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URGENT MATTER – TIME SENSITIVE

April 15, 2010

The Honorable Eric Holder
Attorney General
United States Department of Justice
950 Pennsylvania Ave., N.W.
Washington, D.C. 20530

The Honorable Douglas Shulman
Commissioner
Internal Revenue Service
1111 Constitution Ave., N.W.
Washington, D.C. 20224

The Honorable Mary Schapiro
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Re: UBS and UBS Client Illegal Conduct/Bradley Charles Birkenfeld

Dear Attorney General Holder, Commissioner Shulman and Commissioner Schapiro:

We submit the following information on behalf of Mr. Bradley Charles Birkenfeld concerning the inappropriate conduct of UBS and U.S. clients serviced by UBS Swiss bankers in contravention of United States tax and securities laws. This information will enable the U.S. Department of Justice, the Internal Revenue Service and the Security and Exchange Commission to identify individual “taxpayers” who held undeclared accounts at UBS in Zurich, Geneva and Lugano, Switzerland.

This letter also incorporates by reference a confidential letter submitted on February 18, 2010 to the Commissioner of the Securities and Exchange Commission (“SEC”). This letter provided extensive details as to how attorneys representing UBS violated attorney ethics rules, the Sarbanes Oxley Act and other rules and regulations governing attorney conduct, and consequently waived the attorney client privilege. This information was provided, in part, to assist the United States in identifying UBS clients who were represented by these attorneys. The information in this letter is incorporated by reference.

The methodology for identifying these “taxpayers” and the magnitude of this tax fraud was initially disclosed voluntarily to the U.S. Department of Justice and a criminal investigator of the Department of Treasury in 2007 by Mr. Birkenfeld. We understand that the United States government chose to rely on a deferred prosecution agreement and John Doe summons in order to obtain the identities of the individual U.S. account holders who had “undisclosed” Swiss bank accounts. Yet, the agreement with UBS did not mandate the full disclosure of every single account holder. After the deferred prosecution agreement and John Doe summons were approved, courts in Switzerland issued rulings, which indicated that UBS’ disclosure of individual U.S. client names might be at risk. Mr. Birkenfeld urges the United States to pursue the names of these undeclared U.S. account holders to recover the billions of dollars of assets hidden from the Internal Revenue Service, and/ or to obtain back taxes or penalties from individuals or corporations who violated various federal, state and local tax laws. Additionally, each of the “taxpayers” may have been directly involved in conducting illegal stock trading and other violations of U.S. Securities laws, including insider trading.

Despite the possibility that UBS and the Swiss Courts may flout the deferred prosecution agreement and John Doe summons, we want to bring to the attention of the U.S. Government that several measures exist to procure the same information. The names of the individuals who maintained these undeclared accounts with UBS could be discovered through a comprehensive investigative plan based on the attached documents. These documents are paginated in the following manner BB 1012 - 1026. Additionally, there are 9 additional pages of documents paginated as BB1026 (BB35 – BB43). The numbers BB 35-BB 43 refer back to exhibit numbers referencing these documents created by the Department of Justice on June 21, 2007. These documents contain information, which can be used to identify U.S. clients with undeclared accounts. Copies of these documents will be provided under separate cover.

This information includes:

- Names of the UBS Swiss bankers who traveled to the United States in order to conduct business with US Clients and in order to service undeclared accounts. See BB 1012.
- Phone numbers, fax numbers, cell phone numbers and email addresses of all UBS Swiss bankers who serviced undeclared accounts. These phone numbers and email addresses can be searched to identify all United States contacts made by UBS Swiss bankers to U. S. clients. See BB 1013-BB 1026 (BB 43).
- Records of hotel stays, travel discounts, meetings and social events will identify the use of UBS resources to engage in illegal activities. This information will establish a link between UBS Swiss and UBS USA and can be further used to identify additional clients.
- UBS USA sponsored major social events in which UBS Swiss bankers were invited to participate. UBS Swiss bankers were permitted to attend these events. This permitted UBS Swiss bankers to meet and solicit new clients, and strengthen ties with their current U.S. clients.

- These events were facilitated, sponsored and paid for by UBS USA. Attendance records for these events will identify U.S. clients with undeclared accounts and further identify the UBS employees involved in the frauds.

The Federal Bureau of Investigation maintains a standard investigatory mechanism to perform a simple search of phone records. Through either a warrant or administrative subpoena, the DOJ/IRS/SEC can obtain a listing of all of the phone transactions conducted on each Swiss banker's phone. This would include their cell phones, landlines and the fax phone numbers. This process is fairly straightforward and may be utilized to yield the phone numbers of U. S. clients that maintained undeclared accounts. In other words it is possible to obtain the phone number of every person who called any of the UBS Swiss banker phone numbers identified in these documents. Likewise, through these procedures the DOJ/IRS/SEC can obtain the phone numbers of every person the UBS Swiss banker called or persons he sent a fax to. The telephone transactions between the UBS Swiss banker and anyone in the United States will provide direct information on the identity of U.S. clients with undisclosed accounts or the person who conspired with the UBS Swiss Banker to facilitate their improper banking activities in America.

It is also possible to go back and review many years of phone record information, because these records are often stored in multiple locations and stored for many years. Many of these cell phone numbers are still in working order; thus, numerous U. S. clients with undeclared accounts may also have utilized these phone numbers to gain information about their undeclared accounts after Mr. Birkenfeld blew the whistle on UBS and its extensive illegal offshore banking business.

In addition to the list of UBS Swiss bankers' cell phone numbers/ landline/ fax numbers, Mr. Birkenfeld downloaded the contents of his personal cell phone, which would include contact numbers of UBS bankers and clients. This information was downloaded by and provided to the U.S. Department of Justice.

Furthermore, an excerpt from the UBS Rolodex beginning on attached form BB 1013 provides the cell phone numbers as well as external numbers and fax numbers of UBS bankers. This contact information continues through BB 1019. Both the UBS Swiss bankers and their assistants are also listed on BB 1020 – 1022. Finally, BB 1026 (BB 36) through BB 1026 (BB 43) contains names, cell phone numbers and emails accounts of the UBS Swiss bankers. Given Mr. Birkenfeld's experience at UBS, he can easily explain how to interpret these documents and country codes in order for the IRS to determine which individuals maintained undeclared accounts.

Mr. Birkenfeld is also providing information on the email accounts for the UBS Swiss bankers who transacted business with U.S. clients. These e-mail addresses can readily be searched in a similar manner used to search the phone records and establish usage. The email accounts of each individual UBS Swiss banker may be subpoenaed for the names of the individuals that they contacted in the United States. UBS maintains a generic system for providing email accounts to its employees; namely, every person's email address is formatted as

firstname.lastname@ubs.com. The IRS may subpoena all of these accounts through this mechanism and procure all prior email communications with UBS clients. Specifically, there are mechanisms in place with in law enforcement that permit an email address/ account to be searched and for government to obtain the email addresses of every person who sent an email to that account or received an email from that account. With the proper warrants the content of the emails may also be obtained. By having access to the email addresses of all Swiss bankers who conducted business with U.S. clients any law enforcement agency with the appropriate technology would be able to obtain information of undeclared tax holders. The actual email addresses are on BB 1013, BB 1026(BB 38-43.) The first page of the attached document (BB12) is the full list of names of the UBS Swiss bankers so that the e-mail addresses can easily be matched up with the names of the UBS Swiss bankers.

In addition, UBS Swiss bankers who were assisting U.S. clients with undeclared accounts also utilized express carriers including FedEx, DHL, and TNT. Both UBS and Switzerland should be searched for express correspondence sent to or from UBS Swiss bankers indentified by Mr. Birkenfeld. These express carriers will provide further evidence that link the international practices engaged by UBS Swiss bankers with taxpayers' undeclared accounts. The addresses on these packages/ letters can be further used to identify U.S. clients.

Mr. Birkenfeld can also provide instruction on UBS' system for email accounts as well as express package carriers.

The next method that the DOJ/IRS/SEC should use to identify the U.S. clients is based on searches related to the activities of the UBS Swiss bankers when they entered the United States. The dates for which the UBS Swiss bankers entered and left the U.S. can be easily obtained by assessing the US Homeland Security database. This includes retinal scans, fingerprints and foreign immigration forms for all of the Swiss bankers indentified by Mr. Birkenfeld. These dates can then be matched with hotel guest lists, car rental agreements, credit card receipts etc. This will provide the time and dates these bankers were going to the U.S. and may assist the government in refining searches.

UBS Swiss bankers often used both their cell phones and hotel room phones while in the United States as the common method of communication. The UBS Swiss bankers utilized the following hotels while in the United States on business: Mandarin Oriental, Miami, Florida; Waldorf – Astoria, New York, N.Y.; Boston Harbor Hotel, Boston, MA; Four Seasons, Washington, D.C.; Wilshire, Beverly Hills, CA; Peninsula Hotel, Beverly Hills, CA; and Crescent Court, Dallas, TX. The IRS can subpoena the bankers' guest records from these hotels to determine precisely when the UBS Swiss bankers were in the United States. Significantly, the phone records from these hotels rooms, which UBS Swiss bankers frequently use to communicate with U. S. clients, will also identify clients that they were communicating with and identify other persons for whom the UBS Swiss bankers were working with in order to conduct their illegal business on U.S. service.

There is also strong evidence that UBS USA facilitated and participated in soliciting U. S. clients for UBS Swiss bankers who were traveling in the United States. UBS USA should be jointly and severally liable as they knowingly acted as an intermediary between UBS Swiss bankers and U. S. clients who established undeclared accounts. UBS USA sponsored the following events attended by the UBS Swiss bankers representing U.S. clients with undeclared accounts: Art Basel, Miami, FL; Verbier Music Festival, New York, N.Y.; Alinghi Yacht Races, Newport, RI; Classic Car Show, Malibu, CA; Lipton Tennis matches, Miami, FL; and Boston Symphony Orchestra, Boston, MA. The Service should obtain a warrant for a list of the attendees at these events sponsored by UBS USA and attended by Swiss bankers. The sole purpose for inviting the UBS Swiss bankers to attend these events was to market the secret offshore account services offered by UBS. UBS USA worked directly with UBS Switzerland to provide prestigious forums for which the UBS Swiss bankers could meet their current U.S. clients and solicit new business. The attendance lists for these events can be used to identify U.S. taxpayers with undeclared accounts. It can also be used to obtain information from witnesses concerning client referrals and to determine the identity of UBS USA employees who were assisting or working with the UBS Swiss bankers.

Documentation also shows that UBS USA arranged a black-tie reception for potential United States clients, and specifically provided concert tickets for \$10,000 per table at Waldorf-Astoria in New York for breast cancer event in which Elton John performed and Elizabeth Hurley was the MC in order to assemble a collection of high net worth individuals and permit UBS Swiss bankers to sell their services. UBS USA also provided tickets at the Miami Zoo for a charitable event for potential existing U. S. clients. The names of these U. S. clients that bought tickets would also be a strong indication of potential UBS clients with undeclared accounts.

Further evidence suggests that UBS USA assisted these UBS Swiss bankers traveling in the United States by allowing them to utilize UBS USA's corporate discounts. For instance, UBS USA allowed UBS Swiss bankers to rent vehicles at Budget Rent-A-Car, Hertz, and Avis in the United States during their business travel. The corporate discounts at the following offices in the United States where utilized for the UBS Swiss banker's purposes in setting up client meetings: Los Angeles, New York, Miami, Washington, D.C.; Boston; and Dallas. The Internal Revenue Service may subpoena these records to show how UBS USA was facilitating contacts with U.S. clients. The records from Budget Rent-A-Car, Hertz, and Avis will also indicate when these Swiss bankers traveled to the United States and allow the Service to hone in on specific dates at the aforementioned hotels.

In short, a comprehensive investigative plan should be developed to acquire data from UBS USA to determine the extent of its involvement in the undeclared accounts. Furthermore as explained above, because of the cooperation and assistance UBS USA gave to UBS Switzerland, UBS USA is in the possession of information that can be used to identify U.S. taxpayers for whom probable cause exists to conclude that they had undeclared offshore accounts.

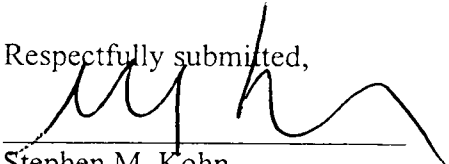
We hope that parts of this investigative plan have already been initiated. Information contained in this letter was previously provided to various agents of the United States Government, and was set forth, in detail, in a confidential letter to the IRS dated March 5, 2010.

We strongly encourage the U.S. Government to conduct a thorough investigation utilizing this unprecedented information in order to determine the thousands of U.S. client names and billions of dollars of undeclared assets deposited and managed at UBS Switzerland. The names and contact information of the UBS Swiss bankers will enable the Internal Revenue Service to procure extensively more information than it would under the initial deferred prosecution agreement and John Doe summons with UBS.

If you have any questions please do not hesitate to contact us. Mr. Zerbe can be reached at 202.974.5978 or by email at Dean.Zerbe@alliantgroup.com. Mr. Kohn can be reached at 202.342.6980 or by email at sk@kkc.com.

Thank you for your time and courtesy.

Respectfully submitted,



Stephen M. Kohn
Dean Zerbe
Attorneys for Brad Birkenfeld