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 $2,789,654.00 and sent between 09/03/2024 and 09/07/2024.

The transactions in question occurred on 09/03/2024. The first transaction was an incoming wire transfer of $789,654.00 from Venezuela Law in the Cayman Islands to JDF Industries, account ID ACC-5. The second transaction was an outgoing wire transfer of $1,000,000.00 from JDF Industries to an external account at Citibank. The third transaction was an incoming wire transfer of $1,000,000.00 from the external account at Citibank back to JDF Industries, account ID ACC-5. The fourth transaction was an outgoing wire transfer of $1,000,000.00 from JDF Industries to Venezuela Oil in Venezuela. All transactions involved jurisdictions outside the US, specifically the Cayman Islands and Venezuela.

JDF Industries, with Customer ID C-4, is a business in the oil refinement sector, incorporated in the US. 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 high-risk jurisdictions and round dollar amounts, which are not typical for the customer's line of business. Internal research found no legitimate connection between JDF Industries and Venezuela Law or Venezuela Oil, suggesting a possible lack of economic or business purpose for these transactions. The rapid movement of funds, especially the round dollar transactions and the mirror transaction with Citibank, raises concerns about the legitimacy of these activities.

These transactions are being reported due to the following:

1. No apparent economic or business purpose for the transactions, given the customer's line of business and the jurisdictions involved.

2. Possible shell company or funnel account involvement, as indicated by the transactions with Venezuela Law and Venezuela Oil.

3. Unusual transaction patterns, including round dollar amounts and rapid movement of funds.

4. High-risk jurisdiction involvement, specifically the Cayman Islands and Venezuela.

5. Lack of identifiable relationship between JDF Industries and the counterparties.

6. The transactions exhibit characteristics of cash structuring, given the use of round dollar amounts and the rapid movement of funds through multiple accounts.

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.