

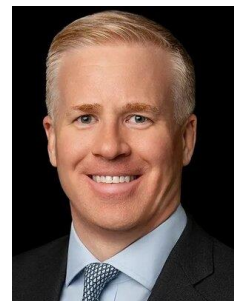
Takeaways From The DOJ Fraud Section's 2025 Year In Review

By **Sean Tonolli** (February 4, 2026, 5:01 PM EST)

On Jan. 22, the U.S. Department of Justice Criminal Division's Fraud Section published its year in review for 2025 — a year marked by both continuity and transition.[1]

Enforcement results were in line with or higher than in recent years. But the section, now in its eighth decade, also underwent meaningful change. To align with administration priorities, it pivoted to trade fraud and other new areas, while narrowing the focus and number of its personnel enforcing the Foreign Corrupt Practices Act.

It also welcomed dozens of prosecutors from the former Consumer Protection Branch and took on their criminal portfolio, including enforcement of the Federal Food, Drug and Cosmetic Act and the Consumer Product Safety Act.



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Below is an overview of the numbers, key themes and a look ahead to this year.

Enforcement Activity by the Numbers

The general perception is that white collar enforcement across the department was down last year, but the year in review shows that was not the case in the section. It generally maintained — and, in key metrics, increased — its enforcement levels from 2024.

The section announced public charges against 265 individuals — a more than 10% bump from 2024[2] — in cases involving a total intended fraud loss of over \$16 billion, the highest in the section's history.[3] The section secured convictions of 235 individuals, 31 of whom were convicted at trial.[4]

The number of trials, at 25, was more in line with longer-term historical norms,[5] although lower than in recent years when the section was working through the pandemic-era backlog.[6]

On the corporate enforcement front, the section entered into resolutions with 12 companies.[7] Every litigating unit had multiple resolutions, which netted a total of \$1.01 billion globally, including \$553.2 million in U.S. criminal monetary amounts.[8]

All except one resolution was reached under the revised Criminal Division's Corporate Enforcement and Voluntary Self-Disclosure Policy, or CEP.[9] There was at least one of each type of resolution available under the policy: CEP declination,[10] nonprosecution agreement, deferred prosecution agreement and guilty plea.[11] A monitor was not imposed as part of any resolution.

The section also indicted three companies^[12] — something it had not done in 15 years^[13] — to bring its total number of corporate enforcement actions to 15, more than its total in 2024.^[14] Those companies include Smartmatic, indicted in October; Done Global Inc., indicted in December; and Mindful Mental Wellness, also indicted in December in connection with Done Global.

Support of DOJ Leadership

A series of department decisions discussed in the year in review demonstrate continued leadership support for the section and its work.

For example, the department chose the section to take on the criminal personnel and portfolio of the Consumer Protection Branch, greatly expanding the section's size and subject matter reach.^[15] The section now numbers over 200 prosecutors.^[16]

About half of the branch prosecutors helped launch a new litigating unit, Health and Safety, responsible for criminal enforcement of the Food, Drug and Cosmetic Act and the Consumer Product Safety Act, among other similar statutes.^[17]

The other half joined the renamed Market, Government and Consumer Fraud Unit — formerly known as the Market Integrity and Major Frauds Unit — significantly bolstering its capacity to combat consumer fraud schemes, like foreign scam centers, while continuing its other work related to fraud on the public fisc and investors.^[18]

The department also devoted more resources to the Health Care Fraud Unit. The New England Strike Force was expanded to Boston,^[19] and the unit was authorized to hire new attorneys, including for positions in Philadelphia,^[20] where the section has not had attorneys located for several years.

Boston and Philadelphia are centers of gravity in the healthcare industry. Partnering with the section should amplify the volume and impact of the work done in those districts.

The Health Care Fraud Data Fusion Center was also launched to bring together data specialists from the section and its law enforcement partners to enhance the detection and investigation of complex fraud schemes, which should further increase the productivity of the unit.^[21]

Administration Priority Areas

The section focused on numerous priorities of the new administration — namely, waste, fraud and abuse in government spending and programs, and securities fraud by foreign issuers.^[22] Most notably:

- The National Health Care Fraud Takedown — an effort coordinated by the section's Health Care Fraud Unit — resulted in charges against 324 defendants across schemes involving more than \$14.6 billion in intended loss, largely aimed at federal healthcare programs.^[23] That intended loss is more than double the prior record of \$6 billion, reached in 2024.^[24]
- In June, the section reached corporate resolutions with two government contractors, Vistant and Apprio Inc., and secured four individual guilty pleas, for the bribery of a U.S. Agency for International Development employee to obtain \$550 million in contracts.^[25]

- In *U.S. v. Reis* in the U.S. District Court for the Northern District of Texas, the section in June and August convicted the married co-founders of a lender service, Blueacorn, that fraudulently obtained over \$63 million in Paycheck Protection Program loans.[26]
- Working with the U.S. Department of Homeland Security, the section participated in the cross-agency Trade Fraud Task Force.[27] In December, it secured a corporate resolution with MGI International LLC — and a related guilty plea by David Guimond, MGI's former chief operating officer, this January — in connection with a scheme to evade millions of dollars in Section 301 duties on imports from China.[28]
- The section charged three foreign actors — Lai Kui Sen and Yan Zhao in September, and Guanhua "Michael" Su in November — involved in schemes that collectively caused hundreds of millions of dollars in investor losses in connection with pump-and-dump schemes in U.S.-listed Chinese companies that had, at times, been structured as variable-interest entities.[29]

Continuation of FCPA Unit and Its Work

While the FCPA Unit has decreased in size by a third from where it was at the end of 2024, it still has 22 prosecutors, who together charged five individuals; undertook three corporate enforcement actions, including the indictment of Smartmatic;[30] and successfully tried two cases — *U.S. v. Zaglin* last September in the U.S. District Court for the Southern District of Florida, and *U.S. v. Martinez* last December in the U.S. District Court for the Southern District of Texas.[31]

To be sure, those numbers are markedly lower compared to years past. But the year in review explains that these efforts did not start until the second half of 2025, after completion of the enforcement review required by the Feb. 10 Executive Order No. 14209 on pausing enforcement of the FCPA.[32]

And the simple fact that these efforts were approved to proceed at all demonstrates that the department is committed to enforcing the FCPA, consistent with the deputy attorney general's guidelines issued in June.[33]

Corporate Enforcement Still Strong

During the first year of the two prior administrations, the section's number of corporate enforcement actions declined from the prior year.[34] But in 2025, enforcement actually increased from 2024.[35] While the aggregate monetary recoveries were lower than in some recent years, the number and diversity of the matters signal full department support for the section to continue pursuing corporate accountability across its portfolio.

The indictments of the three companies, discussed above, also serve as a strong reminder that negotiated resolutions are not the only possible outcome in the section's investigations.

The section's corporate enforcement in 2025 was also notable for its breadth. Each of the section's litigating units brought multiple corporate matters, a first in section history.[36] That can be attributed to the Health Care Fraud Unit securing two corporate resolutions — with Kimberly-Clark Corp. and Troy Health Inc. — in a single year for the first time,[37] as well as obtaining the indictments of Done Global and Mindful Mental Wellness.[38]

One of those resolutions was done in partnership with the team that is now the Health and Safety Unit,[39] which separately obtained three other resolutions.[40]

Numbers aside, to further encourage companies to voluntarily self-disclose misconduct, the Criminal Division updated the CEP to refine and define more clearly the path to a declination.[41] A company that voluntarily self-discloses, fully cooperates, timely remediates and does not present aggravating factors is now guaranteed a declination — called a Part I resolution — rather than presumed to be eligible, as was the case previously.[42]

And for a company that fully cooperates and remediates but is not eligible for Part I because its self-report was a near-miss voluntary self-disclosure, or because of aggravating circumstances, the CEP now provides a middle path, called a Part II resolution: a guarantee of a nonprosecution agreement, with a monetary penalty at 75% off the low end of the U.S. sentencing guidelines fine range.

All other resolutions fall under what is now called Part III, which caps the maximum reduction in monetary penalty at 50% off the guidelines' low end.

The Criminal Division also issued a new memorandum on corporate monitors.[43] Chief among the changes from prior versions are (1) an emphasis on close scrutiny of the potential benefits and costs of a monitorship; and (2) required caps on the number of people on a monitorship team and their hourly rates, with division preapproval of the monitor's budget.

The memorandum did not materially change the monitor nomination process. Companies are still responsible for providing the division with candidates for consideration, though they can now be asked to submit up to five names, whereas previously, the cap was three.[44]

None of the corporate resolutions in 2025 imposed a monitorship, so it remains to be seen whether and under what circumstances the section will determine that a monitor is required under these revised standards.

Looking Ahead

Here are some things to watch for in the year ahead.

The Impact of the National Fraud Enforcement Division

The elephant in the room is the department's newly announced fraud-focused division. On paper, the National Fraud Enforcement Division's announced mandate substantially overlaps with that of the section.[45]

At this point, it is anyone's guess how the division's work will intersect with the section's priorities and work going forward. But throughout the section's history, it has never been the only department component prosecuting fraud. There's every reason to believe the section remains positioned to continue its robust enforcement pace in 2026.

Continued Focus on Trade Fraud and Foreign-Issuer Securities Fraud

The section's enforcement activity on both fronts — which were new priorities in 2025 — showed that it can efficiently bring cases involving cross-border misconduct that implicates U.S. trade policy and investor protections.

Companies should expect continued activity on both fronts this year, given the section's active role in the Trade Fraud Task Force[46] and the pipeline of potential securities referrals from the U.S. Securities and Exchange Commission's Cross-Border Task Force,[47] a complement to the section's own securities data analytics capabilities.

Momentum in Healthcare Corporate Enforcement

Every year, the bulk of the section's individual charges are for healthcare fraud and related offenses, but before last year, the section had only brought two healthcare corporate enforcement actions ever. With four in 2025, and another already announced this year with Atlantic Biologicals Corp.,[48] the section is poised to keep pushing corporate enforcement in this space.

This is an important development for companies whose operations may come under scrutiny, as well as for parties evaluating healthcare assets in transactions where historical conduct could give rise to postacquisition enforcement risk.

Where the FCPA Unit Focuses Its Attention

With a full year to operate in 2026 under clarified enforcement guidance, the unit's activity should increase. Observing the types of matters the unit charges or resolves, and how those matters map onto the FCPA guidelines, will provide insight into enforcement priorities, including which factors are most influential in practice and the attendant risk areas for companies.

How Health and Safety Chooses to Set the Stage

With the integration of the former Consumer Protection Branch's criminal enforcement portfolio into the section only about two months ago, the Health and Safety Unit will be breaking new ground at some point in 2026.

Companies whose products fall under the Food, Drug and Cosmetic Act, Consumer Product Safety Act, or similar statutes should pay attention to how quickly the unit brings its first cases, as well as the charging theories, resolution structures and remedial requirements reflected in those matters, including whether they align with or depart from past branch practice.

Those factors will be an important early signal of how the section is exercising its new enforcement authority in practice.

Conclusion

The significance of 2025 for the Fraud Section lies less in the results — which reflected an overall steady level of white collar enforcement — and more in the structural and policy changes made to adapt to the new administration's priorities. It was a year of transition.

In 2026, the numbers may be more telling, as they more fully reflect how those changes are shaping the section's direction and enforcement outcomes at the outset of its eighth decade.

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principal deputy chief. He also previously served as an assistant U.S. attorney in the Eastern District of Virginia and the District of Columbia.

Disclosure: In his role as senior deputy chief and acting principal deputy chief of the Fraud Section, Tonolli served primarily in a supervisory role on many of the matters discussed in this article.

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[1] Fraud Section 2025 Year in Review ("2025 YIR"), available at <https://www.justice.gov/criminal/media/1425226/dl>.

[2] Compare the 2025 YIR, at 5, with the Fraud Section 2024 Year in Review ("2024 YIR"), at 5, available at <https://www.justice.gov/criminal/media/1385111/dl>.

[3] 2025 YIR, at 1.

[4] *Id.* at 5.

[5] See, for example, the Fraud Section 2017 Year in Review, at 2 (26 trials), available at <https://www.justice.gov/criminal/criminal-fraud/file/1026996/dl?inline=>; and the Fraud Section 2018 Year in Review, at 3 (26 trials), available at <https://www.justice.gov/criminal/criminal-fraud/file/1123566/dl?inline=>.

[6] 2024 YIR, at 6.

[7] 2025 YIR, at 6.

[8] *Id.* at 6.

[9] Justice Manual § 9-47.120 (updated May 12, 2025), available at <https://www.justice.gov/criminal/media/1400031/dl?inline>.

[10] 2025 YIR, at 64 (now describing these as "CEP VSD (Part I) resolutions").

[11] *Id.* at 7.

[12] *Id.* (listing respective indictments of SGO Corporation Ltd (Smartmatic), Done Global, Inc. and Mindful Mental Wellness P.A.). *United States v. Juan Andres Donato Bautista, et al.*, 1:24-cr-20343 (S.D. Fla.). *United States v. Done Global, Inc., et al.*, 3:25-cr-432 (N.D. Cal.).

[13] *Id.* at 8. See the October 21, 2010 Department press release announcing the indictment of Lindsey Manufacturing Co., available at <https://archives.fbi.gov/archives/losangeles/press-releases/2010/la102110.htm>.

[14] Compare 2025 YIR, at 6, with 2024 YIR, at 7.

[15] 2025 YIR, at 39.

[16] *Id.* at 1.

[17] *Id.* at 39.

[18] Compare 2025 YIR, at 44 (55 attorneys in Unit), with 2024 YIR, at 48 (35 attorneys in the predecessor Unit).

[19] 2025 YIR, at 24.

[20] See September 29, 2025 Department posting for trial attorney spots in the Health Care Fraud Unit, available at <https://www.justice.gov/legal-careers/job/trial-attorney-health-care-fraud-unit-4>.

[21] 2025 YIR, at 26.

[22] May 12, 2025 memorandum from the Head of the Criminal Division on Focus, Fairness, and Efficiency in the Fight Against White-Collar Crime ("Criminal Division White-Collar Memo"), at 4 (listing these, respectively, as the first three priorities for the Division's prosecution of white-collar crime), available at <https://www.justice.gov/criminal/media/1400046/dl?inline>.

[23] 2025 YIR, at 22.

[24] See the Department's June 30, 2025 press release announcing the Takedown (2025 Takedown Press Release), available at <https://www.justice.gov/opa/pr/national-health-care-fraud-takedown-results-324-defendants-charged-connection-over-146>.

[25] 2025 YIR, at 51-52 (corporate resolutions with PM Consulting Group LLC and Apprio, Inc., and guilty pleas of Roderick Watson, Walter Barnes, Darryl Britt, and Paul Young, all filed in the District of Maryland). *United States v. PM Consulting Group LLC*, 8:25-cr-173 (D. Md.); *United States v. Apprio Inc.*, 8:25-cr-174 (D. Md.); *United States v. Roderick Watson*, 8:25-cr-142 (D. Md.); *United States v. Walter Barnes*, 8:25-cr-141 (D. Md.); *United States v. Paul Young*, 8:24-cr-190 (D. Md.).

[26] *Id.* at 54 (trial conviction of Stephanie Hockridge and guilty plea of Nathan Reis, both in the Northern District of Texas). *United States v. Nathan Reis, et al.*, 4:24-cr-287 (N.D. Tex.).

[27] *Id.* at 50. See also the Department's August 29, 2025 press release announcing the Task Force, available at <https://www.justice.gov/opa/pr/departments-justice-and-homeland-security-partnering-cross-agency-trade-fraud-task-force>.

[28] *Id.* at 53 (resolution with MGI International and guilty plea of David Guimond). MGI International resolution available at <https://www.justice.gov/criminal/media/1421291/dl?inline>. *United States v. David Guimond*, 1:25-cr-98 (D.N.H.).

[29] *Id.* at 45-46 (indictments of Lai Kui Sen, Yan Zhao, and Guanhua "Michael" Su). *United States v. Yan Zhao, et al.*, 1:25-cr-259 (E.D. Va.). *United States v. Guanhua Su*, 1:25-cr-357 (D.D.C.).

[30] *Id.* at 13-15 (resolutions with Liberty Mutual Insurance Company and TIGO Guatemala, and indictment of SGO Corporation Ltd (Smartmatic). Liberty Mutual Insurance Company resolution available at <https://www.justice.gov/criminal/media/1410761/dl?inline>. *United States v.*

Comunicaciones Celulares S.A., 1:25-cr-20476 (S.D. Fla.). United States v. Juan Andres Donato Bautista, et al., 1:24-cr-20343 (S.D. Fla.).

[31] Id. at 16-17 1 (trial convictions of Carl Zaglin and Ramon Alexandro Roviroso Martinez). United States v. Carl Zaglin, et al., 1:23-cr-20454 (S.D. Fla.). United States v. Ramon Alexandro Roviroso Martinez, et al., 4:25-cr-415 (S.D. Tex.).

[32] Id. at 11; Executive Order 14209, Pausing Foreign Corrupt Practices Act Enforcement to Further American Economic and National Security (Feb. 10, 2025), available at <https://www.whitehouse.gov/presidential-actions/2025/02/pausing-foreign-corrupt-practices-act-enforcement-to-further-american-economic-and-national-security/>.

[33] June 9, 2025 memorandum from the Deputy Attorney General on Guidelines for Investigations and Enforcement of the Foreign Corrupt Practices Act, available at <https://www.justice.gov/dag/media/1403031/dl>. Criminal Division White-Collar Memo, at 4 (including among the priority enforcement areas "[b]ribery 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").

[34] Compare the Fraud Section 2016 Year in Review, at 1 (15 resolutions), available at <https://www.justice.gov/criminal/criminal-fraud/page/file/929741/dl?inline=>, with the Fraud Section 2017 Year in Review, at 1 (10 resolutions), available at <https://www.justice.gov/criminal/criminal-fraud/file/1026996/dl?inline=>; compare the Fraud Section 2020 Year in Review, at 6 (13 resolutions), available at <https://www.justice.gov/criminal/criminal-fraud/file/1370171/dl?inline=>, with the Fraud Section 2021 Year in Review, at 6 (8 resolutions), available at <https://www.justice.gov/criminal/criminal-fraud/file/1472076/dl>.

[35] Compare 2025 YIR, at 6, with 2024 YIR, at 7.

[36] 2025 YIR, at 6.

[37] Id. at 23 (resolutions with Kimberly-Clark Corporation and Troy Health, Inc.). United States v. Kimberly-Clark Corporation, 3:25-cr-399 (N.D. Tex.). Troy Health, Inc. resolution available at <https://www.justice.gov/criminal/media/1411396/dl?inline>.

[38] Id. (indictments of Done Global, Inc. and Mindful Mental Wellness P.A.).

[39] Id. at 23 (deferred prosecution agreement with Kimberly-Clark Corp.).

[40] Id. at 6.

[41] Id. at 64.

[42] Criminal Division Corporate Enforcement and Voluntary Self-Disclosure Policy (updated May 12, 2025), available at <https://www.justice.gov/criminal/media/1400031/dl?inline>.

[43] 2025 YIR, at 65; May 12, 2025 memorandum from the Head of the Criminal Division on Selection of Monitors in Criminal Division Matters, available at <https://www.justice.gov/criminal/media/1400036/dl?inline>.

[44] See the then Acting Assistant Attorney General of the Criminal Division's May 12, 2025 memorandum on Selection of Monitors in Criminal Division Matters, available at <https://www.justice.gov/criminal/media/1400036/dl?inline>.

[45] See the January 8, 2026 White House Fact Sheet, available at <https://www.whitehouse.gov/fact-sheets/2026/01/fact-sheet-president-donald-j-trump-establishes-new-department-of-justice-division-for-national-fraud-enforcement/>.

[46] See the Department's August 29, 2025 press release announcing the launch of the Trade Fraud Task Force, available at <https://www.justice.gov/opa/pr/departments-justice-and-homeland-security-partnering-cross-agency-trade-fraud-task-force>.

[47] See the September 19, 2025 speech of the then-Acting Assistant Attorney General for the Criminal Division, available at <https://www.justice.gov/opa/speech/acting-assistant-attorney-general-matthew-r-galeotti-delivers-remarks-global> (discussing investigating in parallel with the Cross-Border Task Force).

[48] See the Department's January 13, 2026 press release announcing the Section's deferred prosecution agreement with Atlantic Biologicals Corp., available at <https://www.justice.gov/opa/pr/atlantic-biologicals-corporation-enters-deferred-prosecution-agreement-opioid-distribution>. United States v. Atlantic Biologicals Corp., 1:26-cr-20018 (S.D. Fla.).