



Department of Justice

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SWISS FINANCIAL ADVISOR INDICTED FOR CONSPIRING WITH MORE THAN 60 U.S. TAXPAYERS TO HIDE MORE THAN \$184 MILLION IN SWISS BANK ACCOUNTS

Defendant Also Assisted U.S. Taxpayers in Moving Assets from UBS to Other Swiss Banks to Avoid U.S. Law Enforcement

NEW YORK – Beda Singenberger, a Swiss financial advisor, was indicted today for conspiring with various U.S. taxpayers and others to hide more than \$184 million offshore at various Swiss banks, announced Preet Bharara, U.S. Attorney for the Southern District of New York; and Charles R. Pine, Special Agent-in-Charge of the New York Field Office of the Internal Revenue Service – Criminal Investigation (IRS-CI). Singenberger had more than 60 U.S. taxpayer clients and opened dozens of hidden accounts on their behalf, using sham entities to further conceal the Swiss-based accounts from the IRS. Further, in 2008, when it became public that UBS AG was the target of an IRS investigation, Singenberger assisted his U.S. taxpayer clients in moving their offshore accounts to other Swiss banks to evade the IRS’s investigation.

According to the indictment filed today in Manhattan federal court, from 1998 through 2009, Singenberger, who operated a wealth management and tax advisory business called “Sinco Treuhand AG,” conspired with various U.S. taxpayers and others to ensure that his U.S. taxpayer clients could hide their Swiss bank accounts, and the income generated in them, from the IRS.

In furtherance of this conspiracy, in 2001, when the Swiss banks at which Singenberger helped his U.S. taxpayer clients hide accounts voluntarily agreed with the IRS to obtain documents concerning the identity of the beneficial owners of accounts at those banks, and to withhold and pay over to the IRS taxes on transactions in those accounts, Singenberger created sham entities under the laws of countries other than the United States to hide from the IRS the Swiss accounts and the income generated in them.

For example, Singenberger used sham “foundations” and “establishments” formed under the laws of Liechtenstein and sham corporations formed under the laws of Hong Kong, among other jurisdictions, to conceal from the IRS the ownership by U.S. taxpayers of accounts established at various Swiss banks and the income generated in those accounts.

Similarly, Singenberger prepared, and provided to the various Swiss banks, IRS forms that falsely and fraudulently stated under penalties of perjury that the real owners of the undeclared accounts maintained at various Swiss banks were not U.S. persons. At the same time that Singenberger was submitting IRS forms (or their equivalent) to banks falsely indicating that the sham entity was the real owner of the Swiss bank account, he was also submitting a form required under Swiss law, called a “Form A,” that truthfully stated that a U.S. taxpayer was the actual owner of the account. In truth and in fact, however, Singenberger knew that the real owner of the undeclared accounts was a U.S. person, a fact that was reflected on documents contained within the files of various Swiss banks.

In 2008, when it became public that UBS, one of the Swiss banks at which Singenberger helped his U.S. taxpayer clients hide their accounts, was under investigation by law enforcement in the United States, and was therefore in danger of having to identify U.S. taxpayers who had accounts at that bank, Singenberger helped his U.S. taxpayer clients to move their accounts from UBS to other Swiss banks. Each of these other Swiss banks engaged in conduct substantially similar to UBS, but unlike UBS, did not have a physical presence or office in the United States.

The collective maximum value of the assets in undeclared accounts beneficially owned by U.S. taxpayer clients of Singenberger, and that were either opened with Singenberger's assistance or were managed by him, was more than approximately \$184 million.

On the conspiracy charge, Singenberger faces a maximum term of five years in prison, a maximum term of three years supervised release, and fines of \$250,000, or twice the gross pecuniary gain derived from the offense or twice the gross pecuniary loss to the victims.

Singenberger, 57, resides in Zurich.

U.S. Attorney Bharara praised the outstanding efforts of IRS-CI in the investigation, which he noted is ongoing. He also thanked U.S. Department of Justice's Tax Division for their significant assistance in the investigation.

This case is being handled by the U.S. Attorney's Office's Complex Frauds Unit. Assistant U.S. Attorneys Daniel W. Levy, David B. Massey and Jason H. Cowley are in charge of the prosecution.

The charge and allegations contained in the indictment are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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