

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

12 CRIM 212

UNITED STATES OF AMERICA,

: INDICTMENT

-v.-

: 12 Cr. _____ (_____)

HANS THOMANN,

Defendant.

12 CRIM 212

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

COUNT ONE
(Conspiracy)

The Grand Jury charges:

The Defendant and Associated Entities

1. At all times relevant to this Indictment, HANS THOMANN, the defendant, was a citizen and resident of Switzerland.
2. At all times relevant to this Indictment, UBS AG ("UBS"), a co-conspirator not named as a defendant herein, 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.
3. From in or about 1993 until at least in or about 2003, HANS THOMANN, the defendant, was a client advisor at UBS

JUDGE KAPLAN

AG ("UBS"). As a client advisor, THOMANN was a UBS client's primary interface with UBS. From in or about 2003 until at least in or about 2010, THOMANN was a client advisor at a series of asset management firms based in Switzerland (collectively, the "Swiss Asset Managers"). Like UBS, the Swiss Asset Managers provided wealth management services to individuals around the world, including to U.S. taxpayers. Unlike UBS, however, the Swiss Asset Managers were not depository institutions. As a result, the Swiss Asset Managers arranged for the accounts of their clients to be maintained at various banks located in Switzerland. At all times relevant to this Indictment, the Swiss Asset Managers did not maintain any offices in the United States.

4. At all times relevant to this Indictment, Wegelin & Co ("Wegelin") , a co-conspirator not named as a defendant herein, 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 was principally owned by eight managing partners. At all times relevant to this Indictment, Wegelin did not maintain any offices in the United States.

5. At all times relevant to this Indictment, HANS THOMANN, the defendant, the Swiss Asset Managers, and Wegelin were not licensed to operate as a money transmitting business in the State of New York. In addition, THOMANN, the Swiss Asset Managers, 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

6. From in or about 1993 through at least in or about 2010, HANS THOMANN, the defendant, conspired with various U.S. taxpayers, Wegelin, UBS, and others to ensure that his 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.

7. Among other services that HANS THOMANN, 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. For example, THOMANN, while in the United States, accepted cash in amounts ranging from approximately \$10,000 to approximately \$140,000 from U.S. taxpayer clients of his who wished to make a deposit into their secret Swiss bank accounts. In turn and while still in the United States, THOMANN distributed the cash that he had accepted to other of his U.S. taxpayer clients who wished to make withdrawals from their secret Swiss bank accounts. The overall effect of these transactions was to further conceal the illegal conduct of THOMANN and his U.S. taxpayer clients by ensuring that: (1) U.S. taxpayers who held undeclared accounts were able to deposit funds into, and withdraw funds from, their undeclared accounts without having to travel into or out of the United States with cash; and (2) THOMANN did not have to travel into or out of the United States with cash.

8. The collective maximum value of the assets in undeclared accounts that were beneficially owned by the more than 32 U.S. taxpayer clients of HANS THOMANN, the defendant,

and that either were opened with THOMANN's assistance or were managed by THOMANN, was more than approximately \$139 million, as reflected in paragraphs 28, 39, 42, 60, and 66.

Background

Obligations of United States Taxpayers With Respect to Foreign Financial Accounts

9. 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.

10. 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.

11. 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."

12. 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.

**Swiss Banks at Which THOMANN's
U.S. Taxpayer Clients Held Accounts**

13. While HANS THOMANN, the defendant, was employed by UBS from in or about 1993 until in or about 2003, THOMANN typically either served as a client advisor to U.S. taxpayers who sought to open new undeclared accounts at UBS or was assigned by UBS to serve as a client advisor to U.S. taxpayers who had, through other client advisors at UBS, already opened undeclared accounts at UBS.

14. Thereafter, from in or about 2003 through at least in or about 2010, HANS THOMANN, the defendant, was employed in succession by the Swiss Asset Managers. Through the Swiss Asset Managers, THOMANN arranged for the undeclared accounts of his clients to be maintained at various banks located in Switzerland.

15. Wegelin was one of the various banks at which HANS THOMANN, the defendant, managed undeclared accounts while he was employed by the Swiss Asset Managers.

The Conspiracy

16. From at least in or about 1993 through at least in or about 2010, HANS THOMANN, the defendant, agreed with 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, 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

17. Among the means and methods by which HANS THOMANN, the defendant, and his co-conspirators would and did carry out the conspiracy were the following:

a. THOMANN and his co-conspirators opened, maintained, and managed undeclared accounts on behalf of U.S. taxpayers at UBS and Wegelin.

b. THOMANN and his co-conspirators used sham "foundations" formed under the laws of Liechtenstein to conceal, from the IRS and others, the ownership by U.S. taxpayers of accounts established at UBS and Wegelin, and the income generated in those accounts.

c. THOMANN and his co-conspirators prepared and accepted forms that falsely and fraudulently stated under penalties of perjury that the beneficial owner of a given undeclared account maintained at UBS was "not a U.S. person," when, in truth and in fact, THOMANN and his co-conspirators knew that, as reflected on documents contained within the files of UBS, the beneficial owner of the particular undeclared account was a U.S. taxpayer.

d. Co-conspirators of THOMANN 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.

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

f. When THOMANN and his co-conspirators came to believe that UBS might be forced to identify to the IRS the beneficial owners of undeclared accounts held at UBS, THOMANN and his co-conspirators transferred the assets in some of the U.S. taxpayers' undeclared accounts at UBS to Wegelin, to which THOMANN had introduced his U.S. taxpayer clients. While THOMANN was employed at the Swiss Asset Managers, THOMANN continued to manage these assets after their transfer from UBS.

g. THOMANN and his co-conspirators arranged for account statements for the undeclared accounts of U.S. taxpayers not to be sent to the U.S. taxpayers in the United States.

h. THOMANN, while in the United States, accepted cash in amounts ranging from approximately \$10,000 to approximately \$140,000 from U.S. taxpayer clients of his who wished to make deposits into their undeclared accounts, which THOMANN distributed, while still in the United States, to other of his U.S. taxpayer clients who wished to make withdrawals from their undeclared accounts.

i. THOMANN and at least one co-conspirator communicated in a secret pre-arranged code to disguise their discussions about at least one undeclared account and transactions in and out of that account.

THOMANN'S U.S. Taxpayer Clients

18. At various times relevant to this Indictment, HANS THOMANN, the defendant, acting through UBS and the Swiss Asset Managers, opened and/or managed undeclared accounts for more than approximately 32 U.S. taxpayers with a collective maximum of more than approximately \$139 million in assets. For example, HANS THOMANN, the defendant, transferred and/or assisted in transferring more than approximately 13 undeclared accounts from UBS to Wegelin, including many transfers when THOMANN and his co-conspirators believed that UBS might be

forced to identify to the IRS the beneficial owners of undeclared accounts held at UBS. Details for several examples of U.S. taxpayers for whom THOMANN opened and/or managed undeclared accounts at UBS and/or Wegelin are set forth more fully below.

Client 1

19. In or about the 1990's, a citizen of the United States ("Client 1"), who was then residing in New Jersey, met with HANS THOMANN, the defendant, in the lobby of a hotel in midtown Manhattan (the "Manhattan Hotel"). At the meeting, THOMANN, then working for UBS, proposed that Client 1 open an undeclared account at UBS. Client 1 did not open an undeclared account at that time.

20. Approximately two years later, Client 1 experienced some health problems and contacted HANS THOMANN, the defendant, for the purposes of opening an undeclared account at UBS. Some time later, Client 1 and THOMANN met in the lobby of the Manhattan Hotel. During the meeting, THOMANN explained, among other things, that THOMANN had numerous U.S. clients who gave THOMANN cash in the United States to deposit into their undeclared accounts and that Client 1 could do so as well. THOMANN also explained that Client 1 could fund Client 1's undeclared account through personal checks as long as the checks were in amounts less than \$10,000.

21. Subsequently, Client 1 executed various documents necessary to open an undeclared account at UBS. HANS THOMANN, the defendant, assisted Client 1 in completing the necessary documents and, thereafter, functioned as the client advisor for Client 1's undeclared account at UBS. In connection with opening Client 1's undeclared account, THOMANN advised Client 1 to place a mail hold instruction on Client 1's undeclared account at UBS so that no mail would be sent to Client 1's address in the United States.

22. In or about the late 1990's and at a meeting at the Manhattan Hotel, HANS THOMANN, the defendant, advised Client 1 to form a foundation under the laws of Liechtenstein to hold his undeclared account at UBS. At the meeting, THOMANN introduced Client 1 to a Swiss attorney, Matthias W. Rickenbach ("Rickenbach"), a co-conspirator not named as a defendant herein.

23. In or about 2002, Rickenbach, acting on Client 1's instructions, formed a foundation under the laws of Liechtenstein called the "Theka Foundation," a name provided to Client 1 by Rickenbach. Thereafter, the assets in Client 1's undeclared account at UBS were transferred to a new UBS account opened in the name of the Theka Foundation.

24. In or about 2003, HANS THOMANN, the defendant, left the employment of UBS and began employment at one of the

Swiss Asset Managers. With Client 1's consent, THOMANN continued to manage Client 1's undeclared account, then held in the name of the Theka Foundation, which remained at UBS.

25. In or about 2003, HANS THOMANN, the defendant, recommended to Client 1 that Client 1 transfer his undeclared account from UBS to Wegelin. In doing so, THOMANN promised Client 1 total anonymity with respect to his undeclared account and stressed that Wegelin was a small Swiss bank with no presence in the United States, unlike UBS. THOMANN coordinated the transfer of Client 1's undeclared account in the name of the Theka Foundation from UBS to Wegelin.

26. Shortly after the undeclared account in the name of the Theka Foundation was opened at Wegelin in 2003, Client 1 travelled to Zurich, Switzerland, and visited Wegelin together with HANS THOMANN, the defendant. Client 1 showed a representative of Wegelin his United States passport and made a small withdrawal in cash.

27. Both before and after Client 1 opened the undeclared account in the name of the Theka Foundation at UBS and before and after Client 1 transferred his undeclared account from UBS to Wegelin, Client 1 met with HANS THOMANN, the defendant, on more than approximately ten occasions either at the Manhattan Hotel or at UBS in Zurich, Switzerland. During these periodic meetings:

a. Client 1 provided to THOMANN checks made payable to UBS, to be credited to Client 1's undeclared account at UBS;

b. Client 1 provided to THOMANN cash in amounts between approximately \$5,000 and \$20,000 to be credited to Client 1's undeclared account at UBS;

c. THOMANN reviewed the performance in Client 1's undeclared account; and/or

d. THOMANN assured Client 1 that, as result of Swiss banking law, Client 1's undeclared account would remain secret.

28. In or about 2007, Client 1's account at Wegelin held assets valued at over \$3 million.

29. On Client 1's Forms 1040 for the tax years 2003 through and including 2010, 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 2009, Client 1 did not file an FBAR disclosing Client 1's accounts at UBS or Wegelin.

Client 2

30. In or about the early 1990's, a citizen of the United States ("Client 2"), who was then residing in New Jersey, met with HANS THOMANN, the defendant, at Client 2's office in New Jersey. At the meeting, THOMANN, then working for UBS,

proposed that Client 2 open an undeclared account at UBS.

THOMANN further explained that, if Client 2 opened an undeclared account at UBS, THOMANN could receive cash from Client 2, which THOMANN would credit to Client 2's undeclared account at UBS.

31. In or about 1993, Client 2 opened an undeclared account at UBS with the assistance of HANS THOMANN, the defendant, who functioned as the client advisor thereafter.

32. In or about 2001 or 2002, HANS THOMANN, the defendant, informed Client 2 that Client 2 could no longer purchase securities listed on U.S. stock exchanges as a result of changes in U.S. law. THOMANN informed Client 2 that Client 2 might wish to use the services of a lawyer in Liechtenstein to ensure that Client 2's account at UBS remained secret. As a way of further guaranteeing the secrecy of Client 2's undeclared account, THOMANN suggested to Client 2 that Client 2 might find an unrelated elderly person in Europe to whom Client 2 could transfer Client 2's undeclared account and then have that person name Client 2 as the legal heir to the undeclared account.

33. In or about late 2003, after HANS THOMANN, the defendant, had left UBS, Client 2 transferred the management of his undeclared account at UBS to HANS THOMANN, the defendant, who was, by then, employed by one of the Swiss Asset Managers.

34. In or about late 2003, HANS THOMANN, the defendant, recommended to Client 2 that Client 2 transfer Client

2's undeclared account from UBS to Wegelin. In doing so, THOMANN stressed that Wegelin was a small Swiss bank with no presence in the United States and, therefore, was not subject to pressure from the U.S. government. THOMANN coordinated the transfer of Client 2's undeclared account from UBS to Wegelin.

35. After Client 2's undeclared account was transferred from UBS to Wegelin, HANS THOMANN, the defendant, periodically sent Client 2 statements to Client 2's residence. The statements omitted Client 2's name and the name of any bank representative and were mailed in an envelope bearing no return address. On some occasions when THOMANN sent Client 2 statements for Client 2's undeclared account at Wegelin, THOMANN noted in handwriting some aspect of the performance of Client 2's portfolio on the statements that were sent to Client 2.

36. Both while Client 2's undeclared account was maintained at UBS and, thereafter, while Client 2's undeclared account was maintained at Wegelin, Client 2 provided cash to HANS THOMANN, the defendant, during meetings conducted at the Manhattan Hotel and at a different Manhattan hotel at which THOMANN typically stayed after THOMANN left UBS (the "Second Manhattan Hotel"). On more than approximately 15 occasions, Client 2 and THOMANN met at the Manhattan Hotel or the Second Manhattan Hotel where Client 2 provided THOMANN with cash. The purpose of Client 2's providing cash to THOMANN was for THOMANN

to arrange for Client 2's undeclared account at UBS or Wegelin to be credited in the amount provided by Client 2 to THOMANN. Client 2 typically provided between approximately \$60,000 and \$80,000 to be credited to Client 2's account and, on one occasion, Client 2 provided THOMANN with \$140,000 to be credited to Client 2's account.

37. In advance of meetings at the Manhattan Hotel and the Second Manhattan Hotel, Client 2 and HANS THOMANN, the defendant, spoke by telephone or communicated by e-mail. During these telephone calls and in these e-mails, THOMANN typically informed Client 2 that THOMANN was coming to the United States to visit "relatives" -- THOMANN's code for THOMANN's U.S. clients -- and typically asked Client 2 whether Client 2 had any "gifts" for THOMANN -- THOMANN's code for cash.

38. In or about 2009, Client 2 informed HANS THOMANN, the defendant, that Client 2 was considering voluntarily disclosing his undeclared accounts to the IRS, pursuant to a special program that the IRS had established for U.S. taxpayers who had undeclared accounts, the Offshore Voluntary Disclosure Program (the "OVDP"), by which U.S. taxpayers could, in general, disclose their undeclared accounts to the IRS and pay taxes due and owing and reduced penalties and seek to avoid criminal prosecution. At or about the same time, THOMANN advised Client 2 not to participate in the OVDP.

39. In or about 2007, Client 2's account at Wegelin held assets valued at nearly \$1.583 million.

40. In or about August 2011, Client 2 and HANS THOMANN, the defendant, spoke by telephone. During the telephone call, Client 2 informed THOMANN that Client 2 had spoken with a representative of the IRS. THOMANN told Client 2 that the OVDP was a "trick" to lure Client 2 into disclosing the facts concerning Client 2's undeclared account after which Client 2 would be criminally prosecuted.

41. On Client 2's Forms 1040 for the tax years 2003 through and including 2009, 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 2009, Client 2 did not file an FBAR disclosing Client 2's accounts at UBS or Wegelin.

Client 3

42. In or about the late 1990's, a citizen of the United States ("Client 3"), who was then residing in Manhattan, opened an undeclared account at a predecessor of UBS. Client 3 funded the account with a \$2 million wire transfer from another bank located in Europe.

43. In or about 1998, HANS THOMANN, the defendant, became the client advisor for Client 3's undeclared account at UBS.

44. Thereafter, Client 3 travelled to Zurich, Switzerland, to meet with HANS THOMANN, the defendant, to complete various documents relating to Client 3's undeclared account. During the meeting, THOMANN advised Client 3 to place a mail hold instruction on Client 3's undeclared account so that no mail would be sent to Client 3's address in the United States. THOMANN further advised Client 3 that, when Client 3 was in the United States, Client 3 should call THOMANN only from a pay telephone, so as to minimize the risk of discovery of the undeclared account. THOMANN further informed Client 3 that THOMANN travelled frequently to the United States and that THOMANN could accept cash from, or deliver cash to, Client 3 during these trips.

45. From in or about 1998 through in or about 2002, HANS THOMANN, the defendant, and Client 3 met on approximately five to seven occasions at the Manhattan Hotel. During these periodic meetings, THOMANN reviewed with Client 3 the performance in Client 3's undeclared account. In addition, during these periodic meetings:

a. THOMANN accepted cash from Client 3 in the approximate amount of \$30,000 to be credited to Client 3's undeclared account at UBS; or

b. THOMANN provided cash to Client 3 in the approximate amount of between \$50,000 and \$60,000 to be debited from Client 3's undeclared account at UBS.

46. From in or about 1998 through in or about 2002, HANS THOMANN, the defendant, arranged for Client 3 to pick up cash from a person in London whose identity was not provided by THOMANN to Client 3, which cash was debited from Client 3's undeclared account at UBS.

47. In or about late 2000 or early 2001, HANS THOMANN, the defendant, met with Client 3 at the Manhattan Hotel. During the meeting, THOMANN recommended that Client 3 meet with Beda Singenberger ("Singenberger"), a co-conspirator not named as a defendant herein, who, according to THOMANN, could assist Client 3 with Client 3's undeclared account at UBS. At all times relevant to this Indictment, Singenberger owned, operated, and controlled Sinco Treuhand AG ("Sinco"), through which Singenberger provided wealth management and tax advice to individuals around the world. A few moments later, Singenberger appeared at the room in which THOMANN was staying at the Manhattan Hotel to meet with THOMANN and Client 3. At the meeting, THOMANN confirmed that THOMANN and others employed by UBS recommended to U.S. taxpayer clients who had undeclared accounts at UBS that they use the services of Singenberger.

48. Thereafter, Client 3 travelled to Zurich, Switzerland, to meet with Singenberger at Sinco's offices. Singenberger recommended to Client 3 that Client 3 establish a corporation organized under the laws of Panama or the British Virgin Islands to hold Client 3's assets at UBS as a stronger mechanism to hide from the IRS Client 3's beneficial ownership of the assets held at UBS. Ultimately, Client 3 agreed with Singenberger's recommendation.

49. Thereafter, in order to assist Client 3 in evading U.S. taxes, in or about August 2000, Singenberger, with the assistance of HANS THOMANN, the defendant, completed documents necessary to open a second undeclared account at UBS in the name of Blue Star International Business Corp., a corporation that had previously been organized by Singenberger and/or Sinco under the laws of the British Virgin Islands. THOMANN initialed and stamped the account opening document and a document evidencing the creation of Blue Star International Business Corp. Although Client 3 was the beneficial owner of the assets held in the name of Blue Star International Business Corp., Singenberger was identified as the president of Blue Star International Business Corp. in various documents accepted by THOMANN on behalf of UBS. Singenberger arranged for correspondence related to the Blue Star International Business Corp. account at UBS to be sent to Sinco and never to Client 3

in the United States. At or about the same time, Singenberger signed a form used in Swiss banking practice ("Form A") in which he declared that the beneficial owner of the assets in the Blue Star International Business Corp. account at UBS was Client 3. The Form A listed Client 3's U.S. address and was accepted as part of UBS's records for Client 3's account by THOMANN, who stamped and initialed the Form. However, in order to assist Client 3 in evading U.S. taxes, at or about the same time as he executed the Form A and contrary to the statements made in the Form, Singenberger falsely and fraudulently swore in another form under penalties of perjury that the beneficial owner of the account was Blue Star International Business Corp. and not a U.S. person. In truth and in fact, and as Singenberger and THOMANN then and there well knew, the beneficial owner of the Blue Star International Business Corp. account at UBS was Client 3 and also a U.S. person.

50. Client 3 directed the investments in the Blue Star International Business Corp. account at UBS. THOMANN was well aware that the beneficial owner of the Blue Star International Business Corp. account at UBS -- Client 3 -- made the relevant decisions concerning transactions and investments in that account in plain disregard of the corporate formalities. For example, on or about March 12, 2002, and while HANS THOMANN, the defendant, was staying at the Manhattan Hotel, Client 3 sent

by facsimile a letter directed to a representative of Sinco. In it, Client 3 wrote:

I spoke with Han's [sic] (currently visiting in NYC) about the following request. He asked that you forward this fax directly to [THOMANN's colleague at UBS].

The letter then requested that UBS issue checks:

- a. For \$9,647.55 payable to Client 3 and \$48,263.00 payable to Fidelity Investments on March 13, 2002, and send them to Client 3 at Client 3's home address in Manhattan;
- b. For \$9,222.22 payable to Client 3's wife and \$49,250.00 payable to The Vanguard Group on March 26, 2002, and send them to Client 3's wife at Client 3's home address in Manhattan;
- c. For \$9,405.10 payable to Client 3's daughter and \$36,125.00 payable to Charles Schwab, the brokerage firm, on April 2, 2002, and send them to Client 3's daughter at Client 3's home address in Manhattan;
- d. For \$9,525.00 payable to Client 3 and \$44,500.00 payable to Paine Webber on April 8, 2002, and send them to Client 3 at Client 3's home address in Manhattan; and
- e. For \$9,647.00 payable to Client 3's daughter and \$45,449.00 payable to Fidelity Investments on April 16,

2002, and send them to Client 3's daughter at Client 3's home address in Manhattan.

51. On or about April 10, 2002, Client 3 sent by facsimile a letter to Sinco requesting that the letter "[p]lease [be] forward[ed] . . . onto [sic] Hans." In the letter, Client 3 requested that UBS cause to be issued a check drawn on an account maintained by UBS in the United States in the amount of approximately \$844,000 to satisfy a mortgage on real property that Client 3 owned and that the check be sent to a private mailbox associated with Client 3.

52. In or about June 2002, Client 3 closed his undeclared account at UBS.

53. On Client 3's Forms 1040 for the tax years 2001 through and including 2002, Client 3 did not report to the IRS either Client 3's interest in or signature or other authority over Client 3's accounts at UBS. Moreover, for the tax years 2001 through and including 2002, Client 3 did not file an FBAR disclosing Client 3's accounts at UBS.

Client 4

54. In or about 1987, a citizen of the United States who resided in Manhattan and who was a U.S. taxpayer ("Client 4") inherited from Client 4's mother an undeclared account at a predecessor of UBS.

55. In or about 1989, Client 4 opened an undeclared account at a predecessor of UBS and transferred into it the assets held in the account that Client 4 had inherited from Client 4's mother.

56. In or about 1993, HANS THOMANN, the defendant, became the client advisor for Client 4's undeclared account at UBS.

57. In or about the late 1990's, HANS THOMANN, the defendant, informed Client 4 that Client 4 could no longer hold U.S. securities in Client 4's account at UBS. THOMANN referred Client 4 to Singenberger and indicated that Singenberger could solve this problem and that large clients of THOMANN were employing Singenberger's services.

58. Thereafter, in order to assist Client 4 in evading U.S. taxes, in or about October 2000, Singenberger, with the assistance of HANS THOMANN, the defendant, completed documents necessary to open an undeclared account at UBS in the name of a corporation that had previously been organized by Singenberger and/or Sinco under the laws of the British Virgin Islands (the "Client 4 Corporation"). THOMANN initialed and stamped the account opening document and a document evidencing the creation of Client 4 Corporation. Although Client 4 was the beneficial owner of the assets held in the name of Client 4 Corporation, Singenberger was identified as the president and

one of the directors of the Client 4 Corporation in various documents accepted by THOMANN on behalf of UBS. At or about the same time, Singenberger signed a form (the "Form") in which he declared that the beneficial owner of the assets in the Client 4 Corporation account at UBS was Client 4. The Form A listed Client 4's Manhattan address and was accepted as part of UBS's records for Client 4 by THOMANN, who stamped and initialed the Form. However, in order to assist Client 4 in evading U.S. taxes, and contrary to the statements made in the Form, Singenberger falsely and fraudulently swore, in or about December 2000, under penalties of perjury in another form that the beneficial owner of the account was Client 4 Corporation and not a U.S. person. In truth and in fact, and as Singenberger and THOMANN then and there well knew, the beneficial owner of the Client 4 Corporation account at UBS was Client 4 and also a U.S. person, which was evident from documents maintained in the files of UBS.

59. Within days after the Client 4 Corporation account at UBS was opened, all of the assets from Client 4's original UBS account were transferred into the newly opened account held in the name of the Client 4 Corporation.

60. In or about December 2000, the Client 4 Corporation account at UBS held assets valued at approximately \$916,000.

61. From in or about the late 1990's through in or about 2004, HANS THOMANN, the defendant, and Client 4 met on approximately five occasions at the Manhattan Hotel. THOMANN informed Client 4 that THOMANN preferred the Manhattan Hotel because the hotel did not have a security camera and, therefore, there would be no photographs of THOMANN's U.S. clients coming to meet with THOMANN. During these periodic meetings, THOMANN reviewed the performance in Client 4's undeclared account with Client 4 by reference to paper account statements that, at the conclusion of the meetings, THOMANN instructed Client 4 to destroy. In addition, during these periodic meetings, THOMANN provided cash to Client 4 in the approximate amounts of between \$10,000 and \$20,000, which were to be debited from Client 4's undeclared account at UBS. THOMANN informed Client 4 that the cash that THOMANN provided to Client 4 had been provided to THOMANN by other U.S. clients of his.

62. In or about June 2004, Singenberger arranged for the assets held in the Client 4 Corporation account at UBS to be sold and the cash generated to be transferred to an account opened in the name of Client 4 Corporation at the Swiss-based subsidiary of a bank with its headquarters in Liechtenstein ("Swiss-Liechtenstein Bank No. 1"). Singenberger charged Client 4 \$50,000 to facilitate the transfer of the assets from UBS to Swiss-Liechtenstein Bank No. 1.

63. On multiple occasions while Singenberger was managing Client 4's accounts at UBS and Swiss-Liechtenstein Bank No. 1, Singenberger traveled to Manhattan to meet with, among other clients of Singenberger's, Client 4. On multiple occasions during these trips, Singenberger delivered cash to Client 4 from Client 4's account while in Manhattan typically in the amounts of \$10,000 or \$20,000.

64. After June 2004, Client 4 decided that Client 4 no longer wished to have Singenberger manage Client 4's undeclared account at Swiss-Liechtenstein Bank No. 1. Client 4 requested, in substance and in part, to remove Client 4's funds from Singenberger's management, but Singenberger refused to permit this. Eventually, HANS THOMANN, the defendant, who had, by then, left UBS and was then employed by one of the Swiss Asset Managers, assisted Client 4 in transferring Client 4's assets from Swiss-Liechtenstein Bank No. 1 to Wegelin.

65. On Client 4's Forms 1040 for the tax years 2002 through and including 2008, Client 4 did not report to the IRS either Client 4's interest in or signature or other authority over Client 4's accounts at UBS, Swiss-Liechtenstein Bank No. 1, or Swiss Bank No. 1. Moreover, for the tax years 2000 through and including 2008, Client 4 did not file an FBAR disclosing Client 4's accounts at UBS, Swiss-Liechtenstein Bank No. 1, or Swiss Bank No. 1.

Additional U.S. Taxpayer Clients of THOMANN

66. In furtherance of the conspiracy, HANS THOMANN, 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 THOMANN 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
Florida	1980-2009	A Swiss Bank	\$5,126,031
New York	1998-2009	Swiss branch of an Israeli bank	\$2,511,220
New York	2003-2008	Swiss branch of an Israeli bank	\$1,397,000
New York	1983-2009	A Swiss Bank	\$1,213,220
New York	1990-2008	A Swiss Bank	\$13,330,510
California	1999-2009	A Swiss cantonal bank	\$7,958,866
New York	1995-2009	Swiss-Liechtenstein Bank No. 1	\$2,582,643
New York	1986-2009	A Swiss Bank	More than \$1,000,000
Massachusetts	1996-2009	N/A	\$4,070,000
New York	1982-2003	N/A	\$2,553,089
Massachusetts	1998-2008	N/A	\$2,216,264
Massachusetts	1998-2008	N/A	\$2,032,283
California	1998-2008	N/A	\$2,028,562
Florida	1981-2008	N/A	\$1,509,625
Pennsylvania	1998-2003	N/A	\$1,139,798
New Jersey	1970-2009	Wegelin	\$11,554,565
New York	1970-2006	Wegelin	\$6,975,393
New Jersey	1995-2003	Wegelin	\$5,685,230
New York	1939-2009	Wegelin	\$3,488,172
New York	1990-2010	Wegelin	\$2,990,656
Florida	2002-2009	Wegelin	\$1,728,662
New Jersey	1970-2008	Wegelin	\$1,543,468
New York	1960-2009	Wegelin	\$1,109,066

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
Connecticut	N/A	Wegelin	\$1,074,331
New York	1972-2003	Wegelin	More than \$1,000,000
Virginia	1985-2008	Wegelin	\$733,521
New Jersey	1963-2009	Wegelin	\$723,632
New York	1984-2009	A Swiss cantonal bank	\$41,394,400
Washington, D.C.	1983-2009	A Swiss cantonal bank	\$1,608,310
Total			More than \$131,240,393

Statutory Allegations

67. From at least in or about 1993 through at least in or about 2010, in the Southern District of New York and elsewhere, HANS THOMANN, 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).

68. It was a part and an object of the conspiracy that HANS THOMANN, 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.

69. It was further a part and an object of the conspiracy that HANS THOMANN, 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 THOMANN who were U.S. taxpayers, in violation of Title 26, United States Code, Section 7201.

70. It was further a part and an object of the conspiracy that HANS THOMANN, 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 THOMANN, 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

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

a. From on or about February 16, 2000, through on or about February 24, 2000, THOMANN stayed at the Manhattan Hotel for the purpose of meeting with U.S. clients whose undeclared accounts he managed.

b. From on or about February 9, 2001, through on or about February 22, 2001, THOMANN stayed at the Manhattan Hotel for the purpose of meeting with U.S. clients whose undeclared accounts he managed.

c. From on or about March 1, 2002, through on or about March 14, 2002, THOMANN stayed at the Manhattan Hotel for the purpose of meeting with U.S. clients whose undeclared accounts he managed.

d. From on or about April 13, 2007, through on or about April 20, 2007, THOMANN stayed at the Second Manhattan Hotel for the purpose of meeting with U.S. clients whose undeclared accounts he managed.

e. From on or about March 7, 2008, through on or about March 13, 2008, THOMANN stayed at the Second Manhattan Hotel for the purpose of meeting with U.S. clients whose undeclared accounts he managed.

(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 66 and 71 are repeated and realleged as if set forth fully herein.

73. From at least in or about 1993 through at least in or about 2010, in the Southern District of New York and elsewhere, HANS THOMANN, 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 THOMANN to have been derived from a criminal offense and were intended to be used to promote and support unlawful activity, to wit, THOMANN, while employed at UBS and thereafter at the Swiss Asset Managers,

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, including, but not limited to, Client 1, Client 2, Client 3, and Client 4.

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



FOREPERSON



PREET BHARARA
United States Attorney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

-v.-

HANS THOMANN,

Defendant.

INDICTMENT

12 Cr. _____ (_____)

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

PREET BHARARA
United States Attorney.

A TRUE BILL



Foreperson.

3/13/12- Filed Indictment. Arrest Warrant issued.
Case assigned to J. Kaplan.

J. Francis
U.S.M.J.