

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - -X

UNITED STATES OF AMERICA, : INFORMATION
-v.- : 14 Cr. _____
VIKTOR KORDASH, :
Defendant. :

- - - - -X

COUNT ONE
(Willful Failure to File Reports of
Foreign Bank and Financial Accounts)

The United States Attorney charges:

The Defendant

1. At all times relevant to this Information, VIKTOR KORDASH, the defendant, was a citizen of the United States and resided in Cliffside Park, New Jersey, and Whitestone, New York.

Obligations of United States Taxpayers
With Respect to Foreign Financial Accounts

2. Citizens and residents of the United States who have income in any one calendar year in excess of a threshold amount ("U.S. taxpayers") are obligated to file a U.S. Individual Income Tax Return, Form 1040 ("Form 1040"), for that calendar year with the Internal Revenue Service ("IRS"). On such return, U.S. taxpayers are obligated to report their income from any source, regardless of whether the source of their income is inside or outside the United States. In addition, on

Schedule B of Form 1040, the filer must indicate whether "at any time during [the relevant calendar year]" the filer had "an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account." If the taxpayer answers that question in the affirmative, then the taxpayer must indicate the name of the particular country in which the account is located. At all times relevant to this Information, VIKTOR KORDASH, the defendant, was a U.S. taxpayer.

3. Separate and apart from the obligation to file Forms 1040, U.S. taxpayers who have a financial interest in, or signature authority over, a bank, securities, or other financial account in a foreign country with an aggregate value of more than \$10,000 at any time during a particular calendar year are required to file with the IRS a Report of Foreign Bank and Financial Accounts, Form TD F 90-22.1 ("FBAR"). The FBAR for any calendar year is required to be filed on or before June 30 of the following calendar year. The FBAR requires that the filer identify the financial institution with which the account is held, the type of account (either bank, securities, or other), the account number, and the maximum value of the account during the calendar year for which the FBAR is being filed.

4. When a U.S. taxpayer beneficially owns a bank, securities, or other financial account that is maintained

outside the United States, but fails to disclose the account or the income generated in the account to the IRS on Schedule B of Form 1040 or on an FBAR, the account is hereafter referred to as an "undeclared account."

KORDASH's Undeclared Account at Wegelin & Co.

5. At all times relevant to this Information, Wegelin & Co. ("Wegelin"), founded in 1741, was Switzerland's oldest bank and maintained its headquarters in St. Gallen, Switzerland. Wegelin provided private banking, asset management, and other services to individuals and entities around the world, including to U.S. taxpayers living in the Southern District of New York. Wegelin had no branches outside Switzerland, but it directly accessed the U.S. banking system through a correspondent account that it held at a bank in Stamford, Connecticut (the "Correspondent Account").

6. From at least in or about the early 1980s until at least in or about 2010, VIKTOR KORDASH, the defendant, had a financial interest in, and signature and other authority over, an undeclared account at Wegelin that had a value of more than \$10,000 (the "Undeclared Account"). Further, from at least on or about April 16, 2008 through at least on or about June 21, 2010, KORDASH received a series of cash distributions from the Undeclared Account through the Correspondent Account, which totaled over \$168,000.

7. More specifically, in or about the early 1980s, VIKTOR KORDASH, the defendant, opened the Undeclared Account at Wegelin. At that time, KORDASH was living in Russia and was a Russian citizen. In or about 1984, however, KORDASH emigrated to the United States, and in or about 1986, KORDASH applied for and was granted citizenship in the United States. After emigrating to the United States, and after becoming a United States citizen, KORDASH continued to maintain the Undeclared Account at Wegelin, up until approximately November 2010. KORDASH used the Undeclared Account as an operating and investment account for his antique reproductions business, which he operated out of New York, New York.

8. During the time period that VIKTOR KORDASH, the defendant, maintained the Undeclared Account, capital gains and losses were generated in the Undeclared Account from KORDASH's investments in foreign securities. On or about the dates indicated below, the Undeclared Account held assets valued at approximately the following amounts:

Date	Approximate Value of Assets Held in the Undeclared Account
December 31, 2007	\$1,599,270.51
December 31, 2008	\$490,951.89
December 31, 2009	\$1,461,467.10
October 15, 2010	\$763,855.34

9. In or about November 2010, VIKTOR KORDASH, the defendant, transferred all the custodial and ownership rights of the Undeclared Account to his wife, pursuant to a separation agreement. The balance of the Undeclared Account at the time of this transfer was approximately \$997,819.00.

KORDASH's Tax Returns and FBARs

10. For each of the calendar years from at least 2007 through 2010, VIKTOR KORDASH, the defendant, filed and caused to be filed with the IRS a U.S. Individual Income Tax Return, Form 1040. On each of these returns, KORDASH knowingly and willfully failed to report certain dividend, interest, and other income received by KORDASH in the Undeclared Account at Wegelin. On Schedule B attached to each of these returns, KORDASH knowingly and willfully failed to disclose that KORDASH had an interest in, and signature and other authority over, a financial account in Switzerland, when, in truth and in fact, and as KORDASH then and there well knew, KORDASH had an interest in and signature authority over a financial account in Switzerland.

11. For each of the calendar years from at least 1986 through 2010, VIKTOR KORDASH, the defendant, failed to file, and failed to cause to be filed, with the IRS an FBAR disclosing his signatory and other authority over his Undeclared Account at Wegelin.

Statutory Allegations

12. On or before the filing due dates listed below, in the Southern District of New York and elsewhere, VIKTOR KORDASH, the defendant, did knowingly and willfully fail to file with the Commissioner of the IRS an FBAR disclosing that he had a financial interest in, and signature and other authority over, a bank, securities, and other financial account in a foreign country, to wit, a foreign bank, securities, and other financial account at Wegelin, which had an aggregate value of more than \$10,000 during each of the years listed below:

Calendar Year	Due Date to File FBAR	Bank
2007	June 30, 2008	Wegelin
2008	June 30, 2009	Wegelin
2009	June 30, 2010	Wegelin
2010	June 30, 2011	Wegelin

(Title 31, United States Code, Sections 5314 and 5322(a);
Title 31, Code of Federal Regulations,
Sections 1010.350, 1010.306(c, d), and 1010.840(b).)



PREET BHARARA
United States Attorney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

-v.-

VIKTOR KORDASH,

Defendant.

INFORMATION

14 Cr.

(31 U.S.C. §§ 5314, 5322(a))

PREET BHARARA
United States Attorney.
