

CADWALDER

# FinCEN Restrictions on Certain Mexican Banks

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New and significant prohibitions against financial transactions between U.S. financial institutions and three Mexican financial institutions are set to go into effect in a little over a month on September 4, 2025. In late June of this year, the Financial Crimes Enforcement Network (“**FinCEN**”) at the U.S. Department of the Treasury designated (1) CIBanco S.A., Institución de Banca Múltiple (“**CIBanco**”), (2) InterCam Banco S.A., Institución de Banca Múltiple (“**InterCam**”) and (3) Vector Casa de Bolsa, S.A. de C.V. (“**Vector**”, and together with CIBanco and InterCam, “**Designated FIs**”) as “primary money laundering concerns.” As a result, beginning September 4, 2025, U.S. financial institutions will be prohibited from transmitting any funds to or from any Designated FIs.

A few weeks ago we published a high-level overview of the new restrictions which can be found [here](#). This week, we take a closer look at the implications for the subscription credit market specifically.

In the fund finance space, lenders, administrative agents, borrowers and investors are evaluating the impact of FinCEN’s orders. There are a couple of significant issues that are created by the orders in terms of fund operations, including:

- If a fund issues a capital call to an investor that is a Designated FI (or an investor for whom a Designated FI is a trustee), the required capital contribution cannot be wired to or deposited in any U.S.-based bank account. Not surprisingly, the vast majority of collateral accounts in subscription credit facilities are held at a U.S. financial institution. Thus this becomes an issue whether the general partner is issuing the capital call in the normal course or a lender is exercising remedies and issuing a capital call to repay indebtedness under a credit facility.
- Further, cash distributions may not be sent from a U.S. bank to any of the Designated FIs. By extension, this also means that distributions paid from the proceeds of borrowings (if such purpose is permitted) would be illegal.

Given the complications caused by the new orders, lenders, funds and their respective counsel should consider taking several steps, including:

- Reviewing banking relationships to determine whether capital calls, distributions, lending, or investment activity involves the transmittal of funds to any of the Designated FIs.
- Evaluating subscription documents to identify investors that have touch points with the Designated FIs. This includes identifying investors that are trusts for which the trustee is a Designated FI.
- Assessing whether and how credit agreements treat the FinCEN orders and the resulting implications.
  - Many credit agreements capture the FinCEN orders and Designated FIs within the definitions of “Sanctions” and “Sanctioned Target.” However, some agreements limit U.S. sanctions-related representations, warranties, and covenants to sanctions implemented by OFAC.
  - Depending on the language in each credit agreement (and the parties’ interpretation of that language), investors with ties to a Designated FI may face exclusion. Exclusion of one or more investors also requires a reevaluation of the borrowing base to ensure the outstanding borrowings do not exceed capacity.
  - In addition, the facility may be subject to a draw stop if there are covenants violated or representations and warranties that can no longer be made.
  - In some credit agreements, OFAC’s orders may trigger notice obligations, which, overlooked, could cause an event of default.
- Assessing fund organizational documents for available remedies.

- Many partnership agreements include provisions that permit or require a forced withdrawal of any investor whose ongoing participation in the fund would violate applicable laws or regulations.
- Fund managers also may consider purchasing the impacted interests or exploring a transfer of such interests to another investor who is not connected to a Designated FI. However, payments involving a Designated FI and a U.S. financial institution will be prohibited beginning September 4, 2025.
- The pro rata call requirements should be reviewed to ensure the fund may continue normal operations in a situation where one or more investors are unable to fund capital contributions due to the new restrictions.

In light of the above, many fund finance counterparties are considering whether targeted consents or waivers are needed to maintain and continue operating credit facilities while complying with FinCEN's orders.

Ultimately, the documentation for credit facilities and the applicable organizational documents are unique to each facility and each fund. The unique facts of each should be carefully considered to determine appropriate next steps.

The current effective date of the FinCEN orders of September 4, 2025 is fast approaching. While it remains possible that the restrictions will be delayed, we do not think it is prudent to operate on the hope of further delay. It is also worth noting that the Mexican government has initiated efforts to spin off the trust businesses of two of the Designated FI's in an effort to maintain the "operational continuity of the trusts they currently manage." While such a development would be helpful in alleviating some of the issues, the timing remains uncertain; as a result, this potential resolution also cannot be relied upon. Instead, we recommend that U.S. subscription credit lenders and administrative agents work together with borrowers and counsel now to proactively address any issues prior to the effectiveness of the new FinCEN orders.

## Save the Date: WFF 2nd Annual Career & Learning Forum

August 1, 2025



Save the date for the upcoming second annual Women in Fund Finance Learning and Career Forum taking place on November 12!

Whether you're just embarking on your career journey in the last few years or leading from the top, this forum is designed with you in mind. Join Women in Fund Finance for an inspiring afternoon of connection, learning, and leadership — tailored for women across every stage of their careers in fund finance.

The event is taking place in New York, New York at Quorum by Convene.

The agenda includes:

- McKinsey's "Broken Rung" Workshop: How to make the most of your career journey and climb the corporate ladder
- Private Capital GP Insights: Navigating What's Next for each Asset Class
- Fund Finance Insurance Solutions: Navigating Growth and Complexity

After the discussion, stay for a networking reception and connect with industry professionals who share a passion for inclusion and progress.

You can see the agenda [here](#) and the speakers list [here](#).

## Third Annual WFF Golf Outing

August 1, 2025

### CADWALADER



Cadwalader was proud to co-sponsor the third annual Women in Fund Finance golf outing at Dyker Beach Golf Course in Brooklyn, New York.

We are grateful to our co-sponsors, Assured Guaranty and TriState Capital Bank, who have been incredible partners throughout each year of this event. Special thanks to **Kristin Castellanos**, head of fund finance at TriState Capital Bank, who conceived the event and works tirelessly each year to make it a success for the fund finance community—alongside Cadwalader fund finance partner **Leah Edelboim**.

This event has grown quickly in just three short years. The first year, there were fewer than 20 golfers, but an important tradition was born. Since then, the event has expanded and introduced many women in our industry to golf in a comfortable, fun environment. Last year, the outing doubled in size with more than 40 women attending. This year, we were proud to go even bigger with nearly 100 golfers joining, including some first-time participants and a few beginner men, making this the biggest and best outing yet.

The day begins with a casual gathering and time for networking, followed by a lesson, lunch and then nine holes of golf. We were delighted to have a beautiful, sunny day this year. Behind all the fun is the recognition that golf can be serious business—and a powerful opportunity to build professional relationships. Many women recognize that but aren't always sure how to get involved. We're proud to provide a welcoming space for women in our industry to do just that.

A key feature of this event is that each group of novice golfers is paired with an experienced golfer to guide them through the round. Special thanks to Cadwalader fund finance partner **Chad Stackhouse** and associates **Jason Hessel** and **Michael Johnson** for their contributions.

We also appreciate the support of our clients and many others in the fund finance industry who came out to encourage this next generation of golfers. We hope to see you next year!

## Fund Finance Tidbits – On the Move

August 1, 2025

### CADWALADER FUND FINANCE 'ON THE MOVE'

Here is who's on the move in the fund finance industry:



Steve Berry



Roger Fox

NLC has expanded their platform with a dedicated Credit NAV Lending business. To lead this initiative, NLC has welcomed **Steve Berry** as Managing Director and **Roger Fox** as Director.

Steve and Roger bring deep expertise in credit NAV-based lending and fund finance, having played pivotal roles in structuring and scaling platforms at Macquarie Asset Management. Steve was also previously head of European fund finance at Macquarie Bank and has held senior roles at Investec, Lloyds and Barclays; Roger was previously a director in the Financial Sponsors team at Lloyds Bank.

Congratulations to Steve and Roger! Read more [here](#).

## Fund Finance Hiring

August 1, 2025

Fund Finance Hiring

Here is who's hiring in Fund Finance:

**U.S. Bank** is seeking two Analysts to join the Subscription Finance origination team. These roles will support the bank's growing sub line portfolio by underwriting and constructing complex borrowing bases, preparing pitch materials, partnering across internal banking teams, and helping to build and enhance processes and controls. Analysts will also work directly with leading U.S.-based private capital firms across private equity, private credit, secondaries, and more. Candidates should have at least one year of finance or banking experience (internship experience may qualify), strong Excel skills, and the ability to contribute meaningfully to high-value deals under tight timelines. FINRA licenses (SIE, Series 63, Series 79) will be required after hiring. Qualified candidates are encouraged to reach out directly to Managing Director, Michael Henry, [here](#).

**State Street** is seeking a Vice President– Private Equity/Debt and Structured Products – Head of Private Equity Credit Risk in Boston. This role will manage credit risk for a portfolio of private equity products by overseeing a portfolio and associated team whose primary responsibility is to conduct credit reviews, perform risk ratings, continuously monitor the portfolio, and provide ad-hoc analyses. They will be required to lead strategic initiatives associated with a growing sector working closely with business partners within both lending and trading activities. They will also oversee a team of credit officers and have broad responsibility for sector reviews as well as leading the input into model development, regulatory requests and in portfolio stress testing. Learn more [here](#).

State Street is also seeking a Fund Finance EMEA, Vice President in Munich, Luxembourg or Frankfurt. This role will support the Global Credit Finance (GCF) division. The Vice President will contribute to the origination, structuring, underwriting, and ongoing management of credit facilities, helping to grow and maintain strategic client relationships. The ideal candidate will have a strong foundation in credit analysis and legal documentation, including experience with LMA-style loan agreements. The role requires collaboration across internal teams and external stakeholders, and a focus on participations in syndicated, bilateral, and agent credit facilities. Learn more [here](#).

**Wells Fargo** is seeking an Investment Banking Associate within the Fund Finance Group Syndications team based in London. This role will have the opportunity to join an entrepreneurial and global team during a period of innovation across the Fund Finance market. The associate will work as part of the FFG Syndications team, which, alongside the FFG Origination team, is responsible for arranging new syndicated credit facilities, in addition to developing FFG's broader distribution capabilities and managing lender engagement during key lifecycle events for existing broadly syndicated facilities. Learn more [here](#).

**Juniper Square** is seeking a high-achieving, New York-based sales leader to take the helm of its rapidly growing private equity sales effort as Director. This role will lead a team of world-class account executives, selling fund administration and software solutions to private equity GPs, ranging from emerging to institutional managers. Learn more [here](#).

Juniper Square is also seeking Account Executives in New York, Boston, Chicago, and Miami to join the private equity sales team. This team is primarily focused on selling fund administration solutions to PE investment managers. Juniper Square is already one of the fastest-growing administrators in real estate and venture capital, and private equity is the company's next area of focus. Learn more [here](#).

**Goldman Sachs** is seeking an Asset & Wealth Management, Private Bank, Capital Call Finance, Associate in New York. This position is responsible for applying strong analytical and technical skills to evaluate the credit and risk implications of complex lending transactions, advising clients and structuring tailored credit solutions that align with the Bank's risk parameters, performing in-depth due diligence on private equity sponsors and funds, maintaining accurate financial models and borrowing base certificates, and ensuring underwriting standards and documentation align with internal policies. Through close coordination with Credit Risk Management, Private Wealth Management teams, and banking regulators, this position will help manage a high-quality loan portfolio while ensuring compliance with all monitoring and reporting requirements. Learn more [here](#).

**Barings** is seeking an Senior Associate to join its Portfolio Finance team out of Boston. The role will support the underwriting, execution and oversight of investment-grade, senior secured loans to asset managers and the investment vehicles across a range of asset classes, including private equity, private credit, and real estate debt. The



Senior Associate will support the Portfolio Finance platform, working closely with Portfolio Managers, Directors, Structuring Leads and external partners. Learn more [here](#).

**Apollo's AASP Risk team** is seeking an Associate or Director (depending on experience) to report to the Head of Counterparty & Fund Finance and act as one of the primary risk managers for the Private Credit Finance business ("PCF") and Fund Finance transactions. This will include supporting the buildout of the PCF portfolio by partnering closely with the PCF team on all stages of the investment and ongoing portfolio monitoring process, building out second-line risk management reporting and monitoring, and forming credit recommendations on new and existing opportunities. This unique role requires a credit investor mindset as the team evaluates transactions. Learn more [here](#).

**Cadwalader, Wickersham & Taft LLP** is seeking associates with three to six years of relevant experience for its Fund Finance practice in New York, Charlotte or London. Qualified candidates will have experience in syndicated lending, commercial lending, leverage finance, fund formation, CLOs, asset-based lending, NAV financings or acquisition financings. Candidates must possess excellent academic credentials and solid legal experience. Selected candidates will get extensive interaction with preeminent bank, asset manager and lending clients. If interested, please reach out to Margaret Cart at [Margaret.Cart@cwt.com](mailto:Margaret.Cart@cwt.com).