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.

On 09/03/2024, JDF Industries (US) received an incoming wire of $789,654.00 from Venezuela Law (KY) into LLM NY account ACC-5. On 09/04/2024, JDF Industries (US) initiated an outgoing wire of $1,000,000.00 from ACC-5 to JDF Industries - Citibank Account (US). On 09/05/2024, JDF Industries (US) received an incoming wire of $1,000,000.00 into ACC-5 from JDF Industries - Citibank Account (US). On 09/06/2024, JDF Industries (US) sent an outgoing wire of $1,000,000.00 from ACC-5 to Venezuela Oil (VE). Transactions on 09/04 and 09/05 involved mirroring of identical amounts between ACC-5 and the Citibank account, followed by a final transfer to Venezuela.

JDF Industries (Customer ID: C-4) is a U.S.-incorporated entity in the oil refinement sector with expected transactional activity in the U.S. and South America. The customer’s KYC profile lists no declared business relationships with Venezuela Law (Cayman Islands) or Venezuela Oil (Venezuela). Internal due diligence identified no legitimate commercial ties to these counterparties. The KYC file lacks documentation to substantiate the purpose of transactions with Venezuelan or Cayman Islands entities.

These transactions are being reported due to the following:

1. No apparent economic or business purpose for circular transfers between ACC-5 and the Citibank account, followed by a rapid onward transfer to Venezuela.

2. Use of round-dollar amounts ($1,000,000.00) inconsistent with typical oil industry transactions.

3. Involvement of high-risk jurisdictions (Venezuela and Cayman Islands) without documented business rationale.

4. Lack of identifiable relationship between JDF Industries and Venezuela Law or Venezuela Oil.

5. Pattern consistent with funnel account activity, where funds are layered through multiple accounts before reaching final beneficiaries.

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.