

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,

: INDICTMENT

-v.-

**12 CRIM 211** ( )

JOSEF BECK,

:

Defendant.

:

----- -x

COUNT ONE  
(Conspiracy)

USDC SDNY  
DOCUMENT  
ELECTRONICALLY FILED  
DOC #:  
DATE FILED **MAR 13 2012**

The Grand Jury charges:

The Defendant and Associated Entities

1. At all times relevant to this Indictment, JOSEF BECK, the defendant, was a citizen and resident of Switzerland.

2. Starting in or about the 1980's, JOSEF BECK, the defendant, worked at an independent investment advisory and asset management firm known as Beck Verwaltungen AG ("Beck Verwaltungen"). Beck Verwaltungen was founded prior to the 1980's by another person (the "Founder"), a co-conspirator not named as a defendant herein. After the Founder retired in or about 2001, BECK assumed control of Beck Verwaltungen. Acting through Beck Verwaltungen, BECK provided wealth management services to individuals around the world, including to U.S. taxpayers. At all times relevant to this Indictment, Beck Verwaltungen did not maintain any offices in the United States.

**JUDGE KOELTL**

3. Beck Verwaltungen was not a depository institution. As a result, JOSEF BECK, the defendant, arranged for the accounts of clients of Beck Verwaltungen to be maintained at various banks located in Switzerland, including UBS AG ("UBS") and Wegelin & Co. ("Wegelin"), co-conspirators not named as defendants herein. For a fee paid by the clients of Beck Verwaltungen, BECK managed those accounts as an independent investment advisor and asset manager.

4. At all times relevant to this Indictment, UBS was a bank organized under the laws of Switzerland and was Switzerland's largest bank. At all times relevant to this Indictment, UBS owned and operated banking, investment banking, asset management, and stock brokerage businesses around the world, including in the Southern District of New York and elsewhere in the United States.

5. At all times relevant to this Indictment, Wegelin was a bank organized under the laws of Switzerland and 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. At all times relevant to this Indictment, Wegelin did not maintain any offices in the United States.

6. At all times relevant to this Indictment, JOSEF BECK, the defendant, Beck Verwaltungen, and Wegelin were not

licensed to operate as a money transmitting business in the State of New York. In addition, BECK, Beck Verwaltungen, and Wegelin were not registered as money transmitting businesses with the United States Department of the Treasury or the Financial Crimes Enforcement Network ("FinCEN"), pursuant to Title 31, United States Code, Section 5330, or the regulations prescribed under that statute. In general, Title 31, United States Code, Section 5330, requires that "[a]ny person who owns or controls a money transmitting business . . . register the business (whether or not the business is licensed as a money transmitting business in any State) with the Secretary of the Treasury." The regulations prescribed under Section 5330 provide a mechanism for the registration of money transmitting businesses with FinCEN.

#### **Overview of the Conspiracy**

7. From at least in or about the late 1980's through at least in or about 2010, JOSEF BECK, the defendant, conspired with the Founder, various U.S. taxpayers, Wegelin, UBS, and others known and unknown to ensure that BECK's U.S. taxpayer clients could hide the U.S. taxpayers' Swiss bank accounts, and the income generated in those accounts, from the taxation authority of the United States, the Internal Revenue Service (the "IRS"), via false and fraudulent federal income tax returns.

8. Among other services that JOSEF BECK, the defendant, provided to his U.S. taxpayer clients in managing the accounts that the U.S. taxpayer clients had hidden from the IRS was to arrange transfers of large amounts of cash in the United States and elsewhere. For example, BECK arranged money transfers, whereby unknown and unidentified people, including, in one instance, a young child, would accept cash from, or deliver cash to, his U.S. taxpayer clients with undeclared accounts, both in the United States and elsewhere. On some occasions, these money transfers, which involved cash in amounts up to approximately \$180,000, occurred on city streets. As another example, BECK arranged for one of his U.S. taxpayer clients with an undeclared account to physically hand over cash in the United States to another of his U.S. taxpayer clients with an undeclared account. Also, BECK, while in the United States, accepted cash from U.S. taxpayer clients of his who wished to make a deposit into their secret Swiss bank accounts and distributed cash in similar amounts to U.S. taxpayer clients of his who wished to make a withdrawal from their secret Swiss bank accounts.

9. The collective maximum value of the assets in undeclared accounts that were beneficially owned by the more than approximately 35 U.S. taxpayer clients of JOSEF BECK, the defendant, and that either were opened with BECK's assistance or

were managed by BECK, was more than approximately \$129 million, as reflected in paragraphs 23, 26, 37, 46, and 49.

### Background

#### Obligations of United States Taxpayers With Respect to Foreign Financial Accounts

10. 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 IRS. On Form 1040, 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 U.S. taxpayer answers that question in the affirmative, then the U.S. taxpayer must indicate the name of the particular country in which the account is located.

11. Separate and apart from the obligation to file Forms 1040 that include all income, U.S. taxpayers who have a financial interest in, or signature authority over, a 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. In general, the FBAR requires that the U.S. taxpayer filing the form identify the financial institution with which the financial account is held, the type of account (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.

12. Under the law of the State of New York, "[a]ny person who . . . engages in the business of receiving money for transmission or transmitting the same . . . without a license therefor obtained from the superintendent [of financial services] as provided in this article [XIII-B, relating to Transmitters of Money], shall be guilty of a . . . misdemeanor." Further, under the law of the State of New York, any person who engages in such conduct and in the course of doing so, "knowingly receives or agrees to receive for transmission from one or more individuals a total of ten thousand dollars or more in a single transaction, a total of twenty-five thousand dollars or more during a period of thirty days or less, or a total of two hundred fifty thousand dollars or more during a period of one year or less . . . shall be guilty of a . . . felony."

13. An "undeclared account" is a financial account maintained outside the United States and beneficially owned by U.S. taxpayers, but that was not disclosed to the IRS on Schedule B of Form 1040 or on an FBAR, and the income generated in which was not reported to the IRS on Form 1040.

#### The Conspiracy

14. From at least in or about 1980's through at least in or about 2010, JOSEF BECK, the defendant, agreed with the Founder, various U.S. taxpayers, Wegelin, UBS, and others known and unknown, to defraud the United States, to conceal from the IRS on false tax returns the existence of bank accounts maintained at UBS and Wegelin, among other Swiss banks, and the income earned in these accounts, and to evade U.S. taxes on income generated in these accounts.

#### Means and Methods of the Conspiracy

15. Among the means and methods by which JOSEF BECK, the defendant, and his co-conspirators would and did carry out the conspiracy were the following:

a. BECK and his co-conspirators opened, maintained, and managed undeclared accounts on behalf of U.S. taxpayers at UBS and Wegelin, among other Swiss banks.

b. Co-conspirators of BECK filed false and fraudulent Forms 1040, which, among other things, failed to

report their interest in their undeclared accounts and the income generated in their undeclared accounts.

c. Co-conspirators of BECK failed to file FBARS identifying their undeclared accounts or filed false and fraudulent FBARS omitting their undeclared accounts.

d. When BECK and his co-conspirators believed that UBS might be forced to identify to the IRS the beneficial owners of undeclared accounts held at UBS, BECK and his co-conspirators transferred the assets in some of the U.S. taxpayers' undeclared accounts at UBS to Wegelin, among other Swiss banks, to which BECK had introduced his U.S. taxpayer clients. BECK continued to manage these assets after their transfer from UBS.

e. BECK, while in the United States, physically accepted cash from U.S. taxpayer clients of his who wished to make a deposit into their secret Swiss bank accounts and physically distributed cash to U.S. taxpayer clients of his who wished to make a withdrawal from their secret Swiss bank accounts.

f. BECK arranged money transfers, whereby unknown and unidentified people, including, in one instance, a young child, would accept cash from, or deliver cash to, his U.S. taxpayer clients with undeclared accounts, both in the United States and elsewhere.

Client 1

17. In or about the 1990's, a citizen of the United States ("Client 1"), who was then residing in Florida, was introduced to the Founder. Shortly thereafter, Client 1 flew to Zurich, Switzerland, to meet with the Founder at the offices of Beck Verwaltungen in order to open an undeclared account. The Founder instructed Client 1 to select a name for the sham entity that would hold Client 1's undeclared account. Client 1 chose a specific name for his undeclared account, which was established at UBS after Client 1 signed various documents relating to the opening of the account.

18. Shortly thereafter, the Founder provided Client 1 with the address of a person in Brooklyn with whom Client 1 was acquainted ("Client 1's Acquaintance") to whom Client 1 was to provide cash to fund Client 1's undeclared account. Client 1 funded Client 1's undeclared account at UBS by transporting cash in the approximate amount of \$100,000 to \$200,000 from Florida to Brooklyn, New York, and providing it to Client 1's Acquaintance. In the several years after initially funding the account, Client 1 funded Client 1's undeclared account at UBS on three or four additional occasions in the same fashion in an amount totaling approximately \$500,000 to \$600,000.

19. From in or about the late 1990's through in or about 2010, JOSEF BECK, the defendant, instructed Client 1 that

Client 1 could pick up cash representing a withdrawal from Client 1's undeclared account at UBS from a relative of BECK's in Israel when Client 1 travelled to Israel. Client 1 received approximately \$10,000 cash in this fashion approximately one to two occasions per year. On at least one occasions, Client 1 received approximately \$50,000 in this fashion.

20. In or about 2003 through 2008, Client 1 withdrew \$100,000 in cash from his undeclared account at UBS by receiving it in the United States from another client of JOSEF BECK, the defendant, who wished to make a deposit of \$100,000 into that other client's account.

21. In or about 2004, Client 1's account at UBS held assets valued at approximately \$950,000.

22. On or about May 6, 2008, UBS publicly disclosed that United States and Swiss law enforcement authorities were investigating its U.S. cross-border banking business. Reports in the press to like effect followed the disclosure by UBS. For example, on or about May 15, 2008, May 23, 2008, and May 30, 2008, a major news organization based in New York reported, in substance and in part, that the United States Government was actively conducting a criminal investigation of UBS's U.S. cross-border banking business. One such article, published on or about May 30, 2008, reported, in substance and in part, that Bradley Birkenfeld, a United States citizen who had worked as a

director of UBS's U.S. cross-border banking business, was expected to enter a guilty plea and cooperate with investigators, and that UBS was cooperating with the criminal inquiry. The article also stated, in part, that "Mr. Birkenfeld's case underscores how federal authorities are stepping up scrutiny of offshore transactions that allow wealthy investors to avoid taxes. The inquiry focuses on American clients of UBS's private bank, based in Zurich." Thereafter, UBS began to exit the business of assisting U.S. taxpayers in maintaining undeclared accounts at UBS in Switzerland.

23. In or about 2008, Client 1 became aware that UBS was being investigated. As a result, Client 1 called JOSEF BECK, the defendant, by telephone. BECK advised Client 1 that BECK was moving all of his clients' accounts to a different bank, but had not, at that time, decided which one. Eventually, in or about late 2008, BECK arranged for Client 1's account to be moved from UBS to Wegelin.

24. On Client 1's Forms 1040 for the tax years 2003 through and including 2008, Client 1 did not report to the IRS either Client 1's interest in or signature or other authority over Client 1's accounts at UBS or Wegelin. Moreover, for the tax years 2003 through and including 2008, Client 1 did not file an FBAR disclosing Client 1's accounts at UBS or Wegelin.

Client 2

25. In or about 1985, a citizen of the United States ("Client 2"), who was then residing in Brooklyn, New York, opened an undeclared account at a predecessor of UBS.

26. In or about the fall of 2008, a representative of UBS informed Client 2 during a telephone call that UBS was requiring Client 2 to close Client 2's account. At or about the time of the telephone call, Client 2's account at UBS held assets valued at approximately \$2.395 million.

27. Thereafter in or about late 2008, Client 2 travelled to Zurich, Switzerland, to close Client 2's undeclared account at UBS. During that trip, Client 2 inquired with another bank located in Zurich, Switzerland (the "International Bank"), whether the International Bank would accept a transfer from UBS. Client 2 learned from International Bank that it would not accept a transfer from UBS.

28. During the same trip in or about late 2008, Client 2 met with JOSEF BECK, the defendant, whom Client 2 had met on a prior visit to Zurich. On the same day, Client 2 executed various documents that had been prepared by BECK in order to open an undeclared account at Wegelin. Thereafter and upon written instructions from Client 2 to UBS, the assets in Client 2's account at UBS were transferred to Client 2's undeclared account at Wegelin.

29. In or about 2009, Client 2 called JOSEF BECK, the defendant, on the telephone in order to inquire about making a cash withdrawal from Client 2's undeclared account at Wegelin. BECK instructed Client 2 to send to BECK by facsimile a letter addressed to Wegelin that authorized BECK to withdraw \$150,000 in cash.

30. Within weeks thereafter, a person unknown to Client 2 (the "Unknown Person") called Client 2 at Client 2's Brooklyn, New York, home. The Unknown Person provided Client 2 with instructions to retrieve the \$150,000 in cash. The Unknown Person did not identify himself and stated to Client 2 that the Unknown Person had "something" for Client 2, a reference that Client 2 understood to be to the cash that Client 2 had arranged with JOSEF BECK, the defendant, to withdraw from Client 2's undeclared account. Client 2 was instructed by the Unknown Person to proceed to a specific address in Brooklyn, New York, at a particular time. Client 2 followed the instructions. Upon Client 2's arrival by car at the specified address, a small child of approximately five years of age exited from the home located at the specified address, walked up to Client 2's car, and handed Client 2 a brown paper bag containing approximately \$150,000 in cash.

31. Later in 2009, Client 2 sent to BECK by facsimile a letter addressed to Wegelin that authorized BECK to withdraw

\$180,000 in cash. Approximately two weeks later, Client 2 received a telephone call from a second unknown person (the "Second Unknown Person"). The Second Unknown Person did not identify himself and stated to Client 2 that the Second Unknown Person had "something" for Client, a reference that Client 2 understood to be to the \$180,000 in cash that Client 2 had arranged with JOSEF BECK, the defendant, to withdraw from Client 2's undeclared account.

32. Client 2 was instructed by the Second Unknown Person to proceed to a specific address in Brooklyn, New York, at a particular time. Client 2 followed the instructions. Upon Client 2's arrival by car at the specified address, a male of approximately forty to forty-five years of age walked up to Client 2's car, which was waiting in the street, and handed Client 2 a bag containing approximately \$180,000 in cash.

33. On Client 2's Forms 1040 for the tax years 2003 through and including 2008, Client 2 did not report to the IRS either Client 2's interest in or signature or other authority over Client 2's accounts at UBS or Wegelin. Moreover, for the tax years 2003 through and including 2008, Client 2 did not file an FBAR disclosing Client 2's accounts at UBS or Wegelin.

### Client 3

34. In or about the late 1980's, a citizen of the United States ("Client 3"), who was then residing in Nassau

County, New York, met with JOSEF BECK, the defendant, at a hotel in Brooklyn, New York. The purpose of the meeting was for Client 3 to open an undeclared account at a predecessor of UBS. At the meeting, Client 3 provided BECK with approximately \$30,000 in cash that Client 3 had withdrawn from a safe deposit box that Client 3 maintained at a Manhattan branch of an international bank.

35. After initially opening the account, approximately every six months, Client 3 called JOSEF BECK, the defendant, by telephone to check on the balance in Client 3's undeclared account at UBS. Client 3 typically used a payphone to do so.

36. After initially opening the account, approximately every other year, JOSEF BECK, the defendant, met with Client 3 in the United States, typically at a hotel in Brooklyn. During these periodic meetings, BECK reviewed with Client 3 the performance in Client 3's undeclared account at UBS. In addition, during approximately five to ten of these periodic meetings, BECK accepted cash from Client 3 to be credited to Client 3's undeclared account at UBS. The largest such transfer of cash was in the amount of approximately \$30,000. Client 3 never received a receipt for these cash transfers. On one occasion, BECK provided cash to Client 3 in the approximate amount of \$20,000 to be debited from Client 3's

undeclared account at UBS. When BECK handed the cash to Client 3, it was contained in a brown shopping bag.

37. In or about 2007, Client 3's undeclared account at UBS held assets valued at approximately \$449,951.

38. In or about November, 2008 and at the request of JOSEF BECK, the defendant, Client 3 traveled to Zurich to meet with BECK. The meeting occurred at the offices of UBS in Zurich. At the meeting, BECK informed Client 3 that, because of the investigation of UBS, Client 3 was required to close Client 3's undeclared account at UBS. BECK then advised Client to transfer Client 3's account from UBS to Wegelin and assisted Client 3 in preparing new account forms to effect the transfer into a newly opened undeclared account at Wegelin.

39. On Client 3's Forms 1040 for the tax years 2003 through and including 2008, Client 3 did not report to the IRS Client 3's interest in or signature or other authority over Client 3's accounts at UBS. Moreover, for the tax years 2003 through and including 2008, Client 3 did not file an FBAR disclosing Client 3's accounts at UBS.

#### Client 4

40. In or about late 2002, a citizen of the United States ("Client 4"), who was then residing in Queens, New York, and Client 4's sister learned that their father had an

undeclared account at UBS. The father's undeclared account at UBS had been established with the assistance of the Founder.

41. After learning of the account, Client 4 and Client 4's sister traveled to Zurich, Switzerland, to meet with the Founder. The Founder recommended that Client 4 and Client 4's sister split their father's account into two accounts, one held by Client 4 and one held by Client 4's sister. At the meeting, Client 4 and Client 4's sister executed various documents necessary to establish an undeclared account at UBS on behalf of each of them.

42. After the initial meeting, JOSEF BECK, the defendant, became the person at Beck Verwaltungen who was primarily responsible for the undeclared accounts of Client 4 and Client 4's sister.

43. Thereafter, Client 4 periodically met with JOSEF BECK, the defendant, at BECK's office in Zurich, Switzerland. During these periodic meetings, BECK reviewed with Client 4 the performance in Client 4's undeclared account at UBS.

44. In addition, during these periodic meetings, Client 4 executed documents to permit BECK to make withdrawals from Client 4's undeclared account at UBS.

45. A week or two after each of these periodic meetings, a man unknown and unidentified to Client 4 delivered cash to Client 4's home in Queens, New York. Client 4 received

approximately \$100,000 on each of approximately four such occasions in this fashion.

46. In or about November 2008, Client 4's undeclared account at UBS held assets valued at approximately \$2.6 million and Client 4's sister's undeclared account at UBS held assets valued at approximately \$2.6 million.

47. In or about November 2008 and at the request of JOSEF BECK, the defendant, Client 4 traveled to Zurich to meet with BECK. The meeting occurred at the offices of UBS in Zurich. At the meeting, BECK assisted Client 4 in preparing new account forms to effect a transfer of Client 4's undeclared account from UBS into a newly opened undeclared account at Wegelin.

48. On Client 4's Forms 1040 for the tax years 2003 through and including 2008, Client 4 did not report to the IRS Client 4's interest in or signature or other authority over Client 4's accounts at UBS. Moreover, for the tax years 2003 through and including 2008, Client 4 did not file an FBAR disclosing Client 4's accounts at UBS.

**Additional U.S. Taxpayer Clients of BECK**

49. In furtherance of the conspiracy, JOSEF BECK, the defendant, assisted, among other U.S. taxpayers, the following U.S. taxpayers identified below in ways that were substantially

similar to the corrupt, tax-evading services that BECK provided to Clients 1 through 4, as described above:

State of Residence of U.S. Taxpayer	Approximate Dates During Which UBS Account Open	Bank to Which Assets Were Transferred from UBS	Highest Approximate Value of Account
New York	1980-2008	Wegelin	\$3,277,203
New York	1970-2009	Wegelin	\$2,596,379
New York	N/A	International Bank	\$1,132,347
New York	1960s-2009	Wegelin	\$852,661
New York	1990-2008	Wegelin	\$1,862,486
New York	N/A	International Bank	\$350,000
New York	1998-2008	A Swiss bank	\$1,049,200
New York	1970-2005	A Swiss bank	\$4,934,138
New York	1977-2009	Wegelin	\$15,445,279
New York	1998-2009	Wegelin	\$13,210,829
New York	1998-2009	Wegelin	\$3,405,819
New York	1998-2009	Wegelin	\$2,778,468
New York	1995-2009	Wegelin	\$3,806,621
New York	1980-2009	Wegelin	\$2,155,100
New York	1983-2009	Wegelin	\$1,296,343
New York	N/A	International Bank	\$1,075,936
New York	N/A	International Bank	\$1,624,952
New York	1975-2008	Wegelin	\$5,125,044
New York	1980-2008	A Swiss bank	\$558,000
New York	1977-2009	Wegelin	\$1,085,812
New Jersey	1997-2009	Wegelin	\$1,296,343
New York	1994-2008	A Swiss bank; Wegelin	\$5,106,214
New York	1995-2010	N/A	\$5,500,085
New York	1977-2008	Two Swiss banks	\$35,457,762
New York	1970-2008	A Swiss bank	\$384,230
New York	1980s-2009	Wegelin	\$449,951
New York	2001-2008	Wegelin	\$911,617
New Jersey	2001-2008	Wegelin	\$618,668
New York	1992-2009	Wegelin	\$2,763,289
New York	2002-2008	A Swiss bank	\$2,409,492
New York	2001-2008	Wegelin	\$797,197
<b>Total</b>			<b>\$123,317,465</b>

### Statutory Allegations

50. From at least in or about the late 1980's through at least in or about 2010, in the Southern District of New York and elsewhere, JOSEF BECK, the defendant, together with others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to defraud the United States of America and an agency thereof, to wit, the IRS, and to commit offenses against the United States, to wit, violations of Title 26, United States Code, Section 7201, and Title 26, United States Code, Section 7206(1).

51. It was a part and an object of the conspiracy that JOSEF BECK, the defendant, together with others known and unknown, willfully and knowingly would and did defraud the United States of America and the IRS for the purpose of impeding, impairing, obstructing, and defeating the lawful governmental functions of the IRS in the ascertainment, computation, assessment, and collection of revenue, to wit, federal income taxes.

52. It was further a part and an object of the conspiracy that JOSEF BECK, the defendant, together with others known and unknown, willfully and knowingly would and did attempt to evade and defeat a substantial part of the income tax due and owing to the United States of America from clients of BECK who

were U.S. taxpayers, in violation of Title 26, United States Code, Section 7201.

53. It was further a part and an object of the conspiracy that JOSEF BECK, the defendant, together with others known and unknown, willfully and knowingly would and did make and subscribe returns, statements, and other documents, which contained and were verified by written declarations that they were made under the penalties of perjury, and which BECK, together with others known and unknown, did not believe to be true and correct as to every material matter, in violation of Title 26, United States Code, Section 7206(1).

**Overt Acts**

54. In furtherance of the conspiracy and to effect the illegal objects thereof, JOSEF BECK, the defendant, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. In or about the 1990's, Client 1 transported cash in the approximate amount of \$100,000 to \$200,000 from Florida to Brooklyn, New York.

b. In or about 2009, Client 2 received a bag containing approximately \$150,000 in cash from a small child of approximately five years of age.

c. In or about the late 1980's, Client 3 withdrew approximately \$30,000 from a safe deposit box that Client 3 maintained at a Manhattan branch of an international bank and provided it to BECK.

d. In or about November, 2008, Client 4 traveled to Zurich to meet with BECK and to transfer Client 4's undeclared account from UBS to a newly opened undeclared account at Wegelin.

e. In or about August 2006, BECK met, at a hotel in Manhattan, with a client who was a citizen of the United States ("Client 5") and who was then residing in the Bronx, New York. During the meeting, BECK reviewed with Client 5 the performance in Client 5's undeclared account at UBS.

(Title 18, United States Code, Section 371.)

**Count Two**  
**(Conducting an Unlicensed Money Transmitting Business)**

The Grand Jury further charges:

72. The allegations set forth in paragraphs 1 through 49 and paragraph 54 are repeated and realleged as if set forth fully herein.

73. From at least in or about late 1980's through at least in or about 2010, in the Southern District of New York and elsewhere, JOSEF BECK, the defendant, willfully and knowingly, conducted, controlled, managed, supervised, directed, and owned

all and part of an unlicensed money transmitting business affecting interstate and foreign commerce, which money transmitting business was operated without an appropriate money transmitting license in a State, to wit, New York, where such operation was punishable as a misdemeanor and a felony under State law, to wit, Sections 650(2)(a)(1) and 650(2)(b) of the New York State Banking Law, failed to comply with the money transmitting business registration requirements under Section 5330 of Title 31, United States Code, and regulations prescribed under such section, and otherwise involved the transportation or transmission of funds that were known to BECK to have been derived from a criminal offense and were intended to be used to promote and support unlawful activity, to wit, BECK, while employed by Beck Verwaltungen, transferred funds, including by accepting currency and funds and transmitting currency and funds, on behalf of his U.S. taxpayer clients with undeclared accounts at UBS and Wegelin, among other Swiss banks, including, but not limited to, Client 1, Client 2, Client 3, and Client 4.

(Title 18, United States Code, Sections 1960 and 2.)

  
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FOREPERSON

  
\_\_\_\_\_  
PREET BHARARA  
United States Attorney

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

-v.-

JOSEF BECK,

Defendant.

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INDICTMENT

12 Cr. \_\_\_\_\_ (\_\_\_\_\_)

(Title 18, United States Code,  
Sections 371, 1960, and 2.)

\_\_\_\_\_  
PREET BHARARA

United States Attorney.

A TRUE BILL

\_\_\_\_\_  


Foreperson.

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3/13/12 - Filed Indictment. Arrest warrant issued.  
Case assigned to J. Koehl.

J. FRANCIS  
U.S.M.J.