

**Government of the United States Virgin Islands
Office of the Lieutenant Governor
Division of Banking, Insurance and Financial Regulation**



**RENEWAL APPLICATION FOR LICENSURE OF
INTERNATIONAL FINANCIAL SERVICES ENTITY**

- 1. Name of International Financial Services Entity:**
Southern Country International. Ltd.

- 2. E.I.N.:** 66-0821138

- 3. Parent or Affiliate:**
None.

- 4. Location (street and city/town):**
6100 Red Hook Quarter, Suite B3, St. Thomas VI 00802

- 5. Principal Business Address:**
 - a) PHYSICAL:** 6100 Red Hook Quarter, Suite B3, St. Thomas VI 00802
Telephone Number: 340 775 2525
Fax number:

 - b) MAILING:** 6100 Red Hook Quarter, Suite B3, St. Thomas VI 00802

- 6. Is the organization using a fictitious (DBA) name to transact business?** Yes No
If yes, please indicate such name:

7. Activities engaged in by the proposed International Financial Services Entity:

- X Transaction-related funds demand deposits Fixed Term and Interbank Deposit of Funds
- X Commercial Lending Financial Leasing
- X Money Services Activities
- X Brokerage Management Services
- X Insurance Brokerage
- X Trade Financing
- X Financial Services
- X Securities and Investment Advice
- Clearinghouse

Provide a brief description of these activities:

See attached Appendix 1.

8. Authorized representative designated by the applicant to act as its authorized agent for service of process in the Virgin Islands and/or to obtain information regarding the management of the Company.

Name: Erika Kellerhals

Address: 9053 Estate Thomas, Suite 101, St. Thomas, VI 00802

Telephone: 340 779 2564

9. Explain the organizational structure of the International Financial Services Entity, including the number and title of the employees who are employed. Please include residency of employees.

SCI has not yet hired any employees but intends to do so in 2018.

(If additional space is needed you may provide additional page)

10. The following documents and information must be provided as part of the application renewal process and properly certified by the Applicant:

- a) A management organization chart for the Company clearly indicating any divisional or business unit structure, and (to the extent not provided elsewhere) clearly delineating the exercise of control and mechanisms for change in control;

See attached Appendix 2.

- b) A categorized list of states and jurisdictions in which the Applicant has offices, holds property or conducts business;

It is anticipated that SCI will only have an office in the USVI.

11. List the name(s), occupation, address(es), telephone number(s) and facsimile number(s) of each officer and director of the International Financial Services Entity: (Attach additional pages if necessary)

<i>NAME</i>	<i>OCCUPATION</i>	<i>ADDRESS</i>	<i>TELEPHONE & FACSIMILE</i>
Jeffrey Epstein	Self-employed	6100 Red Hook Quarter, Suite B3, St. Thomas VI 00802	Telephone: (340) 775-2525
Darren K. Indyke	Attorney	575 Lexington Avenue, 4th Floor New York, New York 10022	Telephone: (212) 971-1314 Telecopier: (646) 350-0378
Richard Kahn	CPA	575 Lexington Avenue, 4th Floor New York, New York 10022	Telephone: (212) 971-1306 Telecopier: (646) 350-0378

(b) If other than a corporation, describe capital structure:

(If additional space is needed you may provide additional page)

14. Briefly describe the nature of the applicant's business activities.

See Appendix 1.

15. State the name of the entity, location and name of directors and main executive officers of any other applicant's affiliates engaged in offshore international financial business.

Name of Entity	Location	Directors / C.E.O.
None.		

16. Has there been any changes in the ownership of the IFSE by those holding shares in excess of 5%?
 Yes No

If yes, please provide names of new shareholders and biographical affidavit.

17. Have you or any of your businesses ever been fined for infractions? Yes No

If yes: date of fine _____

amount of the fine _____

country or state which levied the fine (s)

Reason (s) for the fine(s) _____

18. Have there been any regulatory actions taken against any companies that you own or owned shares/stocks or you have a five percent interest in? Yes No
If yes, state regulatory action taken, the date and country or state that issued regulatory action.

19. Do members of your family own any shares of stock in the company? Yes No
If yes, list persons.

20. What type of businesses are using your services? It is anticipated that SCI will service high net worth individuals.

21. How do you screen your clients to ensure that the source of funds is coming from legitimate sources?

SCI will use utilize standard KYC and AML practices to ensure that funds are coming from legitimate sources.

22. What Anti-Money laundering controls does your business have in place to screen potential clients and are your employees knowledgeable of those controls?

See Appendix 3.

23. What type of documents do you require from prospective clients when they are opening an account at your company?

See Appendix 3.

24. If conducting money services business, in what jurisdictions have you previously operated a money transmitter service?

N/A

25. Please provide the reasons for leaving the previous jurisdiction(s)?

N/A

26. Were there any examinations conducted by any regulatory agency of your previous business? If so, what were the overall results of these examinations?

N/A

27. What challenges did you encounter in these previous location(s)?

N/A

28. **Have you encountered similar challenges in the Virgin Islands? Why or why not?**
N/A
29. **What are the sources of revenue for operating your company and/or making loans?**
None to date.
30. **Are there any plans to expand the services offered to current and prospective clients? If so, please explain the future expansion of your services.**
Not at this time.
31. **What other business operations are you involved with as an owner and/or shareholder? Explain the nature of your involvement.**
SCI does not own and is not a shareholder in any other business operations, [however Mr. Epstein, the sole shareholder of SCI, is the owner of Southern Trust Company, Inc. and is an investor in American Yacht Harbor.]
32. **List the five largest loans that your company have made to clients? When are these loans made? What entity are guaranteeing these transactions?**
N/A
33. **Please describe the type of disclosures that are being provided to your clients about your services (for example interest rates etc.).**
N/A
34. **If you are conducting lending activities, please provide the type of businesses you are lending to?**
N/A
35. **How do you market your products?**
All clients will be referral based only and SCI will not market to the public.

ADDITIONAL INFORMATION:

Submit herewith as part of this renewal application the following documents:

- A. Annual fee of \$75,000 made payable to the Government of the Virgin Islands, and an additional annual fee of \$10,000 shall be paid by the IFSE once the IFSE has exceeded \$1,000,00 in annual net income;**
- B. Certificate of Good Standing from the Division of Corporations and Trademarks.**
- C. Tax Clearance Letter.**
- D. A copy of the report of its condition and results of operations executed by its chief financial officer as of the last day of each quarter of the year, in the form prescribed by the Banking Board, within thirty (30) days after the close of each quarter. See IFSE Regulation Section 729-1 for further information.**
- E. Copy of the Company's audited financial statement prepared by a certified public accountant, licensed to practice in the Virgin Islands pursuant to Section 729.**
- F. Evidence that the capital of the International Financial Services Entity has been subscribed to, issued and paid-in in the amount of \$500,000, to the extent and under such condition as the Banking Board may establish at the Board's sole discretion.**
- G. Evidence that the Company has unencumbered assets of \$ 300,000.**

This renewal application is an official document and any misrepresentation or failure to reveal information requested by the Chairman of the Banking Board may be deemed to be sufficient cause for the denial or revocation of a license.

I _____ THE UNDERSIGNED, BEING DULY SWORN ACCORDING TO LAW AND UNDER THE PENALTIES OF PERJURY, STATE THAT THE INFORMATION GIVEN IN THIS APPLICATION IS TRUE AND CORRECT AND THAT ALL ESTIMATES GIVEN TRUE ESTIMATES BASED UPON FACTS WHICH HAVE BEEN CAREFULLY CONSIDERED AND ASSESSED

Name _____ Date: _____

Signature _____

Subscribed and sworn to before me this _____ day of _____ 20 ____.

Notary Public
State of: _____
Commission expires on: _____