

## Treasury Sanctions Key Hizballah Money Exchanger

January 24, 2023

WASHINGTON – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) is designating several individuals and associated entities for facilitating financial activities for Hizballah. At the center of this network is Lebanese money exchanger and so-called financial expert **Hassan Moukalled**, who plays a key role in enabling Hizballah to continue to exploit and exacerbate Lebanon’s economic crisis. Treasury is also designating **CTEX Exchange**, a money service business owned by Hassan Moukalled, in addition to Hassan Moukalled’s sons, **Rayyan Moukalled** and **Rani Moukalled**, who facilitate **Hassan Moukalled** and his company’s financial activities in support of Hizballah.

“As corruption undermines economic growth and the ability of individuals to provide for their families, the United States is committed to holding accountable those who exploit their privileged positions for personal gain,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. “Today, the Treasury Department is taking action against a corrupt money exchanger, whose financial engineering actively supports and enables Hizballah and its interests at the expense of the Lebanese people and economy.”

Today’s action follows the [designations](#) imposed in December 2022 against individuals and companies that manage and enable Hizballah’s overarching financial apparatus operating throughout Lebanon, including Al-Qard Al-Hassan and Hizballah’s Central Finance Unit. OFAC is designating these individuals and entities under Executive Order (E.O.) 13224, as amended, which targets terrorists, terrorist organizations, leaders and officials of terrorist groups, and those providing support to terrorists or acts of terrorism.

### SUPPORT FOR HIZBALLAH

Hassan Moukalled, a Lebanon-based economist, has worked in close coordination with senior Hizballah financial officials to help Hizballah establish a presence in Lebanon’s financial system. He serves as a financial advisor to Hizballah and carries out business deals on behalf of the group throughout the region. Hassan Moukalled works in close coordination with sanctioned senior Hizballah financial official Muhammad Qasir and represents Hizballah in negotiations

with potential investors, partners, and even foreign government officials. Hassan Moukalled has coordinated a wide range of issues with Muhammad Qasir, including business deals involving Russia, as well as efforts to assist Hizballah in obtaining weaponry for Hizballah's use. Hassan Moukalled publicly acknowledged his role in 2016 as an intermediary for negotiations between the Central Bank and Hizballah.

Hassan Moukalled is being designated for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Hizballah.

## **CTEX EXCHANGE (CTEX)**

As of mid-2021, Hassan Moukalled established on behalf of Hizballah CTEX as a financial front company in Beirut. Senior Hizballah financial official Muhammad Qasir and his deputy Muhammad Qasim al-Bazzal were reportedly behind the establishment of CTEX. In mid-2021, Hassan Moukalled received a license from Lebanon's central bank for CTEX to transfer money within Lebanon and abroad, and within a year the company had obtained significant market share within Lebanon's currency transfer sector and was reportedly collecting millions of U.S. dollars for the Central Bank of Lebanon. At the same time, CTEX was also providing U.S. dollars to Hizballah institutions and recruiting money changers loyal to Hizballah. Hassan Moukalled advocates for CTEX directly to the central bank governor and receives commissions in the hundreds of thousands of dollars daily. As Lebanon and its economy faced a dire and ongoing financial crisis in mid-2022, Hassan Moukalled was working with Hizballah officials to capitalize on investors' and expatriates' efforts to make money in the Lebanese financial sector and transfer cash out of Lebanon. Hassan Moukalled was also working to expand CTEX outside of Lebanon.

CTEX Exchange (CTEX) is being designated for being owned, controlled, or directed by, directly or indirectly, Hassan Moukalled, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

## **RAYYAN MOUKALLED AND RANI MOUKALLED**

Hassan Moukalled in mid-2022 directed associates to cooperate with his older son, Rayyan Moukalled, on various financial projects. Rayyan Moukalled worked in 2021 with Hizballah official Muhammad Qasim al-Bazzal on issues related to finance. Rayyan functioned as



an office assistant for his father on a range of issues, including the use of foreign bank accounts to facilitate illicit financial activity. Additionally, Rayyan Moukalled is publicly listed as the administrative director of one of his father's companies, the Lebanese Company for Information and Studies (LCIS), on its website and social media page.

As of mid-2022, Rani Moukalled and his brother Rayyan Moukalled were among several individuals authorized by their father, Hassan Moukalled, to engage in cash transactions on behalf of CTEX with the Central Bank of Lebanon. Rani is publicly associated with CTEX, working as its manager. He is also an employee at LCIS.

**Rayyan Moukalled** is being designated for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Hassan Moukalled, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended. **Rani Moukalled** is being designated for having acted or purported to act for or on behalf of, directly or indirectly, CTEX, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

### **Lebanese Company for Information and Studies (LCIS) and Lebanese Company for Publishing, Media, and Research and Studies (LCPMR)**

Today's action also targets LCIS and LCPMR, two additional companies that are owned or controlled by Hassan Moukalled, who is the editor in chief for LCIS, and also serves as the chief economic editor of several websites associated with LCIS, including *www.greenarea.me*, *imarwaiktissad.com*, and *Russia-Now*. Hassan Moukalled is the director of the LCPMR which is co-located with LCIS.

LCIS and LCPMR are being designated for being owned, controlled, or directed by, directly or indirectly, Hassan Moukalled, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

## **SANCTIONS IMPLICATIONS**

As a result of today's action, all property and interests in property of the individuals and entities named above, and of any entities that are owned, directly or indirectly 50 percent or more by them, individually, or with other blocked persons, that are in the United States or in the possession or control of U.S. persons, must be blocked and reported to OFAC. Unless authorized by a general or specific license issued by OFAC or otherwise exempt, OFAC's regulations generally prohibit all transactions by U.S. persons or within the United States (including



transactions transiting the United States) that involve any property or interests in property of designated or otherwise blocked persons.

Furthermore, engaging in certain transactions with the individuals and entities designated today entails risk of secondary sanctions pursuant to E.O. 13224, as amended. Individuals and entities being designated today are also subject to the Hizballah Financial Sanctions Regulations, which implements the Hizballah International Financing Prevention Act of 2015, as amended by the Hizballah International Financing Prevention Amendments Act of 2018. Pursuant to these authorities, OFAC can prohibit or impose strict conditions on the opening or maintaining in the United States of a correspondent account or a payable-through account by a foreign financial institution that either knowingly conducted or facilitated any significant transaction on behalf of an SDGT or, among other things, knowingly facilitates a significant transaction for Hizballah or certain persons designated for their connection to Hizballah.

For information concerning the process for seeking removal from an OFAC list, including the Specially Designated Nationals and Blocked Persons List, please refer to [OFAC's Frequently Asked Question 897. Additional information regarding sanctions programs administered by OFAC.](#)

The power and integrity of OFAC sanctions derive not only from the ability to designate and add persons to the SDN List, but also the willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish, but to bring about a positive change in behavior.

[View identifying information on the individuals and entities designated today.](#)

