



BSAR Transcript
BSA: 31000155725098 and DCN:

Filing Information	
Type of Report	Continuing Activity Report
Filing Date	10/11/2019
Received Date	10/11/2019
Entry Date	10/15/2019
Amended	Prior BSA ID: 31000150416250
Submission Method	Electronic discrete filing

Subject Information		
Subject 1 of 4 : EPSTEIN		
Role	Subject	
Subject Type	Purchaser/Sender	
Individual/Organization	Individual	
Last(or Entity) Name	EPSTEIN	
First Name	JEFFREY	
Gender Type	Male	
Date of Birth	■■/■■/■■■	
SSN/ITIN	■■■■■■■	
Form(s) of Identification	Identification Type	Passport
	Identification Number	■■■■■■■
	Issuing Country Code	US
Address(es)	Address Type	Subject permanent/mailling address
	Street Address	6100 RED HOOK QUARTER B3
		6100 RED HOOK QUARTER B3 - Enhanced
	City	ST THOMAS
		ST THOMAS - Enhanced
	State	VI
		VI - Enhanced
	ZIP Code	008021348
00802-1348 - Enhanced		
Country	VI	
	US - Enhanced	
Phone Number(s)	Type	Work
	Number	■■■■■■■
Email(s)	■■■■■■■	
Occupation/Type of Business	Executive/Southern Trust Co.	
Corroborative Statement to Filer	No	



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Subject Information		
Relationship to Financial Institution(s)	Institution TIN	941737782
	Relationship of Subject	Customer: Yes
Affected Account(s)	Account 1 of 2	
	Account Number	41224708
	Closed	Yes
	Financial Institution TIN	941737782
	Account 2 of 2	
	Account Number	14332170
	Closed	Yes
Financial Institution TIN	941737782	
Subject 2 of 4 : KAHN		
Role	Subject	
Subject Type	Purchaser/Sender	
Individual/Organization	Individual	
Last(or Entity) Name	KAHN	
First Name	RICHARD	
Gender Type	Male	
Date of Birth	[REDACTED]	
SSN/ITIN	[REDACTED]	
Form(s) of Identification	Identification Type	Passport
	Identification Number	[REDACTED]
	Issuing Country Code	US
Address(es)	Address 1 of 3	
	Address Type	Subject permanent/mailing address
	Street Address	[REDACTED]
	City	[REDACTED]
	State	[REDACTED]
	ZIP Code	[REDACTED]
	Country	US
		US - Enhanced
	Address 2 of 3	
	Address Type	Subject permanent/mailing address
Street Address	[REDACTED]	

The enclosed information was collected and disseminated under provisions of the Bank Secrecy Act (the BSA) and U.S. Department of the Treasury regulations implementing the BSA. See 31 U.S.C. 5311, et seq.; 31 CFR Chapter X. The information is sensitive in nature and is to be treated accordingly. The information may be used only for a purpose consistent with a criminal, tax, or regulatory investigation or proceeding, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism. See 31 U.S.C. 5311. The information cannot be further released, disseminated, disclosed, or transmitted without prior approval of the Director of Financial Crimes Enforcement Network or his authorized delegate. Suspicious activity reports filed under the BSA must be treated with particular care given that they contain unsubstantiated allegations of possible criminal activity, akin to confidential informant tips. Unauthorized release of information collected under the BSA may result in criminal or civil sanctions.



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Subject Information		
	City	[REDACTED]
	State	[REDACTED]
	ZIP Code	[REDACTED]
	Country	US US - Enhanced
	Address 3 of 3	
	Address Type	Subject permanent/mailling address
	Street Address	[REDACTED]
	City	[REDACTED]
	State	[REDACTED]
	ZIP Code	[REDACTED]
	Country	US US - Enhanced
Phone Number(s)	Phone Number 1 of 2	
	Type	Work
	Number	[REDACTED]
	Phone Number 2 of 2	
	Type	Mobile
	Number	[REDACTED]
Email(s)	[REDACTED]	
Occupation/Type of Business	Executive/HBRK ASSOCIATES INC	
Corroborative Statement to Filer	No	
Relationship to Financial Institution(s)	Institution TIN	941737782
	Relationship of Subject	Customer: Yes
Affected Account(s)	Account 1 of 2	
	Account Number	[REDACTED]
	Closed	Yes
	Financial Institution TIN	941737782



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Subject Information		
	Account 2 of 2	
	Account Number	14332170
	Closed	Yes
	Financial Institution TIN	941737782
Subject 3 of 4 : SOUTHERN COUNTRY INTERNATIONAL INC.		
Role	Subject	
Subject Type	Purchaser/Sender	
Individual/Organization	Organization	
Last(or Entity) Name	SOUTHERN COUNTRY INTERNATIONAL INC.	
EIN	660821138	
Form(s) of Identification	Identification Type	Other
	Other Text	CORPORATION FORMATION DOCUMENTS
	Issuing State Code	VI
	Issuing State	Virgin Islands, U.S.
	Issuing Country Code	VI
Address(es)	Address Type	Subject permanent/mailling address
	Street Address	6100 RED HOOK QTRS STE B-3
		6100 RED HOOK QTRS STE B-3 - Enhanced
	City	ST THOMAS
		ST THOMAS - Enhanced
	State	VI
		VI - Enhanced
	ZIP Code	008021348
		00802-1348 - Enhanced
	Country	VI
US - Enhanced		
NAICS Code	5239	
NAICS Code Text	Other Financial Investment Activities	
Phone Number(s)	Type	Work
	Number	(340) 775-2525
Relationship to Financial Institution(s)	Institution TIN	941737782
	Relationship of Subject	Customer: Yes
Affected Account(s)	Account Number	14332170
	Closed	Yes
	Financial Institution TIN	941737782
Subject 4 of 4 : SOUTHERN TRUST COMPANY INC.		
Role	Subject	



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Subject Information		
Subject Type	Purchaser/Sender	
Individual/Organization	Organization	
Last(or Entity) Name	SOUTHERN TRUST COMPANY INC.	
EIN	660779861	
Form(s) of Identification	Identification Type	Other
	Identification Number	1217721L
	Other Text	Secretary of State
	Issuing State Code	VI
	Issuing State	Virgin Islands, U.S.
	Issuing Country Code	VI
Address(es)	Address Type	Subject permanent/mailling address
	Street Address	6100 RED HOOK QUARTER B3
		6100 RED HOOK QUARTER B3 - Enhanced
	City	ST THOMAS
		ST THOMAS - Enhanced
	State	VI
		VI - Enhanced
	ZIP Code	008021348
00802-1348 - Enhanced		
Country	VI	
	US - Enhanced	
NAICS Code	5221	
NAICS Code Text	Depository Credit Intermediation	
Phone Number(s)	Type	Work
	Number	(340) 775-2525
Relationship to Financial Institution(s)	Institution TIN	941737782
	Relationship of Subject	Customer: Yes
Affected Account(s)	Account Number	41224708
	Closed	Yes
	Financial Institution TIN	941737782

Suspicious Activity Information	
Amount Involved	\$45,360,202
Cumulative Amount	\$73,018,526
Date or Date Range of Activity	07/15/2019 - 09/03/2019
Money laundering	Suspicious EFT/wire transfers
Financial instrument or payment mechanism	Funds transfer



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Activity Location		
Financial Institution Location 1 of 1		
No Branch Activity Involved	Yes	
Type of Financial Institution	Securities/Futures	Subsidiary of financial/bank holding company Clearing broker-securities
Primary Regulator	SEC	
RSSD Number	1026641	
Legal Name	Charles Schwab & Co., Inc	
EIN	941737782	
Address	Address Type	Address where transaction occurred
	Street Address	211 Main St
		211 MAIN ST - Enhanced
	City	San Francisco
		SAN FRANCISCO - Enhanced
	State	CA
		CA - Enhanced
	ZIP Code	94105
94105-1905 - Enhanced		
Country	US	
	US - Enhanced	
Internal Control File Number	CA154479	

Filer Information		
Primary Regulator	Federal Reserve	
Filer Name	The Charles Schwab Corporation	
EIN	943025021	
Address	Address Type	Reporting party address
	Street Address	211 Main St
		211 MAIN ST - Enhanced
	City	San Francisco
		SAN FRANCISCO - Enhanced
	State	CA
		CA - Enhanced
	ZIP Code	94105
94105-1905 - Enhanced		
Country	US	
	US - Enhanced	
Type of Financial Institution	Other: Savings and Loan Holding Company	



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Filer Information		
RSSD Number	1026632	
Internal control/file number	CA154479	
Contact for Assistance	Full Name	AML - AML Investigations
	Phone Number	[REDACTED]
	Phone Type	Work

Law Enforcement Information		
Law Enforcement Agencies Contacted	Agency Name	DEPARTMENT OF JUSTICE (DOJ) SOUTHERN DISTRICT OF NEW YORK
Law Enforcement Contact(s)	Full Name	ALEX ROSSMILLER
	Phone Number	[REDACTED]
	Phone Type	Work
	Contact Date	07/14/2019

Narrative

This Continuing Activity SAR is being filed by The Charles Schwab Corporation on behalf of Charles Schwab & Co., Inc. ("Schwab"), a registered broker dealer, as a result of continued concerning activity initially reported on 07/13/2019 (DCN 31000150416250). The initial SAR was filed due to concerns with attempted wires for the purpose of real estate, in light of negative media surrounding Jeffrey Epstein. There appears to be continuing outgoing activity of concern in the amount of \$45,360,202.00, given the continued negative media surrounding Jeffrey Epstein and his estate.

Please refer to internal number CA154479 when requesting more information regarding this report.

The four subjects of this continuation SAR are:

1. Southern Trust Company LLC who established a relationship with Schwab in April 2019 consisting of a corporate brokerage account, 4122-4708. The company is registered in the United States (U.S.) Virgin Islands, license number 1-21-772-1L, as a business and management consulting firm, and was established in December 2018.
2. Southern Country International, LTD who established a relationship with Schwab in April 2019 consisting of a corporate brokerage account, 1433-2170. Per account documentation the company is established in the US Virgin Islands, formally



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registered as the Financial Strategy Group Ltd and is in the financial services industry.

3. Jeffrey Epstein (66 years old) established a relationship with Schwab in April 2019 and acts as an internal control person and beneficial owner on three accounts; the role does not grant him authority to act upon the Schwab accounts. Jeffrey Epstein is deceased as of 08/10/2019, but is included as a subject of this SAR due to the negative media involving Federal charges. His disclosed employer is an Executive at Southern Trust Company Inc.

4. Richard Kahn (46 years old) established a relationship with Schwab in April 2019 consisting of three active corporate accounts. His disclosed employment is a Senior Executive at HBRK Associates Inc. Richard Kahn appears to be a close business partner in various ventures with Jeffrey Epstein, including Southern Trust Company.

The outgoing activity of concern during this continuation investigative occurred in two of the Schwab accounts. The Schwab corporate brokerage account 41224708 registered to Southern Trust Company, Inc., and the Schwab corporate brokerage account 14332170 registered to Southern Country International, LTD. Richard Kahn is the authorized agent on both of the accounts, providing him the authority to act upon the accounts, and Jeffrey Epstein is listed as an internal control person and 100 percent beneficial owner; Jeffrey Epstein does not have any authority to act upon the accounts.

Schwab made a business decision to terminate the relationship with Jeffrey Epstein, Richard Kahn, and the entities associated with the corporate accounts. As of the filing of this SAR, the three accounts have been closed and Schwab has ceased the relationship with Jeffrey Epstein, Richard Kahn, Southern Trust Company LLC, Southern Country International, LTD, and Southern Financial LLC.

Schwab's continuation investigation encompassed the time period ranging from 07/11/2019 to 09/18/2019. The activity in question occurred between 07/15/2019 and 09/03/2019, referenced in Part II, line 30 of this SAR. The dollar amount \$45,360,202.00, referenced in Part II, line 29 of this SAR, represents the total amount of outgoing activity of concern which were identified during the continuation investigation review. The cumulative filing amount \$73,018,525.94, referenced in Part II, line 31



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of this SAR is the total amount of activity of concern reported in the initial SAR filed on 07/13/2019 and this SAR filing.

Jeffrey Epstein was arrested and federally charged on 07/08/2019 with one count of sex trafficking of minors, and one count of conspiracy to engage in sex trafficking of minors, alleging the activity took place between 2002 and 2005, possibly with an exchange of funds for acts. Jeffrey Epstein was held in Federal custody as prosecutors considered Jeffrey Epstein a very high flight risk given his enormous wealth, international ties, and private planes. On 08/10/2019, Jeffrey Epstein was found deceased while in jail by an apparent suicide. Per internet research two days prior to Jeffrey Epstein's death, he executed his last will and testimony where it appears his assets were moved into a trust that has been filed in the US Virgin Islands. The executors of Mr. Epstein's will are Richard Kahn and Darren Indyke.

The initial SAR filed by Schwab on 07/13/2019 (DCN 31000150416250) reported concerns with international wires attempted to be remitted from the Schwab account registered to the Southern Financial LLC to an individual in Morocco for real estate purposes. In light of the negative media surrounding Jeffrey Epstein, which included a bail hearing, Schwab filed to report the attempted money movement for an individual considered a flight risk. The outgoing wires were attempted to be remitted to Marc Leon, a partner at Kensington Morocco, which appears to offer luxury properties in Morocco and France (www.kensingtonmorocco.com). The attempted international wires which were identified in the initial investigation review were ultimately canceled or reversed at the request of the account agent, Richard Kahn.

During this continuation investigation, additional outgoing funds remitted from the accounts up until account closure raised concerns given the continued media coverage on Jeffrey Epstein. It should be noted the outgoing funds were primarily remitted between 07/15/2019 and 08/02/2019, while Jeffrey Epstein was alive in Federal custody and before his will was executed and filed in the US Virgin Islands.

Between 07/15/2019 and 08/02/2019, the two corporate accounts sent 16 individuals wires for an aggregated amount of \$45,354,912.12. The wires were sent to individuals and companies that appear connected and/or associated with Jeffrey Epstein as follows:



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Eleven of the 16 wires were remitted to accounts held at TD Bank that appear to be registered to: HBRK Associates Inc. NES; HBRK Associates Inc. Neptune; HBRK Associates Inc. LSJ; HBRK Associates Inc. Plan D; HBRK Associates Inc. Hyperion; HBRK Associates Inc. Zorro; and HBRK Associates Inc. JEJE, for various amounts for an aggregated amount of \$14,660,567.89.

HBRK Associates Inc. is actively registered in the State of New York with Richard Kahn as the registered agent. A Bloomberg article indicated HBRK Associates Inc. allegedly helped arrange travel for Epstein's accusers between New York and Florida.

The identifiers or acronyms that were listed after the beneficiary name of HBRK Associates Inc., were also listed in the wire memos for example "HBRK Associates Inc. NES" with the memo "NES LLC - BILL PAY " or "HBRK Associates Inc. ZORRO" with the memo stating "ZORRO - BILL PAY." Research of the identifiers listed appear to reference to a businesses or possible assets associated to Mr. Epstein as follows:

LSJ appears to be an acronym to reference Little St. James (LSJ), the smaller private island owned by Mr. Epstein and according to lawsuits is where Epstein ran a "complex commercial sex trafficking and abuse ring." NES appears to be associated to the company that owned Epstein's New York Mansion located at Nine East 71st Street (NES), and ZORRO appears to be Epstein's ranch located in New Mexico.

The identifiers JEJE, PLAN D, and HYPERION appear to be shell companies which held or still are the owners of Epstein's Gulfstream aircrafts. NEPTUNE appears to be a business associated to Epstein's address in which allegedly donated money to a democratic campaign in 2014.

In addition, one wire was remitted to LSJE LLC to an account at FirstBank Puerto Rico listing Epstein's address as the beneficiary address listing "FUNDING OPERATING ACCOUNT" as the memo for \$2,536,513.89. Per open source media, LSJE LLC appears to control Little St. James Island, pay employees of the island, linked to various imports as the consignee of various items shipped to and from the islands.



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While the following four wires were remitted to beneficiaries appearing to be lawyers, given the negative media surrounding Jeffrey Epstein, research is unable to definitely identify if they are of concern:

Two wires were remitted to DARREN K INDYKE PLCC IOLA TRUST ACCOUNT for a total amount of \$12,657,830.34. One of the wires listed "escrow for legal fees." Per open source media, Darren Indyke is a lawyer based in New York, as well as the co-executor of Mr. Epstein's estate. Per an article posted by the Wall Street Journal, Darren Indyke established companies, handled matters involving charitable giving, and represented in real estate dealings for Mr. Epstein.

MARTIN G. WEINBERG, PC received one wire for \$3,500,000.00. Per research is a lawyer in Boston offering attorney services for white collar crime and appeared to be representing Jeffrey Epstein.

STEPTOE JOHNSON LLP, appearing to be an international law firm offering criminal services received one wire for \$12,000,00.00.

As a result of account closure, Schwab issued two checks on 08/02/2019 and 09/03/2019 to Southern Trust Company Inc. (6100 RED HOOK QUARTER B3 ST THOMAS US Virgin Islands) for a total of \$5,289.82, the remaining funds in the account.

Please see the attached CSV for detailed information regarding the outgoing funds of concern as noted above.

Schwab determined to file this SAR reporting continued concerns with outgoing funds identified between the initial SAR filing and the Schwab initiated closure of the accounts, given the continued negative media surrounding Jeffrey Epstein and his estate.

Schwab maintains all supporting documentation. Written requests for supporting documentation may be sent to

██████████. Please refer to internal number CA154479 when requesting more information regarding this report.