LLM Bank New York Branch ("LLM NY") is a wholesale branch of LLM Bank Ltd. ("LLM"), a commercial bank located in mainland China. LLM NY is filing this Suspicious Activity Report ("SAR") (Internal SAR Reference Number 2025-0004) to report 4 transaction(s) totaling $3,789,654.00 and sent between 09/03/2024 and 09/06/2024.

The transactions in question occurred as follows: On 09/03/2024, Venezuela Law (VE) sent a wire of $789,654.00 to JDF Industries (US) at LLM NY account ACC-5. On 09/04/2024, JDF Industries - Citibank Account (US) received a wire of $1,000,000.00 from JDF Industries (US) sent from LLM NY account ACC-5. On 09/05/2024, JDF Industries - Citibank Account (US) sent a wire of $1,000,000.00 back to JDF Industries (US) at LLM NY account ACC-5. On 09/06/2024, Venezuela Oil (VE) received a wire of $1,000,000.00 from JDF Industries (US) sent from LLM NY account ACC-5. These transactions involved jurisdictions including the United States and Venezuela. Notably, the transactions on 09/04/2024 and 09/05/2024 involved round dollar amounts and rapid movement of funds between JDF Industries' accounts at LLM NY and Citibank, suggesting potential mirror transactions.

JDF Industries, with Customer ID C-4, is a business in the oil refinement sector, incorporated in the United States. According to internal KYC data, the expected products for this customer include ACH and wire transactions, with expected geographies being the US and South America. However, the transactions reported here involve Venezuela, which, while within the broader expected geography, does not align with the customer's stated line of business or occupation in a manner that provides a clear economic or business purpose for these transactions. External and internal research did not find a clear connection between JDF Industries and the counterparties involved, specifically Venezuela Law and Venezuela Oil, suggesting a potential lack of legitimate relationship between these entities.

These transactions are being reported due to the following:

1. No apparent economic or business purpose for the transactions, especially considering the rapid movement of funds and the involvement of round dollar amounts.

2. Possible shell company or funnel account activity, given the transactions with Venezuela Law and Venezuela Oil, entities with which JDF Industries does not have an apparent legitimate business connection.

3. Unusual transaction patterns, including the mirror transactions between JDF Industries' accounts at LLM NY and Citibank.

4. High-risk jurisdiction involvement, as Venezuela is considered a high-risk country for money laundering and other illicit financial activities.

5. Lack of identifiable relationship between JDF Industries and the transaction counterparties, suggesting potential illicit activity.

This SAR pertains to LLM NY Case No. 2025-0004. For inquiries, please contact Donald J. Orange, Chief Compliance Officer and Chief BSA/AML Officer (646-555-5555 or donaldjorange@llmbank.com) or Alyn Mask, General Counsel (646-666-6666 or alynmask@llmbank.com). All supporting documentation is maintained by the Financial Crime Compliance Department at LLM NY.