dangerous drugs, and neutralize child predators and violent criminals, including by securing significant charges and prison sentences against the worst criminal actors.<sup>3</sup>

White-collar crime also poses a significant threat to U.S. interests. Unchecked fraud in U.S. markets and government programs robs hardworking Americans and harms the public fisc. The deadly activities of Cartels and TCOs are enabled by international money laundering organizations and other financial facilitators. Illicit financial and logistical networks undermine our national security by enabling shadow-banking for and sanctions evasion by hostile nation-

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<sup>1</sup> This memorandum is not intended to, does not, and may not be relied upon to create any right or benefit, substantive or procedural, enforceable at law or equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

<sup>2</sup> See, e.g., Executive Order 14157, *Designating Cartels and Other Organizations as Foreign Terrorist Organizations and Specially Designated Global Terrorists* (Jan. 20, 2025) (Cartels Executive Order); Memorandum from the Attorney General, *Total Elimination of Cartels and Transnational Criminal Organizations* (Feb. 5, 2025) (Cartels and TCOs AG Memorandum).

<sup>3</sup> See, e.g., Memorandum from the Attorney General, *General Policy Regarding Charging, Plea Negotiations, and Sentencing* (Feb. 5, 2025); Memorandum from the Deputy Attorney General, *Ending Regulation by Prosecution* (Apr. 7, 2025) (Digital Assets DAG Memorandum).

states and terror regimes.<sup>4</sup> The Criminal Division is committed to rooting out such insidious conduct.

However, overbroad and unchecked corporate and white-collar enforcement burdens U.S. businesses and harms U.S. interests. The vast majority of American businesses are legitimate enterprises working to deliver value for their shareholders and quality products and services for customers. Prosecutors must avoid overreach that punishes risk-taking and hinders innovation. For these reasons, the Division's policies must strike an appropriate balance between the need to effectively identify, investigate, and prosecute corporate and individuals' criminal wrongdoing while minimizing unnecessary burdens on American enterprise.

The purpose of this Memorandum is to outline the Criminal Division's enforcement priorities and policies for prosecuting corporate and white-collar crimes in the new Administration. In investigating and prosecuting these crimes, Criminal Division attorneys are to be guided by three core tenets: (1) focus; (2) fairness; and (3) efficiency. This Memorandum elaborates on these principles and amends several Criminal Division policies, as set forth below.

## I. Areas of Focus

The Criminal Division must be laser-focused on the most urgent criminal threats to the country. Therefore, consistent with the enforcement policies and priorities of this Administration, the Criminal Division will prioritize investigating and prosecuting corporate crime in areas that will have the greatest impact in protecting American citizens and companies and promoting U.S. interests.

### A. Harms to America Posed by White-Collar Crime

Dishonest actors exploit government programs, funded by American taxpayers, to enrich themselves through waste, fraud, and abuse. Rampant health care fraud and program and procurement fraud drain our country's limited resources. Corporations and individuals defraud important government initiatives, including Medicare, Medicaid, defense spending, and other programs intended to assist vulnerable citizens. Anyone who cares about good and effective government should be concerned about waste, fraud, and abuse at the hands of bad actors in government agencies. The Criminal Division will lead the fight in holding accountable those who exploit these programs and harm the public fisc for personal gain.

Complex frauds also victimize U.S. investors and weaken the integrity of markets. Schemes that defraud Americans—such as Ponzi schemes, investment fraud, elder fraud, and others—take advantage of investors and consumers, especially the most vulnerable. The victims

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<sup>4</sup> National Security Presidential Memorandum, *Imposing Maximum Pressure on the Government of the Islamic Republic of Iran, Denying Iran All Paths to a Nuclear Weapon, and Countering Iran's Malign Influence* (Feb. 4, 2025).

of such fraudulent conduct are often left devastated, burdened by emotional pain and deprived of their hard-earned savings.

Crimes that exploit our monetary systems undermine economic development and innovation. For example, in the digital assets context, prosecutors should “focus on prosecuting individuals who victimize digital asset investors, or those who use digital assets in furtherance of criminal offenses[.]”<sup>5</sup> Prosecution of these righteous cases will vindicate U.S. interests.

The Criminal Division must also focus resources on threats to the U.S. economy, American competitiveness, and our national security. Trade and customs fraudsters, including those who commit tariff evasion, seek to circumvent the rules and regulations that protect American consumers and undermine the Administration’s efforts to create jobs and increase investment in the United States. Prosecuting such frauds will ensure that American businesses are competing on a level playing field in global trade and commerce.

The exploitation of our financial system is detrimental to American interests in and of itself and can also enable underlying criminal conduct. Financial institutions, shadow bankers, and other intermediaries aid U.S. adversaries by processing transactions that evade sanctions. Corrupt companies and foreign officials help these sanctioned entities avoid appropriate restrictions and commit pernicious crimes, promoting the cycle of drugs and violence that has harmed so many Americans.

The National Security Presidential Memorandum/NSPM-3 (“the America First Investment Policy”) emphasizes the importance of investor protection against fraudulent practices connected to certain foreign adversary companies listed on U.S. exchanges. In particular, the Policy addresses variable interest entities (VIEs), which are typically Chinese-affiliated companies listed on U.S. exchanges that carry significant risks to the investing public for several reasons. These companies provide few protections to investors, facilitate the flow of U.S. investor funds into strategic industries in China, and can be used to facilitate fraud in the U.S. markets, including schemes such as “ramp and dumps” and other market manipulation targeting U.S. investors.

White-collar criminals also corrupt our financial system—the safest and most secure in the world—by laundering criminal funds. Sophisticated money laundering operations, including Chinese Money Laundering Organizations, aid criminal actors by moving their tainted money across borders to conceal it from law enforcement and facilitate more crime. These crimes undermine national security by exploiting our financial system and strengthening foreign criminal organizations. They also facilitate the flow of dangerous drugs and fentanyl precursors to our shores.

Foreign terrorist organizations target U.S. nationals living at home and abroad for terror attacks. They often cannot carry out their operations without assistance from foreign companies and financial networks. Businesses and financial institutions that provide material support to foreign terrorist organizations place the lives and safety of U.S. citizens at risk.

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<sup>5</sup> Digital Assets DAG Memorandum at 1.

B. Prioritization and Associated Policy Changes

To combat these harms, the Criminal Division will prioritize investigating and prosecuting white-collar crimes in the following high-impact areas:

1. Waste, fraud, and abuse, including health care fraud and federal program and procurement fraud that harm the public fisc;
2. Trade and customs fraud, including tariff evasion;
3. Fraud perpetrated through VIEs, including, but not limited to, offering fraud, “ramp and dumps,” elder fraud, securities fraud, and other market manipulation schemes;
4. Fraud that victimizes U.S. investors, individuals, and markets including, but not limited to, Ponzi schemes, investment fraud, elder fraud, servicemember fraud, and fraud that threatens the health and safety of consumers;
5. Conduct that threatens the country’s national security, including threats to the U.S. financial system by gatekeepers, such as financial institutions and their insiders that commit sanctions violations or enable transactions by Cartels, TCOs, hostile nation-states, and/or foreign terrorist organizations;
6. Material support by corporations to foreign terrorist organizations, including recently designated Cartels and TCOs;
7. Complex money laundering, including Chinese Money Laundering Organizations, and other organizations involved in laundering funds used in the manufacturing of illegal drugs;
8. Violations of the Controlled Substances Act and the Federal Food, Drug, and Cosmetic Act (FDCA), including the unlawful manufacture and distribution of chemicals and equipment used to create counterfeit pills laced with fentanyl and unlawful distribution of opioids by medical professionals and companies;
9. Bribery and associated money laundering that impact U.S. national interests, undermine U.S. national security, harm the competitiveness of U.S. businesses, and enrich foreign corrupt officials;<sup>6</sup> and
10. As provided by the Digital Assets DAG Memorandum: crimes (1) involving digital assets that victimize investors and consumers; (2) that use digital assets in furtherance of other criminal conduct; and (3) *willful* violations that facilitate significant criminal activity. Cases impacting victims, involving cartels, TCOs,

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<sup>6</sup> See Executive Order 14209, *Pausing Foreign Corrupt Practices Act Enforcement to Further American Economic and National Security* (Feb. 10, 2025); Cartels and TCOs AG Memorandum.

or terrorist groups, or facilitating drug money laundering or sanctions evasion shall receive highest priority.

Criminal Division prosecutors also will—consistent with the law—prioritize efforts to identify and seize assets that are the proceeds of, or involved in, such offenses and, where authorized under the law, use forfeited assets to compensate victims of these offenses. In all such investigations, prosecutors should prioritize schemes involving senior-level personnel or other culpable actors, demonstrable loss, and efforts to obstruct justice.

To demonstrate the Division’s focus on these priority areas, in consultation with Money Laundering and Asset Recovery Section and the Fraud Section, I have reviewed the Criminal Division’s existing pilot program relating to whistleblowers, consistent with the principles outlined above. Following discussion and consultation with relevant stakeholders, effective immediately, I am directing the following amendments to the Criminal Division’s Corporate Whistleblower Awards [Pilot Program](#) to reflect priority areas of focus.

Specifically, we are adding the following to Section II.3 (“Subject Areas”), where those tips lead to forfeiture:

- Violations by corporations related to international cartels or transnational criminal organizations, including money laundering, narcotics, Controlled Substances Act, and other violations.
- Violations by corporations of federal immigration law.
- Violations by corporations involving material support of terrorism.
- Corporate sanctions offenses.
- Trade, tariff, and customs fraud by corporations.
- Corporate procurement fraud.

## II. Fairness – Prosecuting Corporations and Individuals

The Criminal Division has long been a leader in crafting policies to appropriately investigate and prosecute white-collar offenders. For instance, the Criminal Division’s Corporate Enforcement and Voluntary Self-Disclosure Policy (CEP) has applied across the Division since 2018. The CEP’s directives concerning self-disclosure, cooperation, and remediation have resulted in the Department bringing more cases against individual wrongdoers while rewarding good corporate citizens.

The Criminal Division developed these policies because justice demands the equal and fair application of criminal laws to individuals and corporations who commit crimes. The Department’s first priority is to prosecute individual criminals. It is individuals—whether executives, officers, or employees of companies—who commit these crimes, often at the expense

of shareholders, workers, and American investors and consumers. The Criminal Division will investigate these individual wrongdoers relentlessly to hold them accountable.

Not all corporate misconduct warrants federal criminal prosecution. Prosecution of individuals, as well as civil and administrative remedies directed at corporations, are often appropriate to address low-level corporate misconduct and vindicate U.S. interests. Prosecutors in the Criminal Division must consider additional factors when determining whether to charge corporations, including whether the company reported the conduct to the Department, its willingness to cooperate with the government, and its actions to remediate the misconduct. Justice Manual (JM) 9-28.300.

It is critical to American prosperity to promote policies that acknowledge law-abiding companies and companies that are willing to learn from their mistakes and provide those companies with transparency from the Department. Companies that enter into agreements with the Criminal Division agree to implement corporate compliance programs, report relevant misconduct, cooperate with the government, and more. These obligations serve important functions for companies that have committed serious wrongdoing. But where corporate criminal resolutions are necessary, prosecutors should consider all forms—non-prosecution agreements, deferred prosecution agreements, and guilty pleas—in making a case-by-case analysis about the appropriate disposition.<sup>7</sup> When applying these policies, prosecutors must conduct an individualized assessment of the facts and evidence in each case and make an appropriate determination based on the application of law to those facts. To ensure fairness and individualized assessments, I have directed the Criminal Division’s Fraud Section and the Money Laundering and Asset Recovery Section to revise the CEP and clarify that additional benefits are available to companies that self-disclose and cooperate, including potential shorter terms. A fair justice system requires that the Department be maximally transparent so that companies—including directors, executives, employees, and counsel—can make appropriate decisions when faced with potential misconduct. We have thus refined the CEP such that its core components—the paths for potential declination, the available fine reductions for a company’s cooperation and remediation, and relevant factors that determine the contours of a corporate resolution—are more easily understandable.

In addition, I have directed these Sections to review the length of terms of all existing agreements with companies to determine if they should be terminated early. Factors that may lead to early termination include, but are not limited to, duration of the post-resolution period, substantial reduction in the company’s risk profile, extent of remediation and maturity of the compliance corporate program, and whether the company self-reported the misconduct. That review is ongoing, and the Criminal Division has determined in multiple matters that companies

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<sup>7</sup> JM 9-47.120 (“Where a criminal resolution is warranted, the extent and quality of a company’s cooperation will be an important part of the Criminal Division’s overall analysis of the case and may impact the proposed form of the resolution, as well as the fine range and fine amount.”).

had met the terms of their agreements, and thus the Criminal Division has ended those agreements early.<sup>8</sup>

Going forward, when entering into a corporate resolution with companies that cooperate and remediate, Criminal Division prosecutors must impose a term that is appropriate and necessary in light of, among other things, the severity of the misconduct, the company's degree of cooperation and remediation, and the effectiveness of the company's compliance program at the time of resolution. These terms should not be longer than three years except in exceedingly rare cases, and Criminal Division prosecutors should assess these agreements regularly to determine if they should be terminated early.

### III. Efficiency – Streamlining Corporate Investigations

The work of Criminal Division attorneys to investigate and prosecute white-collar crime is essential to the Department's efforts to advance American interests, protect victims, and strengthen our national security. But federal investigations into corporate wrongdoing can be costly and intrusive for businesses, investors, and other stakeholders, many of whom have no knowledge of, or involvement in, the misconduct at issue. Federal investigations can also significantly interfere with day-to-day business operations and cause reputational harm that may at times be unwarranted.

To maximize efficiency in all corporate investigations, I am therefore directing the implementation of the following procedures in corporate investigations in the Criminal Division, effective immediately:

#### A. Efficient Investigations

White-collar schemes are complex and often cross borders. As a result, these schemes take substantial time and effort to unravel. Evidence may be located abroad and records can be voluminous. But from the company's perspective, investigations into corporate crime can linger for years and, at times, with little meaningful progress. While particular facts and circumstances may require an investigation that spans multiple years, prosecutors must take all reasonable steps to minimize the length and collateral impact of their investigations, and to ensure that bad actors are brought to justice swiftly and resources are marshaled efficiently.

Accordingly, I am directing that prosecutors must move expeditiously to investigate cases and make charging decisions. That means that my office will work closely with the relevant Sections to track investigations and ensure that they do not linger and are swiftly concluded.

#### B. Narrowly Tailored Use of Monitors

Independent compliance monitors must only be imposed when they are necessary, *i.e.*, when a company cannot be expected to implement an effective compliance program or prevent recurrence of the underlying misconduct without such heavy-handed intervention. When imposed,

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<sup>8</sup> Of course, a decision not to terminate an agreement early does not in and of itself mean a company is failing to meet its expectations under the agreement with the Criminal Division.

monitorships must be narrowly tailored to achieve the necessary goals while minimizing expense, burden, and interference with the business.

Therefore, I am announcing a new monitor selection memorandum that (1) clarifies the factors that prosecutors must consider when determining whether a monitor is appropriate and how those factors should be applied; and (2) ensures that when a monitor is necessary, prosecutors narrowly tailor and scope the monitor's review and mandate to address the risk of recurrence of the underlying criminal conduct and to reduce unnecessary costs. In keeping with these principles, the Criminal Division, in coordination with Department leadership, has undertaken an individualized review of all existing monitorships to make case specific determinations of whether each monitor is still necessary.

#### IV. Conclusion

Focused, fair, and efficient white-collar enforcement promotes American economic and national security interests while protecting American taxpayers, investors, consumers, and businesses. Results of the Criminal Division's efforts in this regard will be measured by the practical benefits brought to bear for all relevant parties, not symbolic resolutions against shell entities or running up the scoreboard. We will foster cooperative relationships with those in industry that align with the Department in this pursuit, and we will root out the criminal element that works against these goals. As in everything we do, we will do so with integrity and in the interests of justice.