

White Collar Defense and Investigations



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FinCEN Takes Steps to Implement Whistleblower Incentives Program

Executive Summary

- **What's new:** The U.S. Treasury's FinCEN issued a Notice of Proposed Rulemaking to fully implement its whistleblower incentives program.
- **Why it matters:** The incentives apply to any individual who provides original information about violations of U.S. bank secrecy, anti-money laundering or sanctions laws, and are not limited to U.S. bank employees or U.S. citizens. The program could increase the enforcement risk for companies subject to these laws.
- **What to do next:** Companies will want to review their protocols for dealing with whistleblower complaints, and their anti-money laundering and sanctions compliance procedures and related training.

On March 30, 2026, the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued a [Notice of Proposed Rulemaking \(NPRM\)](#) to fully implement a whistleblower incentives program. The NPRM will be published in the Federal Register, with a 60-day public comment period. FinCEN is expected to finalize the rule following review of comments.

Scope of the Whistleblower Program

FinCEN's whistleblower program is drafted to apply broadly to any individual with qualifying information, not just U.S. bank employees or U.S. citizens. The program applies to any individual who voluntarily provides original information about violations (or conspiracies to violate) the Bank Secrecy Act, U.S. anti-money laundering (AML) laws, or U.S. sanctions laws. To be eligible for an award, information provided by a whistleblower must be "original" (not already known to the government) and provided voluntarily. It was created pursuant to 31 U.S.C. § 5323, as amended by the Anti-Money Laundering Act of 2020 and the Anti-Money Laundering Whistleblower Improvement Act of 2022.

Information submitted to FinCEN may be shared across other federal agencies and departments, including the Department of the Treasury's Office of Foreign Asset Controls, and the Department of Justice's (DOJ's) Money Laundering, Narcotics and Forfeiture Section, Foreign Investment Review Section and Counterintelligence and Export Control Section.

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Key Elements

The NPRM would formalize several critical components of the program:

1. For penalties that exceed \$1 million, whistleblowers may receive 10% to 30% of monetary penalties collected in successful enforcement actions brought by Treasury or DOJ.
2. Awards are limited to individuals who voluntarily provide original information that leads to a successful enforcement action for violations of the covered offenses.
3. The rule proposes structured procedures for submitting tips and applying for awards through FinCEN's whistleblower portal.
4. FinCEN emphasizes confidentiality protections consistent with statutory requirements. The rule includes anti-retaliation protections for qualifying whistleblowers.

Although FinCEN has been accepting whistleblower submissions, the NPRM represents a key milestone toward implementation. FinCEN has indicated that whistleblower awards will begin to be processed and paid once the rule is finalized. Additional clarity and the availability of financial incentives may drive increased whistleblower reports in the near term.

Next Steps

In light of FinCEN's proposed implementation of its whistleblower incentives program and the broader trend toward whistleblower awards in the U.S., financial institutions and corporates should consider taking proactive steps to mitigate increased enforcement risk, including:

- **Enhancing whistleblowing frameworks** to ensure effective internal reporting channels, clear escalation and documentation procedures, and robust anti-retaliation protections that encourage internal reporting before external escalation.
- **Establishing clear protocols** for appropriately triaging and investigating whistleblower complaints in a timely manner.
- **Assessing and strengthening AML and sanctions compliance controls**, including transaction monitoring, suspicious activity reporting, and sanctions screening and escalation processes.
- **Reviewing employment and confidentiality provisions** to ensure they do not improperly restrict lawful whistleblower disclosures under U.S. law.
- **Reinforcing training and awareness programs** so employees understand reporting channels, compliance obligations, and the company's expectations regarding escalation of potential misconduct.

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