

Carl Levin, Chairman

Norm Coleman, Ranking Minority Member

EXHIBIT LIST

Hearing On

TAX HAVEN BANKS

AND U. S. TAX COMPLIANCE

July 17 and 25, 2008

1. *Marsh Foundations*, chart prepared by the U. S. Senate Permanent Subcommittee on Investigations.
2. *Wu Foundation*, chart prepared by the U. S. Senate Permanent Subcommittee on Investigations.
3. *Greenfield Foundation*, chart prepared by the U. S. Senate Permanent Subcommittee on Investigations.
4. *Lowy Foundation*, chart prepared by the U. S. Senate Permanent Subcommittee on Investigations.
5.
 - a. Statement of former LGT Treuhand employee, formerly known as Henrich Kieber.
 - b. Liechtenstein warrant for the arrest of Henrich Kieber.

DOCUMENTS RELATING TO MARSH ACCOUNTS:

6. *Letter of wishes, Lincol Foundation*, October 15, 1985.
7. LGT receipt for US \$3,310,700 cash from Lincol Foundation, dated October 15, 1985.
8. Handwritten letter signed by Shannon N. Marsh to Mr. Alvate, *to give Kerry M. Marsh permission to review all documents and receipts pertaining to Lincol Foundation and Chateau Foundation*, dated May 23, 1992.
9. *Instructions* signed by Shannon Neal Marsh, empowering Marsh family members to act as principals for Lincol Foundation, dated November 17, 1993.
10. Correspondence from James A. Marsh, Jr. to Peter Meier, LGT, dated October 4, 1994, re: Lincol and Chateau.
11. *Letter of wishes, Lincol Foundation and Foundation Chateau*, October 11, 2000.
12. LGT Memorandum to File about Lincol and Chateau Foundations, dated February 7, 2002.
13. *Deed of Signature accepting appointment as Protector of the Chateau Foundation*, signed by Kerry Michael Marsh, Shannon Neal Marsh, and James Albright Marsh, Jr. and *Deed of Appointment of Successors*.
14. *Resolution, The Foundation Board of Foundation CHATEAU*, indicating the *inventory of assets and liabilities at 31. December 2000 showing a total of USD 10'015'623,50*, dated September 12, 2003.
15. Letter from James A. Marsh to LGT, dated November 10, 2004, granting LGT all administrative and management activities for Foundation Chateau.

16. Correspondence from Shannon Neal Marsh to Members of the Foundation Council of Chateau Foundation, dated November 4, 2004, re: appointment of members of the Foundation Council of Chateau Foundation.
17. Excerpt from *2006 Income Tax Returns, Estate of James A. Marsh*.
18. Three letters from Baker & McKenzie LLP (Marsh Family attorney) to the Internal Revenue Service, dated May 12, 2008, forwarding amended returns for foreign income and foreign bank and financial accounts for calendar years 2002-2006.

DOCUMENTS RELATING TO WU ACCOUNTS:

19. LGT report on JCMA Foundation, dated June 27, 2002.
20. *Declaration of Trust between Cobyrne Limited and JCMA Foundation*, dated October 1, 1996.
21. New York City property records, recording sale of Forest Hills, NY home of William S. Wu to Tai Lung Worldwide, Ltd., dated January 21, 1997.
22. LGT Memorandum by Kim Choy regarding JCMA Foundation, dated June 26, 2002.
23. Documents regarding withdrawal of \$100,000 by JCMA Foundation/William Wu from LGT through HSBC Hong Kong and Shanghai Banking Corp. Hong Kong, June 2002.
24. Excerpt from *Resolution, The Foundation Board of JCMA Foundation*, indicating *statement of assets as per 31 December 2001 in the total amount of USD 4,283,473.49*, dated February 7, 2002.
25. Excerpt from *Resolution, The Foundation Board of JCMA Foundation*, indicating *inventory of assets and liabilities at 31 December 2003 showing a total of USD 2,172,145.97*, dated March 10, 2004.
26. Excerpt from *Resolution of the Foundation Board of JCMA Foundation*, showing *assets as per 31 December 2004 amount to USD 1,202,636.25*, dated February 13, 2006.
27. Excerpt from *Resolution of the Foundation Board of JCMA Foundation*, showing *assets as per 31 December 2005 amount to USD 1,188,957.64*, dated March 30, 2006.
28. Excerpt from *Resolution of the Foundation Board of JCMA Foundation*, showing *assets as per 31 December 2006 amount to USD 422,249.10*, dated April 18, 2007.
29. LGT report on Veline Foundation after a March 27, 2000, client visit.
30. *Statement of asset as per 31.12.2000, Veline Foundation*, dated February 5, 2001.
31. *Bearer Share Certificate, Manta Company Limited*, dated September 3, 1997.
32. Handwritten organizational chart showing Veline Foundation ownership of corporations and property, undated.

DOCUMENTS RELATED TO LOWY ACCOUNTS:

33. LGT Memorandum for the Record, dated November 26, 1996, memorializing a November 21, 1996, Meeting in Sydney regarding *Westfields, Adelphi, Crofton* between LGT and Frank Lowy, David Lowy, David Gronski, and Joshua Gelbard.
34. LGT Memorandum for the Record, dated November 27, 1996, regarding *New Establishment Westfields/Lowy*.

35. LGT Note for File, dated December 17, 1996, regarding telephone conversation with Frank Lowy and Joshua Gelbard regarding *Westfields, Adelphi, Crofton*.
36. LGT Memorandum for the Record, dated January 23, 1997, regarding January 20, 1997 meeting in Los Angeles between LGT and Frank Lowy, David Lowy, and Peter Lowy regarding *Westfield/Lowy Family*.
37. LGT Memorandum for the Record, dated March 4, 1997, regarding March 3, 1997, phone call with Peter Widmer regarding March 12, 1997 meeting in London with *F.L. and J. Gelbert, the definitive structure as well as the asset transfer is to be discussed*.
38. Correspondence from J.H. Gelbard to LGT, dated March 12, 1997, regarding *formation of a Foundation by the name of Luperla Foundation*.
39. LGT Memorandum for the file, dated March 13, 1997, regarding March 12, 1997, meeting in London between LGT and Frank Lowy and Josua Gelbard.
40. LGT Memorandum for the Record, dated March 16, 1997, regarding March 12, 1997 meeting in London with F.L. regarding Luperla Foundation.
41. *Regulations, Luperla Foundation, Vaduz*, dated April 30, 1997.
42. LGT Memorandum for the Record, dated May 2, 1997, regarding April 30, 1997, meeting in the Hotel Savoy, Zurich between LGT and Frank Lowy and J. H. Gelbard.
43. LGT Memorandum for the File, dated May 14, 1997, regarding *Luperla Foundation, Valuz*.
44. LGT Memorandum for the File, dated October 23, 1997, *regarding Luperla Foundation/Swell Service Ltd. B.V.I.*
45. LGT Memorandum for the file, dated January 29, 1998, regarding January 28, 1998, meeting in Bendern with Peter Widmer regarding *Luperla Foundation, Vaduz ("Luperla")*.
46. Memorandum for the File, dated June 26, 2001, regarding *Luperla Foundation*.
47. Memorandum for the File, dated July 16, 2001, regarding *Luperla Foundation, Valuz*.
48. Memorandum for the File, dated December 17, 2001, regarding *Luperla Foundation, Valuz*.
49. Memorandum for the File, dated December 18, 2001, regarding *Luperla Foundation, Valuz*.
50. Memorandum for the File, dated December 20, 2001, regarding *Luperla Foundation, Valuz*.
51. Documents regarding Beverly Park Corporation.
52. IRS Information Document Requests (IDR) regarding Beverly Park Corporation.
53. State of Delaware, Division of Corporations, Entity Details for Beverly Park Corp., listing Incorporation Dates of December 17, 1991, and January 3, 1997.

DOCUMENTS RELATING TO GREENFIELD ACCOUNTS:

54. LGT Memorandum for the Record, dated March 27, 2001, memorializing a March 23, 2001 meeting regarding Maverick Foundation between LGT and Harvey and Steven David Greenfield.
55. LGT Summary of Maverick Foundation as of December 31, 2001, dated January 1, 2002.
56. LGT report on Maverick Foundation, undated.
57. LGT report on TSF Company Limited, undated.
58. LGT report on Chiu Fu (Far East) Limited, undated.
59. LGT Background Information/Profile for Maverick Foundation, dated October 12, 2001.
60. LGT Background Information/Profile for TSF Company Ltd., BVI, dated December 20, 2001.

DOCUMENTS RELATING TO GONZALEZ ACCOUNTS:

61. *Foundation Tragique* flow chart, undated.
62. LGT report for Tragunda Foundation, dated December 3, 2001.
63. LGT Background Information/Profile for Auto and Moteren [Motors] Corp, dated October 3, 2001.
64. LGT report on Asmeral Investment Anstalt.
65. LGT Memorandum for the File, dated September 11, 2001, regarding *Foundation Tragique*.
66. *Stiftung* flow chart, undated.
67. LGT Background Information/Profile for Foundation Tragique, Vaduz, dated December 18, 2001.
68. LGT Background Information/Profile for FIWA AG, Vaduz, dated December 10, 2001.

DOCUMENTS RELATING TO CHONG ACCOUNTS:

69. LGT Background Information/Profile on Yue Shing Tong Foundation.
70. Documents related to Apex.
71. Communication between Chong and Chalet [Silvan Golanti at LGT], February - March 2008, regarding disclosure of LGT accounts.

DOCUMENTS RELATING TO MISKIN ACCOUNTS:

72. Declarations of Michael Misken, dated 2003.
73. Declarations and court pleadings of Stephanie Misken, dated 2003.
74. LGT Memorandum for the Record, dated, June 30, 1998, regarding *New Establishment Michel Misken*.
75. Michael Misken *Letter of Wishes* with respect to the assets of Micronesia Foundation, dated July 28, 2000.
76. LGT report on Micronesia Foundation.
77. LGT/Michael Misken receipt for wire transfer of GBP 3,650,314.00, dated October 21, 1998.
78. Fax from Thoams Lungkofler/LGT to Michael Misken, dated February 27, 2002, regarding tax situation in the US-area.

ADDITIONAL DOCUMENTS RELATING TO LGT:

79. Documents related to Sera Financial Corporation.
80. Documents related to Jaffra Development Inc.
81. Documents related to Sewell.
82. Excerpt from presentation related to LGT and the Qualified Intermediary (QI) Program.
83. Documents related to LRAB Foundation.

DOCUMENTS RELATED TO UBS:

84. *Wealth Management and Business Banking, Client Advisor's Guidelines For Implementation and Management Of Discretionary Asset Management Relationship With U.S. Clients* (2002).
85. *Cross-Border Banking Activities into the United States* (version November 2004)
86. *Restrictions on Cross-Border Banking and Financial Services Activities, Country Paper USA* (Effective Date June 1st, 2007), prepared by UBS.
87. Excerpt of *KeyClients in NAM, Business Case 2003-2005*.
88. Correspondence of UBS to Clients, dated November 4, 2002, *We are writing to reassure you that your fear is unjustified and wish to outline only some of the reason why the protection of client data can not possibly be compromised UBS's entire compliance with its QI obligations does not create the risk that his/her identity be shared with U.S. authorities.*
89. Martin Liechti (Head of UBS Wealth Management Americas) email, January 2007, regarding net new money goal and Year of the Pig.
90. *Referral Campaign BU Americas*, June 2002 (Swiss watch award).
91. *Overview Figures North America*, prepared by UBS.
92. *Case Studies Cross-Border Workshop NAM*.
93. UBS Memorandum, dated November 15, 2007, re: *Changes in business model for U.S. private clients*.
94. *Talking Points for Informing U.S. Private Clients With Securities Holdings About The Realignment Of Our Business Model Plus Q&A*.

DOCUMENTS RELATED TO OLENICOFF:

95. *Statement of Facts, United States of America vs. Bradley Birkenfeld*, dated 2008.
96. *Plea Agreement For Defendant Igor M. Olenicoff*, dated 2007.
97. Emails between Birkenfeld/Olenicoff, dated July 2001, re: *Meeting in California*.
98. Correspondence of Igor Olenicoff, dated October 2001, re: Guardian Guarantee Co. Ltd.
99. Email between Staggi/Olenicoff, dated January 2002, re: *Structure*.
100. UBS documents related to opening of account for Guardian Guarantee Company, Ltd.
101. Emails related to Liechtenstein trust and a Danish corporation.
102. Fax from Olenicoff to Birkenfeld, dated December 2001, re: *Structure*.
103. Emails dated April 2002, re: transferring U.S. securities to a Liechtenstein account.

OTHER DOCUMENTS:

104. *Tax Haven Bank Secrecy Tricks*, chart prepared by the U. S. Senate Permanent Subcommittee on Investigations.
105. *Liechtenstein Secrecy Laws*, chart prepared by the U. S. Senate Permanent Subcommittee on Investigations.
106. Letter from Baker & McKenzie LLP (Marsh Family attorney) to the Permanent Subcommittee on Investigations, dated July 15, 2008, with clarification.
107. Statement for the Record of the Australian Taxation Office.

ADDITIONAL DOCUMENTS RELATED TO LOWY ACCOUNTS:

108. LGT report on Luperla Foundation.
109. LGT Background Information/Profile for Luperla Foundation, dated December 7, 2002.
110. LGT Statement of Account for Luperla Foundation, dated December 29, 2001.
111. LGT Memorandum for the Record, dated April 10, 2002, regarding retroactive dissolution of Luperla Foundation.
112. Letter to Peter Lowy from Leon C. Janks, dated December 13, 2001, enclosing four original documents related to Beverly Park Corporation.
113. a. *Contract For The Purchase And Sale of Real Estate*, sale by West Park Avenue Corporation to Beverly Park Corporation, March 1997.
b. *Beverly Park Corporation Guest Log*, Beverly Hills House and New York Condo, July 1999-May 2000.
114. *Hidden Money Trail*, chart prepared by the U. S. Senate Permanent Subcommittee on Investigations.

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Marsh Foundations

Chateau
Foundation
(Liechtenstein)

Lincol
Foundation
(Liechtenstein)

Topanga
Foundation
(Liechtenstein)

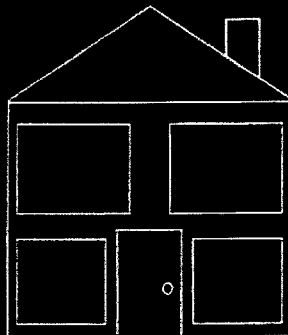
Largella
Foundation
(Liechtenstein)

Wu Foundation

JCMA Foundation
(Liechtenstein)

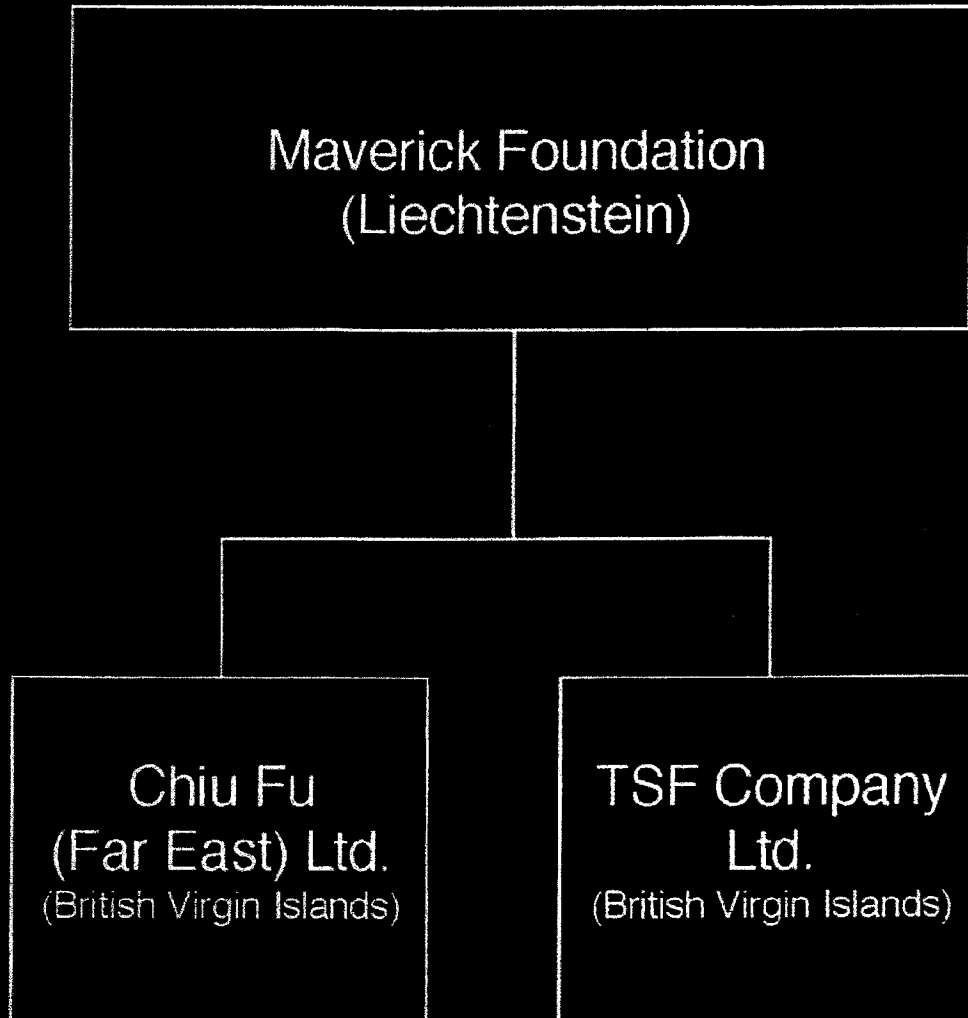
Sandalwood International Ltd.
(Bahamas)

Tai Lung Worldwide Ltd.
(British Virgin Islands/
Hong Kong Address)

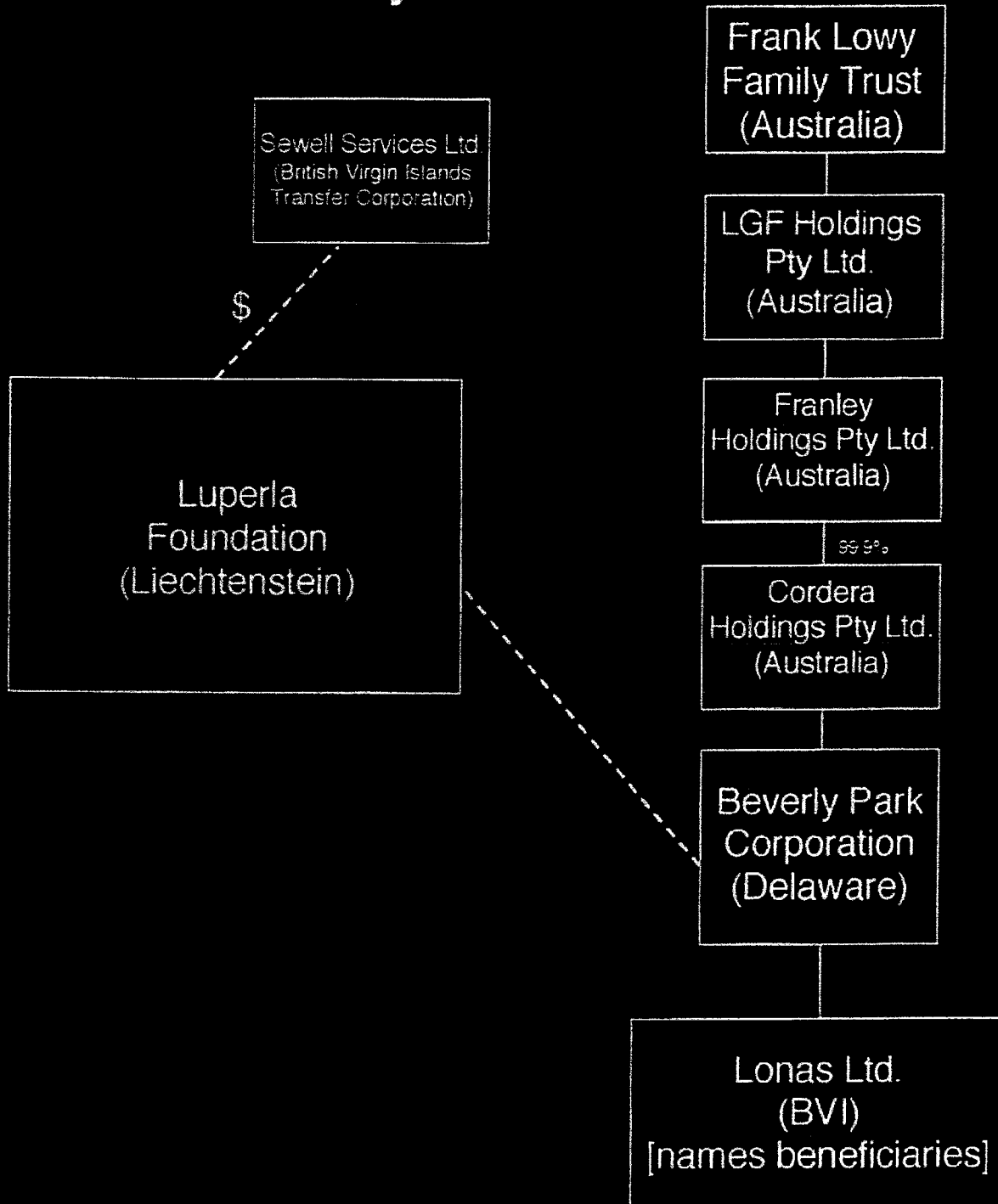


Wu's Home
(New York)

Greenfield Foundation



Lowy Foundation



STATEMENT OF FORMER LGT
TREUHAND EMPLOYEE,
FORMERLY KNOWN AS
HENRICH KIEBER

UNITED STATES SENATE

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

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: STATEMENT OF FORMER LGT :
: TREUHAND EMPLOYEE :
: :
----- -x

Washington, D.C.

APPEARANCES:

On behalf of the Committee on
Governmental Affairs:

ROBERT L. ROACH, ESQ.
Counsel and Chief Investigator
MICHAEL P. FLOWERS, ESQ.
Counsel to the Minority
199 Russell Building
United States Senate
Permanent Subcommittee on Investigations
Committee on Homeland Security and
Governmental Affairs
Washington, D.C. 20510

MR. ROACH: Good morning, sir. My name is Bob Roach. I am counsel for the Democratic staff of the Permanent Subcommittee on Investigations. With me is my colleague, Mike Flowers, who is counsel for the Republican staff of the Subcommittee.

MR. FLOWERS: Good morning, sir.

CONFIDENTIAL INFORMANT: Good morning.

MR. ROACH: Thank you for joining us.

I understand you have a statement to make after which we will ask you a few questions about the banking and trust operations of the LGT Group. Please proceed.

CONFIDENTIAL INFORMANT: Good morning.

I swear that the testimony I am about to give will be the truth, the whole truth, and nothing but the truth so help me God.

In 2000, the LGT Trust was evaluating the so-called "paperless office." A project to scan every document of each client's legal entity and index them electronically, encoding an internal "bak track" code, a b-a-k. The project requires to hire over 20 new staff members. Based on my education and skills, I, then named Heinrich Kieber, worked--started to work at the LGT Trust in Vaduz in October 2000, and I worked there for more than 2 years until the date 2002.

The LGT Group in Liechtenstein is a provider of a vast range of financial services. The key business of the LGT Group consists of the LGT Bank and the LGT Trust services. Both are independent, commercial companies, and both use autonomous computer data storage systems.

The core trade of the LGT Trust, with head office in Vaduz and several branches in Switzerland, is selling and managing Liechtenstein legal entities such as foundations or establishments. They cater for clients from many different countries including the USA. Generally, the client transfers his/her bank assets, such as securities and cash accounts and often also the nonbank assets, such as real estate, expensive paintings, patents, rights, et cetera, into the ownership of a selected one or more legal entity.

The client becomes then the beneficial owner of the legal entity. Every single legal entity from Liechtenstein has to pay on average a worldwide matchless flat tax rate of only \$1000 Swiss francs per year, regardless of the millions of different type of assets they own and income they gain.

The LGT Trust, back in the year 2002, had over 3,500 active legal entities under management, with the combined total bank assets of around 7.2 billion Swiss francs of which about 6 were invested at the LGT Bank and the rest in other Liechtenstein banks or Swiss banks. Back then, the LGT Bank had around 50 to 60 billion Swiss francs in

their books. Today they hold over 100 billion Swiss francs. The real value of the nonbank assets are never recorded in the books.

The first couple of months I was in charge of the correct handling of all clients' legal entities' files to make sure that they are scanned properly and that not one of the very sensitive documents where all the data concerning the beneficial owners are recorded is lost in the process. Because of the nature of my job, I had access to all documents of all legal entities, active ones and the inactive ones.

The biggest task of the second stage was the proper indexing of all scanned documents. To be able to index the documents, we had to read every single one on our screens. It was then when I began to realize the very questionable business the LGT was often involved in and the dubious clients they were serving, the kind of business that goes beyond just facilitating massive tax evasion. Going through thousands of documents, I got very--I got the very clear picture of the highly sophisticated and sometimes surprisingly simple tricks and methods used to (a) help any clients to bring his or her bank assets to Liechtenstein and nonbank assets under the control of the one or more selective legal entity; (b) help any clients to keep his or her assets out of the reach of the taxman and people who may have a legal right to it or interest in it; (c) get around the laws of Liechtenstein and other countries; (d)--and (d)--avoid the attention of international law enforcement agencies and the international media.

Liechtenstein has implemented real tough new compliance laws in January 2001. In addition, in July 2002, they signed a mutual assistance treaty with the United States of America. This treaty was designed to protect the international financial markets against terror, organized and economic crimes. However, the business practices of LGT undermines those reforms that Liechtenstein enacted.

The LGT deliberately ignores the basic principles of the know-your-customer rules. For sure, I can frankly declare that in the vast majority of all legal entities, LGT does not have a clue about the real sources of their clients' huge wealth they manage, as it has been verified in the files I delivered to the U.S. Government.

The final part of my job was to conduct training programs for all of the 85 staff members of the LGT Trust, including CEO, members of the company's board--and members of the company's board. When I was teaching the CEO or a member of the board or a trust client advisor, I confronted them about the LGT's questionable practices that I have seen in many files. Sometimes I always raised this topic with foundations' bank account managers from the LGT Bank. All these discussions were about files with strong indication to corruption, links to dictators, or business deals to avoid a U.S. embargo, for example. The answer was always the same: None of your business. Just stick to your designated job.

I obtained copies of the data of every legal entity and, furthermore, copies of vast internal documents before I left the company. All documents provided are authentic, original copies and have not been in any way changed or manipulated.

MR. ROACH: Thank you, sir.

CONFIDENTIAL INFORMANT: That's my statement.

MR. ROACH: Thank you, sir. I'd now like to ask you a few questions. First of all, in your statement you referred to tricks that LGT used to help clients bring their assets into the bank, including--would you mind commenting on that, including the use of shell companies to move funds internationally.

CONFIDENTIAL INFORMANT: Yes. There are several methods in use, depending on the type of assets the client wants to transfer into his or her legal entity in Liechtenstein. For bank assets, the LGT Group establishes, indirectly manages, and ultimately owns a number of legal entities, so called "special purpose vehicles," SPV. For the purpose of high-grade camouflage, there are two types of SPVs. Type A: big bank accounts around the world; and Type B: which do not have any bank accounts but own and control Type A. To protect the LGT Group, those types used are never from Liechtenstein. The LGT uses only SPV registered in Panama, in the British Virgin Islands, or sometimes even in Nigeria.

In practical terms, for a U.S. client, the LGT will transfer the bank's assets out of the United States through a chain of several Type A SPVs. Firstly, always into a country, for example, Canada, which from the IRS point of view is not suspicious. Next, through a series of other countries and therefore different jurisdictions. Preferably countries with very weak or, better, non-existing compliance laws. Before reaching Liechtenstein, it will run through a Swiss bank, for example the Banca del Gottardo in Lugano. This bank, in turn, has reciprocal rights to use the LGT Bank for its own customers.

For an additional layer of concealment, either the Swiss bank or the LGT Bank often perform a fake cash-out transaction to make it look like the monies have been paid out in cash over the counter where in fact they have been transferred into the concentration account of the LGT Bank and, at the same time, an equal amount has been credited into the client's legal entity's bank account. After one or two years in use, the SPVs are put into liquidation, then deleted, and new ones established.

The only purpose of all this is to make it extremely complicated for law enforcement agencies to follow the trail, as each step serves as a filter to hide the track of the client's money. For any bank or trust company in Liechtenstein, the matter of SPVs is commercially very sensitive material. The better sys--sorry. The better the

system put in place, actually the less it will be detected. There's a lot of effort put into general research and checks of any possible legal implications, so that the LGT Group can always be many steps ahead of the tax authorities.

All of the clients' trust advisors and bank account managers of the LGT Group get regular in-house training in relation to the latest tricks and methods used so they can keep their knowledge up to date and can offer it to any existing or future customers.

MR. FLOWERS: Thank you, sir.

Sir, you mentioned during your statement that LGT helped clients to keep their assets out of reach of tax agencies or persons with legal claims on those assets. Could you please explain how that was accomplished?

CONFIDENTIAL WITNESS: Yes. What happens, the LGT strongly recommends to all clients to follow instructions such as, firstly, not to tell anybody concerning the legal entity to their lawyers, to other family members or relatives who are not part of the pool of beneficial owners, to friends or business partners. The reason is, any human relationship can go wrong and the client may end up in a situation where blackmailing is possible. Secondly, not to call the LGT Group from home--not from home, not from work. Use public phones instead. As Liechtenstein has an own country code number, the IRS may use the same plan as the Italian tax police did some years ago. They ordered the state-run phone company to record over a certain period the caller's i.d.; the time, date, and number dialed from a big city in Italy to Liechtenstein, to a Liechtenstein number. When the number called did not match a phone number--sorry--did match a phone number registered to a bank, trust company, or a lawyer, the tax police of Italy conducted a special assessment of the Italian callers. Thirdly, a third recommendation, only make calls in emergency to the nominated cell phone numbers of the clients' trust advisors. The LGT Trust only uses cell phone numbers from Switzerland or Austria. Again, because of the existence of a Liechtenstein-own country code number. When calling, the clients should always use the code words agreed and never state their own names or name of the legal entities. In addition, the LGT Group itself does not send any mail to their customers out of--from Liechtenstein. If at all, mail gets sent out via Swiss or Austrian post office to avoid the attention of any tax enforcement agency around the world looking for mail coming from Liechtenstein. In addition, any documents sent out are specially prepared in the way that the name of the bank, the client's name, or the legal entities' name is not revealed. The LGT Group does not call the clients at home or at work or on her or his phone--cell phones and does not communicate with their clients via email. The fact that all the LGT Trust's clients do not need their assets hidden in legal entities for their daily living helps very much to avoid detection and to keep the

personal contact between the parties to a minimum, on average once per year.

MR. ROACH: Thank you.

You said that LGT used methods to allow it to get around compliance with the laws of Liechtenstein and other countries. How did LGT do that?

CONFIDENTIAL WITNESS: Yes, they're very sophisticated in that way. The know-your-customer rules necessitate a lot of up-to-date documentation concerning the client's identity and the true source of assets. In addition, a profile of every client has to be created, and any movement outside the set profile has to be reported to a preferably independent government entity, for example, to the financial intelligence unit. The LGT not only fails to keep the basic documentation up to date, often there is no clear indication of the beneficial owner or the source of the monies at all. Furthermore, they, the LGT Trust, predetermine the threshold of a client's profile in such an unrealistic way that it would--that it will not trigger the compulsive report even so when according to compliance law, the transaction is regarded as more than suspicious.

MR. FLOWERS: Thank you, sir.

Sir, based on your experiences while working at LGT, did LGT ever assist U.S. persons in repatriating their assets back to the United States in a manner that would have reduced the attentions of the United States Government?

CONFIDENTIAL WITNESS: Yes, there are several tricks in use, and I recall one. Then, at times, actually the LGT Trust would adjust the legal entities' documents to designate a new beneficial owner who will cause or result in the lowest tax obligation or, if possible, a zero tax obligation. Often this means creating a--new trust documents and changing the name of the real beneficial owner into the name of a person or relative who has recently died or, in some cases, is unfortunately in the process of dying. When the assets are transferred back to the United States, the real beneficial owners explain to the IRS that they have just inherited a large amount which was only discovered in recent times.

MR. ROACH: Now, in your statement, you also said that LGT sought to avoid the attention of international law enforcement and the media. How did LGT do that?

CONFIDENTIAL WITNESS: After some major scandals in the past 15 years, in an effort to avoid bad and further damage to their reputation, many powerful financial key players in Liechtenstein established smaller banks or trust companies whose names nobody recognizes. They have transferred their risky group of clients into

those new banks or trust companies. In that way, if the risky clients are exposed in a scandal overseas, the larger well-known banks or trust companies are out of trouble and the media spotlight. The LGT Trust, but not so much the LGT Bank, did not accept new clients from Russia, for example, but would refer them to such smaller trust companies.

MR. FLOWERS: Sir, you made references in your statement to LGT's role in assisting in corruptive--or corruption, acts of corruption including breaking embargoes, for example. Could you please elaborate on that?

CONFIDENTIAL WITNESS: Yeah. The words I say here is that one set of documents indicate its pride in government officials in another country--in other countries including the United States. The LGT Bank introduced the client to the LGT Trust. The LGT Trust did accept the client but refused to nominate staff onto a new Panama company where such payments should be done in the future. At the end, in this file, the payments continued to be facilitated through the LGT Bank.

And there's another file which has a very strong indication to--of corruption in a third world country. A head of a social government department owns over \$5 million U.S. dollars with no explanation in the files whatever in regard to the source of the vast amount.

MR. ROACH: In an answer to a previous question, you identified some problems with LGT's know-your-customer program. What about LGT's compliance with the qualified intermediary program?

CONFIDENTIAL WITNESS: Yeah, I strongly believe that they are violating this one too. The IRS implemented the qualified intermediary stages QI to be able to collect the withholding tax on interest and dividends on U.S. securities through foreign intermediaries. The LGT Group realized quickly that without the QI stages, the banking secrecy for their U.S. clients cannot be sustained, because only as a QI the LGT Group can avoid having to report the underlying beneficial owners to the IRS. The IRS approved the QI stages to Liechtenstein as a country and to the LGT Group as a foreign intermediary in early 2001, as both were able to persuade the IRS that Liechtenstein's know-your-customer rules were top standard. All U.S. clients from the LGT Group with U.S. securities in the bank portfolios have been informed about the QI regulations. These clients had two options: Get out of the U.S. security--sell them or keep them. The clients wanting to keep the U.S. securities had great fears that the IRS may eventually find out who the ultimate beneficial owners are, for instance, through the external auditors' working paper the IRS can request to examine.

To reduce the panic, the LGT came up with the solutions: (a) to transfer all U.S. securities held by a legal entity of a U.S. tax person into a newly established Panama corporation. To add a further

layer of secrecy between the foundation and that Panama corporation, another offshore company will own the Panama corporation. The LGT's argument for the Panama corporation solution was that the IRS regards it as a per se corporation; (b) having added enough offshore companies in between the U.S. client as a beneficial owner and the entity holding the U.S. securities, the LGT Trust declares the whole structure as being a non-U.S. status. This should keep the client out of trouble and taxes.

MR. ROACH: Thank you very much, sir. We appreciate your comments.

This concludes our questions.

MR. FLOWERS: Thank you, sir.

CONFIDENTIAL WITNESS: Thank you very much.

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News > Pressemitteilungen

Pressemitteilungen

Öffentliche Fahndung nach Heinrich KIEBER

11.03.2008 -

KIEBER wird dringend verdächtigt, zum Nachteil einer Liechtensteiner Treuhandfirma Kundendaten ausgekundschaftet, sich verschafft und ausländischen Behörden preisgegeben zu haben. KIEBER soll gemäss Medienberichten vom Deutschen Bundesnachrichtendienst (BND) mit einer neuen Identität und neuen Reisedokumenten ausgestattet worden sein.

Es wird ersucht, Erkenntnisse zum Aufenthaltsort von Heinrich KIEBER der Landespolizei des Fürstentums Liechtenstein oder der nächsten Polizeidienststelle zu melden. Gegen KIEBER besteht ein internationaler Haftbefehl, weshalb er festzunehmen ist. Die liechtensteinischen Strafverfolgungsbehörden werden unverzüglich die Auslieferung von KIEBER begehren.

STECKBRIEF

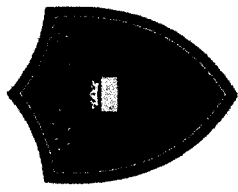
Personendaten

Name: Heinrich KIEBER
Geschlecht: männlich
Geburtsdatum: 30.03.1965
Staatsangehörigkeit: Liechtenstein

Personenbeschreibung

Grösse: 185 cm
Äussere Erscheinung: gross und kräftig
Augenfarbe: bräunlich
Haarfarbe: dunkelbraun
Erscheinungsbild: kaukasischer Typ (Mitteleuropa)
Besondere Merkmale: Brillen-/Kontaktlinsenträger
Rechtliche Grundlage: Haftbefehl des Fürstlichen Landgerichts vom 29.02.2008 wegen des Verdachts des Verbrechens der Auskundschaftung von Geschäfts- und Betriebsgeheimnissen zu Gunsten des Auslands (§ 124 StGB) und des Vergehens des Datendiebstahls (§ 131a StGB).

[zurück](#) [drucken](#)



Sicher. Ihre Landespolizei

[Kieber](#)
[Neuigkeiten](#)
[Archiv](#)
[Ereignisse](#)
[77 Jahre Landespolizei](#)
DAS SIND WIR
POLIZEIBERUF
PRÄVENTION
DOWNLOADS
LINKS
ADRESSEN

Redacted by the Permanent Subcommittee on Investigations

Shannon Neal Marsh

LETTER OF WISHES

I, the undersigned, Shannon Neal Marsh, born [REDACTED],
being Principal of

LINCOLN FOUNDATION, VADUZ

hereby express my wish that:

In case of my death or incapacity and in case of death of all
the Principals of LINCOLN FOUNDATION, VADUZ, the right to
give instructions shall pass to

- James Genery Marsh, born [REDACTED]
and/or
- [REDACTED] Marsh, born [REDACTED]

Vaduz, October 15, 1985

(Shannon Neal Marsh)

Shannon Neal Marsh



BANK IN LIECHTENSTEIN
Aktiengesellschaft

FL-9490 Vaduz · Postfach 85 · Tel. 075/5 11 22 · Telex 77865

Vaduz, den 15. Oktober 1985 pb

LINCOL FOUNDATION, VADUZ

Wir haben heute von Ihnen erhalten:

US\$ 2'629'700.-- Noten

" 691'000.-- "

US\$ 3'320'700.-- in cash /(./. Agio ca. \$ 3'800.--)

Gutschrift auf

- Konto US\$-Konto
 - Depot
- erhalten Sie separat.

BANK IN LIECHTENSTEIN
Aktiengesellschaft

AF-1302 0984 10T BVD

BANK IN LIECHTENSTEIN

AG

(Address, Phone, fax)

Vaduz, October 15, 1985 pb

LINCOLN FOUNDATION, VADUZ

Today we received from you:

US\$ 2,629,700.00 Notes

“ 691,000.00 “

US\$ 3,320,700 in cash / (./. Agio about \$3,800.00)

US Dollar account

BANK IN LIECHTENSTEIN

AG

(Two illegible signatures)

5/23/92

To Mr. Alvate

Belegexemplar

I SHANNON N. MARSH give
KERRY M. MARSH permission to review
all documents and receipts
pertaining to Lincul Foundation and
25.6.85 Chateau Foundation. Please group our
~~AA.10.00~~ investments so that we pay as
- little as possible in commision's as
you discussed last year with my
brother Kerry M. Marsh.

Thank You

Shannon N. Marsh

Shannon N. Marsh

KONTR. 635

Belegexemplar

Instruction

— = Redacted by the Permanent
Subcommittee on Investigations

In addition to the principals as per today Mrs. [REDACTED] Marsh, born on [REDACTED], is also empowered to act as a principal with individual signing power according to the Agency Agreement of LINCOL FOUNDATION, VADUZ, dated October 15, 1985.

The following two persons are also empowered to act as a principal with individual signing power after reaching the age of 25 according to the Agency Agreement of LINCOL FOUNDATION, VADUZ, dated October 15, 1985:

- Miss [REDACTED] Marsh, born [REDACTED]
- Mr. Michael Kerry Marsh, born [REDACTED]

Vaduz, 17th November 1993

Shannon Neal Marsh

Shannon Neal Marsh

KONTR. 635

Permanent Subcommittee on Investigations

EXHIBIT #9

PSI-USMSTR - 000612

Dologokampid

35

635 *explore/RT*
10-2 10.0M 1994
KONTR. ERLEDIGT

Mr. Peter Meier:

Please change the management of LINCOL from Zurich to Vaduz as we discussed on October 4, 1994
In addition please change LINCOL and CHATEAU so that they are gross oriented as per our discussion on October 4, 1994.

3

4/10/1994

Thank You
James A. Marsh Jr.
James A. Marsh Jr.
KONTR. 635

*Mit Druck beproben
New Lernp per Tel
ausgeleht
27-11-94*

Letter of wishes

I, the undersigned, James Albright MARSH, born [redacted] being primary Beneficiary of

Lincol Foundation, Vaduz

hereby express my wish that:

- ~~1 - Mr. James Albright MARSH, born on the [redacted]~~
- Mr. Shannon Neal MARSH, born on the [redacted]
- Mrs. [redacted] MASH, born on the [redacted]
- Mss. [redacted] MARSH, born on the [redacted]
- Mr. Michael Kerry MARSH, born on the [redacted]

JAM

Mr. [redacted] ^{SECOND} MARSH born [redacted] shall be ~~primary~~ Beneficiaries for life. The beneficial interest shall be undivided; within the framework of the Articles each primary Beneficiary may dispose freely of the entire beneficial interest (100%).

In case of death or incapacity of all the primary Beneficiaries, the sole second Beneficiary shall be Mr. James Genery Marsh, born on the [redacted]

Beneficiaries' rights shall remain quiescent until the completion of their 18 year of life. Separated, the quiescent share of the beneficial interest shall be administered by the Foundation Board with the care of a pater familias. Upon the age limit being reached, the Foundation Board shall on the Beneficiaries' request submit accounts for the entire period of quiescence.

Notwithstanding the provisions in the above paragraph, the Foundation Board may unanimously resolve to grant benefits even before the age limit has been reached, if this is deemed necessary in order to safeguard the interests of the Beneficiaries concerned.

Before the age limit has been reached, neither the Beneficiaries concerned nor the natural or juridical persons entrusted with their legal representation shall be entitled to inspect, or to receive information or statements of account.

Date / place: Vaduz 11. Oct. 2000

James Marsh 10/11/00

Mr. Marsh James Albright MARSH

Letter of wishes

— = Redacted by the Permanent Subcommittee on Investigations

I, the undersigned, James Abingdon Marsh, born [redacted] being primary Beneficiary of

Fondation Chateau, Vaduz

hereby express my wish that:

- ~~Mr. James Abingdon MARSH, born on the [redacted]~~
- Mr. Shannon Neal MARSH, born on the [redacted]
- Mrs. [redacted] MASH, born on the [redacted]
- Mss. [redacted] MARSH, born on the [redacted]
- Mr. Michael Kerry MARSH, born on the [redacted]

James

Mr. [redacted] ^{second} shall be ~~primary~~ Beneficiaries for life. The beneficial interest shall be undivided; within the framework of the Articles each primary Beneficiary may dispose freely of the entire beneficial interest (100%).

In case of death or incapacity of all the primary Beneficiaries, the sole second Beneficiary shall be Mr. James Genery Marsh, born on the [redacted]

Beneficiaries' rights shall remain quiescent until the completion of their 18 year of life. Separated, the quiescent share of the beneficial interest shall be administered by the Foundation Board with the care of a pater familias. Upon the age limit being reached, the Foundation Board shall on the Beneficiaries' request submit accounts for the entire period of quiescence.

Notwithstanding the provisions in the above paragraph, the Foundation Board may unanimously resolve to grant benefits even before the age limit has been reached, if this is deemed necessary in order to safeguard the interests of the Beneficiaries concerned.

Before the age limit has been reached, neither the Beneficiaries concerned nor the natural or juridical persons entrusted with their legal representation shall be entitled to inspect, or to receive information or statements of account.

Date / place: *Vaduz 11. Oct. 2000*

James A Marsh 10/11/00

Mr. Marsh *James Abingdon Marsh*

Aktenvermerk

Betr. LINCOL FOUNDATION / CHATEAU FOUNDATION
zur Erl.
zur. Kennt LGT Treuhand
Datum Donnerstag, 7. Februar 2002

Erinnerungs- - Aktenvermerk

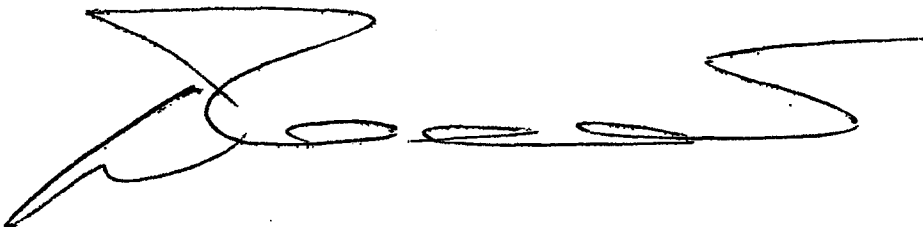
Am 11. Oktober 2000 besuchte mich auf sehr kurzfristige Vereinbarung Herr James G. Marsh zusammen mit seinem Vater, James Albright Marsh.

Herr Knecht LGT unterbreitete die Performance der beiden Stiftungen mit den entsprechenden Erläuterungen. Die Herren waren grundsätzlich zufrieden. Die Situation am Markt war ihnen auch bekannt.

Als weiteres Thema wurde die Situation wegen QI besprochen. Beide Herren gaben den Auftrag, aus allen US Titeln auszusteigen und im Euro Gebiet zu investieren. Die US steuerbefreiten Obligationen sind zu belassen.

Ich erkläre den Herren die STOM im Vergleich mit dem amerikanischen Trust. Sie sind damit einverstanden, die Akten in eine Discretionary Stiftung umzurüsten. Leider war nicht genügend Zeit, um die Unterlagen konform vorzubereiten. Wir erstellen in der Eile einen Letter of wishes, worin der Wunsch geäußert wird, dass James Albright Marsh als Erstbegünstigte bestellt werden sollte. Die Liste der Zweitbegünstigten wird auf der Vorlage etwas korrigiert und dann unterzeichnet. Nachdem bisher keine Beistatuten bestanden haben, sind die Akten für den nächsten Besuch entsprechend vorzubereiten. Ich habe den Herren den Mindestsatz von 0.2 0/00 angeboten.

Wie üblich war die Diskussion sehr hastig und etwas oberflächlich. Deshalb ist die Situation auch beim nächsten Besuch erneut zu erläutern.



Permanent Subcommittee on Investigations

EXHIBIT #12

PSI-USMSTR - 000614

Note to the File

Subject: LINCOL FOUNDATION/ CHATEAU FOUNDATION

Information copy: LFT Treuhand

Date: Thursday, February 7, 2002

Reminder – Note to file

On October 11, 2000, Mr. James G. Marsh, along with his father, Mr. James Albright Marsh visited me very briefly.

Mr. Knecht LGT, presented the performance of both foundations with the corresponding explanations. The men were basically satisfied. The market status was also made known to them.

As a further topic, the QI situation was discussed. Both men gave the order to get out of all US securities and to invest in the Euro area. The US tax exempt bonds should be left alone.

I explained the STOM to the men along with American trusts. They understand that the shares must be converted into a discretionary foundation. Unfortunately, there was not enough time to prepare the concurring documents. We quickly prepared a letter of wishes in which the wish was expressed that James Albright Marsh should be named as first beneficiary. The list of second beneficiaries will be corrected before the presentation and then signed. The documents for the next meeting will be prepared since there are no by-laws to date. I offered the men a minimal rate of 0.2 0/00.

As usual the discussion was very hurried and a bit shallow. So the situation will also be discussed at the next meeting.

(Illegible signature)

DEED OF SIGNATURE

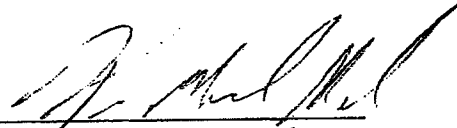
I, the undersigned

Mr Kerry Michael Marsh

hereby accept my appointment as Protector of the

CHATEAU FOUNDATION, Vaduz

and shall sign in this capacity by affixing my signature as follows:



Kerry Michael Marsh

Vaduz, the 10th November 2004

DEED OF SIGNATURE

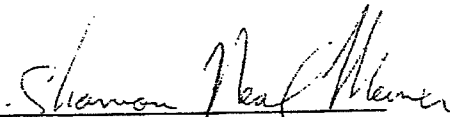
I, the undersigned

Mr Shannon Neal Marsh

hereby accept my appointment as Protector of the

CHATEAU FOUNDATION, Vaduz

and shall sign in this capacity by affixing my signature as follows:


Shannon Neal Marsh

Vaduz,

DEED OF SIGNATURE

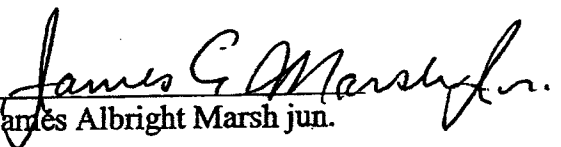
I, the undersigned

Mr James Albright Marsh jun.

hereby accept my appointment as Protector of the

CHATEAU FOUNDATION, Vaduz

and shall sign in this capacity by affixing my signature as follows:


James Albright Marsh jun.

Vaduz,

DEED OF APPOINTMENT OF SUCCESSORS

— = Redacted by the Permanent
Subcommittee on Investigations

I, the undersigned, Mr James Albright Marsh jun.

in my capacity as Protector of

CHATEAU FOUNDATION,

pursuant to the provisions of the pertinent By-Laws hereby revocably appoint as my successor as Protector:

Mrs [REDACTED] Marsh.

If Mrs [REDACTED] Marsh does not become Successor Protector on the occasion of my ceasing to be a Protector, I herewith appoint revocably as her substitute to become Successor Protector:

Miss [REDACTED] Marsh.

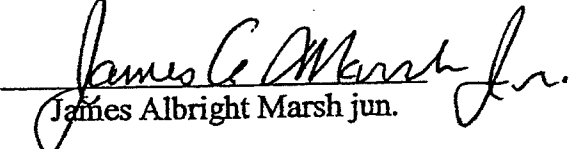
If Miss [REDACTED] Marsh does not become Successor Protector on the occasion of my ceasing to be a Protector, I herewith appoint revocably as her substitute to become Successor Protector:

Master Michael Kerry Marsh.

If Master Michael Kerry Marsh does not become Successor Protector on the occasion of my ceasing to be a Protector, I herewith appoint revocably as his substitute to become Successor Protector:

Master [REDACTED] Marsh.

Vaduz,


James Albright Marsh jun.

Resolution

The Foundation Board of the
Fondation CHATEAU, Vaduz

hereby resolves:

1. The inventory of assets and liabilities at 31. December 2000 showing a total of USD 10'015'623,50, which is attached to this resolution as Schedule 1, is hereby approved and adopted.
2. The investments made in 2000 according to Schedule 2 are hereby approved and adopted.
3. No distributions have been made in 2000.
4. LGT Treuhand AG, Vaduz, is entrusted with drawing up the inventory of assets and liabilities for the next business year.

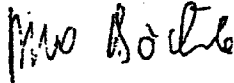
Vaduz, 12. September 2003

The Foundation Board:

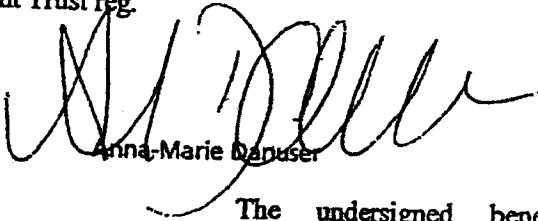


lic. iur. Mareel Telser

Profile Management Trust reg.



Margit Böckle

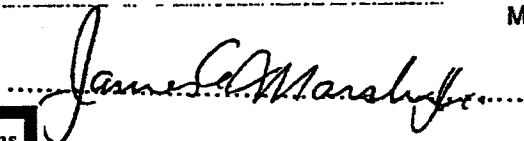


Anna-Marie Danuser

The undersigned beneficiary/beneficiaries
has/have taken due note of this resolution.

Vaduz, 10.11.2004

MAR-00623



Permanent Subcommittee on Investigations

EXHIBIT #14

Marsh James Albright jun., Florida

LGT Treuhand
Aktiengesellschaft
Städtle 28
FL-9490 Vaduz

Vaduz, November 10, 2004 ANA/mvg

Fondation Chateau, Vaduz

Dear Sirs

In my capacity as economic founder and primary beneficiary of the above mentioned foundation, I hereby irrevocably grant formal approval and release to any and all administrative and management activities as well as any and all actions of LGT Treuhand AG as representative and the relevant employees of LGT Treuhand AG as Members of the Board of Directors during the entire mandate period.

I further declare that I will arrange for settlement of the final note of LGT Treuhand AG.

Yours sincerely,

James Albright Jr.

Shannon Neal Marsh
703 Harrison St., Hollywood , Florida

To the Members of the Foundation Council of
CHATEAU Foundation
P.O. Box 129
9490 Vaduz

Date: Vaduz, November 4, 2004

Dear Sirs

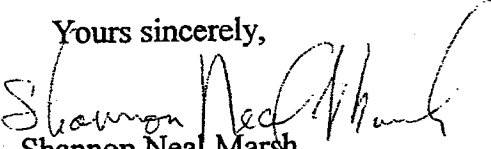
Upon my request you have agreed to be appointed members of the Foundation Council of CHATEAU Foundation.

I herewith declare to hold you harmless and to indemnify you against any and all charges, expenses, claims, demands, procedures, costs, damages or liabilities whatsoever direct or consequential arising out of or in connection with your duties as Members of the Foundation Council of the above mentioned Foundation except for gross negligent acts (which term does not include omissions).

In case that your acts or omissions are in conformity with any of the wishes or recommendations of the Protector (if any) of the above mentioned Foundation or with the provisions of the letter of wishes (if any) I shall hold you harmless and indemnify you as declared above but without any reservations or exceptions.

May I kindly ask you to declare your approval of the above by countersigning and returning a copy of this letter to me.

Yours sincerely,


Shannon Neal Marsh

Permanent Subcommittee on Investigations

EXHIBIT #16

MAR 09517

ESTATE OF JAMES A. MARSH

2006
INCOME TAX RETURNS

MORRISON, BROWN, ARGIZ
Certified Public Accountants ⊕ COMPANY, LLP

Permanent Subcommittee on Investigations

EXHIBIT #17

MAR-01442

Estate of: **JAMES A MARSH**

SCHEDULE G - Transfers During Decedent's Life

(If you elect section 2032A valuation, you must complete Schedule G and Schedule A-1.)

Item number	Description. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN	Alternate valuation date	Alternate value	Value at date of death
A.	Gift tax paid or payable by the decedent or the estate for all gifts made by the decedent or his or her spouse within 3 years before the decedent's death (section 2035(b))	X X X X		
B.	Transfers includible under section 2035(a), 2036, 2037, or 2038:			
1	LINCOL FOUNDATION - VALUE IS BASED ON MARKET VALUE OF UNDERLYING INVESTMENTS, WHICH ARE PRINCIPALLY MARKETABLE SECURITIES. (SEE ATTACHED STATUTES OF LINCOL FOUNDATION, SEE ATTACHED FINANCIAL STATEMENTS) (SEE ATTACHED STATEMENT FOR SCHEDULE M)			13,029,701.
2	FOUNDATION CHATEAU - VALUE IS BASED ON MARKET VALUE OF UNDERLYING INVESTMENTS, WHICH ARE PRINCIPALLY MARKETABLE SECURITIES. (SEE ATTACHED STATUTES OF			
Total from continuation schedules (or additional sheets) attached to this schedule				32,027,702.
TOTAL. (Also enter on Part 5 - Recapitulation, page 3, at item 7.)				45,057,403.

SCHEDULE H - Powers of Appointment

(Include "5 and 5 lapsing" powers (section 2041(b)(2)) held by the decedent.)

(If you elect section 2032A valuation, you must complete Schedule H and Schedule A-1.)

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
				MAR-01451
Total from continuation schedules (or additional sheets) attached to this schedule				
TOTAL. (Also enter on Part 5 - Recapitulation, page 3, at item 8.)				

(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)

(The instructions to Schedules G and H are in the separate instructions.)

Schedules G and H - Page 21

605181
10-13-06

Redacted by the Permanent Subcommittee on Investigations

CONTINUATION SCHEDULE

Continuation of Schedule

G

(Enter letter of schedule you are continuing.)

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
	FOUNDATION CHATEAU, SEE ATTACHED FINANCIAL STATEMENTS) (SEE ATTACHED STATEMENT FOR SCHEDULE M)			11,295,644.
3	TOPANGA FOUNDATION (JMLPM)- VALUE IS BASED ON MARKET VALUE OF UNDERLYING INVESTMENTS, WHICH ARE PRINCIPALLY MARKETABLE SECURITIES. (SEE ATTACHED STATUTES OF TOPANGA FOUNDATION)			8,893,712.
4	LARGELLA FOUNDATION (LANDERT), - VALUE IS BASED ON MARKET VALUE OF UNDERLYING INVESTMENTS, WHICH ARE PRINCIPALLY MARKETABLE SECURITIES. (SEE ATTACHED STATUTES OF LARGELLA FOUNDATION, SEE ATTACHED FINANCIAL STATEMENTS) (SEE ATTACHED STATEMENT FOR SCHEDULE M)			11,838,346.

MAR-01452

TOTAL. (Carry forward to main schedule.)

32,027,702.

805031
05-01-08

Estate of: **JAMES A MARSH**

SCHEDULE K - Debts of the Decedent, and Mortgages and Liens

Item number	Debts of the Decedent - Creditor and nature of claim, and allowable death taxes	Amount unpaid to date	Amount in contest	Amount claimed as a deduction
1	ESTIMATE OF U.S. INCOME TAX, INTEREST AND PENALTIES ON INCOME NOT PREVIOUSLY REPORTED FOR ASSETS LISTED ON SCHEDULE G			5,500,000.

Total from continuation schedules (or additional sheets) attached to this schedule

TOTAL. (Also enter on Part 5 - Recapitulation, page 3, at item 14.)

5,500,000.

Item number	Mortgages and Liens - Description	Amount
		MAR-01455

Total from continuation schedules (or additional sheets) attached to this schedule

TOTAL. (Also enter on Part 5 - Recapitulation, page 3, at item 15.)






(If more space is needed, attach the continuation schedule from the end of this package or additional sheets of the same size.)
 (The instructions to Schedule K are in the separate instructions.)

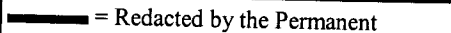
Schedule K - Page 25

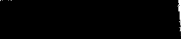

005241
10-13-06

- Asia
- Pacific
- Bangkok
- Beijing
- Hanoi
- Ho Chi Minh City
- Hong Kong
- Jakarta
- Kuala Lumpur
- Manila
- Melbourne
- Shanghai
- Singapore
- Sydney
- Taipei
- Tokyo
- Europe &
- Middle East
- Almaty
- Amsterdam
- Antwerp
- Bahrain
- Baku
- Barcelona
- Berlin
- Bologna
- Brussels
- Budapest
- Cairo
- Dusseldorf
- Frankfurt / Main
- Geneva
- Kyiv
- London
- Madrid
- Milan
- Moscow
- Munich
- Paris
- Prague
- Riyadh
- Rome
- St. Petersburg
- Stockholm
- Vienna
- Warsaw
- Zurich
- North & South
- America
- Bogota
- Brasilia
- Buenos Aires
- Caracas
- Chicago
- Chihuahua
- Dallas
- Guadalajara
- Houston
- Juarez
- Mexico City
- Miami
- Monterrey
- New York
- Palo Alto
- Porto Alegre
- Rio de Janeiro
- San Diego
- San Francisco
- Santiago
- Sao Paulo
- Tijuana
- Toronto
- Valencia
- Washington, DC



May 12, 2008

 Revenue Agent





 = Redacted by the Permanent
 Subcommittee on Investigations

**RE: Anna Marsh (SSN ) and
 James A. Marsh, deceased (SS# )
 Reasonable Cause Statement
 Failure to timely report foreign income on Forms 1040
 Calendar Years: 2002 - 2006**

Dear Mr. 

As you know, the undersigned represent Anna Marsh, a U.S. citizen taxpayer with SS#  ("Mrs. Marsh") and the Estate of James A. Marsh, a deceased U.S. citizen taxpayer with SS#  ("Mr. Marsh", and together with Mrs. Marsh, the "Taxpayers") and have previously filed Forms 2848, Power of Attorney.

Enclosed please find completed and executed amended Forms 1040X, Amended U.S. Individual Income Tax Return, for calendar years 2002 through 2006 (collectively referred to as "Forms"), filed on behalf of the Taxpayers. Form 1040 for 2007 is currently under extension. The Taxpayers' failure to timely report certain foreign income on their Forms 1040 for the years specified was due to reasonable cause, and not any willful act or specific intent on the part of the Taxpayers, as explained herein below.

Many years ago, Mr. Marsh funded several foundations in Liechtenstein, called Foundation Chateau, Lincoln Foundation, Largella Foundation and Topanga Foundation (collectively, the "Foundations").

Over the years and prior to the death of Mr. Marsh in June 2006, neither Mr. Marsh nor Mrs. Marsh received any distributions from the Foundations.

Permanent Subcommittee on Investigations
EXHIBIT #18

As a U.S. person under IRC § 7701(a)(30), and the substantive settler of the Foundations, Mr. Marsh was required to report income earned from the Foundations pursuant to IRC § 641(a)(4).

Mr. Marsh, a construction contractor, was unsophisticated in the area of U.S. tax reporting requirements. It is believed that he did not know that the passive income earned in the Foundations was taxable in the United States. We believe that Mr. Marsh was under the erroneous belief that his income from the Foundations was not required to be reported until such time as the funds were repatriated to the United States. This may explain why he apparently did not spend any of the money in the Foundations for over twenty years.

Mr. Marsh relied on his U.S.-based accountant(s) to handle all of his IRS filings. The U.S. accountant(s) apparently did not advise Mr. Marsh regarding his U.S. tax reporting obligations with respect to the Foundations, nor was Mr. Marsh aware of the necessity to disclose the passive income in the Foundations to his U.S. accountant(s). As a consequence, the passive income earned from the Foundations was never reported, and Mr. Marsh remained unaware of his U.S. tax reporting obligations under IRC § 641(a)(4) to the IRS.

Mrs. Marsh, who will be 85 years old on [REDACTED] 2008, was not aware of the existence of the Foundations until the commencement of an IRS examination after her husband's death. Her husband was extremely private and did not discuss financial issues with her. He was the one in their relationship who took care of business and financial matters, paying the bills and dealing with the tax return preparer so that even if Mrs. Marsh had been aware of the Foundations, she would have assumed that her husband had taken care of any reporting requirements.

Recently, while assisting Mrs. Marsh and her sons with the IRS examination, we brought to her attention that her husband's passive income in respect to the Foundations needed to be reported. Mrs. Marsh agreed without any hesitation to do everything that was required to meet her tax reporting requirements. She requested that we assist her in seeking the financial data necessary to meet the tax filing requirements. Pursuant thereto, after many months of dogged effort, all of the necessary financial information was finally obtained from Liechtenstein and carefully analyzed by U.S. tax accountants (particularly because the Foundations had many mutual fund/PFIC

investments). This financial data collection and complicated tax analysis was done at great expense in professional fees, both legal and accounting, in Liechtenstein and in the United States.

The facts above clearly demonstrate that Mrs. Marsh has acted in a responsible manner, exercising business care and prudence, and making more than reasonable efforts to determine the Taxpayers' tax reporting obligations as quickly as possible. Promptly upon being notified of their U.S. tax reporting obligations, Mrs. Marsh has cooperated fully with counsel to assist in filing these tax returns.

This letter and the enclosed Forms are intended to satisfy all of the Taxpayers' U.S. tax reporting obligations and any tax liability owed for calendar years 2002 through 2006.

We believe the facts, circumstances and reasons set forth above demonstrate an affirmative showing that the Taxpayers' failure to report the Foundation income in a timely manner was due to reasonable cause, and not willful neglect. We respectfully request that any possible penalties which otherwise could be imposed for the Taxpayer's failure to report timely income for calendar years 2002 through 2006 be waived.

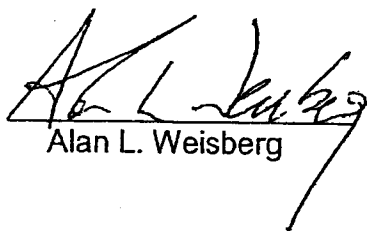
Please note that Mrs. Marsh has attested below to the facts stated above under penalties of perjury. If you require any further information, we request that you contact Alan L. Weisberg, Esq. at (305) 374-5544. Thank you for your understanding and consideration of this matter.

Very truly yours,

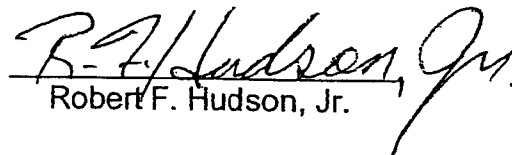
Weisberg and Kainen

Baker & McKenzie LLP

By:


Alan L. Weisberg

By:


Robert F. Hudson, Jr.

Attestation

Under penalties of perjury, I, Anna Marsh, individually and as Personal Representative for the Estate of James A. Marsh, do hereby declare that I have examined the above reasonable cause statement, and to the best of my knowledge and belief, it is true, correct and complete.

By: Anna A. Marsh
Anna A. Marsh

Date: 5/12/08

By: Anna A. Marsh
Anna A. Marsh, as Personal
Representative for the Estate
of James A. Marsh

Date: 5/12/08

Reasonable Cause let 1040X 5-12-08

MIADMS/336440.4

May 12, 2008

Asia
Pacific
Bangkok
Beijing
Hanoi
Ho Chi Minh City
Hong Kong
Jakarta
Kuala Lumpur
Manila
Melbourne
Shanghai
Singapore
Sydney
Taipei
Tokyo[REDACTED] Revenue Agent
[REDACTED]
[REDACTED]
[REDACTED][REDACTED] = Redacted by the Permanent
Subcommittee on InvestigationsEurope &
Middle East
Almaty
Amsterdam
Antwerp
Bahrain
Baku
Barcelona
Berlin
Bologna
Brussels
Budapest
Cairo
Dusseldorf
Frankfurt / Main
Geneva
Kyiv
London
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Rome
St. Petersburg
Stockholm
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Zurich
North & South
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Brasilia
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Dallas
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Juarez
Mexico City
Miami
Monterrey
New York
Palo Alto
Porto Alegre
Rio de Janeiro
San Diego
San Francisco
Santiago
Sao Paulo
Tijuana
Toronto
Valencia
Washington, DCRE: Anna Marsh (SSN [REDACTED]) and
James A. Marsh, deceased (SS# [REDACTED])
Reasonable Cause Statement[REDACTED]
Failure to timely report foreign bank and financial
accounts
Calendar Years: 2002 - 2006

Dear Mr. [REDACTED]

As you know, the undersigned represent Anna Marsh, a U.S. citizen taxpayer with SS# [REDACTED] ("Mrs. Marsh") and the Estate of James A. Marsh, a deceased U.S. citizen taxpayer with SS# [REDACTED] ("Mr. Marsh" or the "Taxpayer") and have previously filed Forms 2848, Power of Attorney.

Enclosed please find completed and executed Forms TD F 90-22.1, Report of Foreign Bank and Financial Accounts, for calendar years 2002 through 2006 (collectively referred to as "Forms"), filed on behalf of the Taxpayer. The Taxpayer's failure to timely report certain foreign bank and account information for the years specified was due to reasonable cause, and not any willful act or specific intent on the part of the Taxpayer, as explained herein below.

The Taxpayer, a U.S. citizen, opened several foreign bank accounts in the mid-1980s via the establishment of several foundations in Liechtenstein, called Foundation Chateau, Lincol Foundation, Largella Foundation and Topanga Foundation (collectively, the "Foundations"). Those accounts that were open at any time during the period from January 1, 2002 through December 31, 2006 are listed in the chart below (collectively, the "Accounts"):

MAR-01189

Bank	Foundation	Account No.	Relevant Years
Centrum Bank	Chateau		2006
			2006
			2006
LGT Bank	Chateau		2002 – 2006
LGT Bank	Lincol		2002 – 2006
Liechtensteinische Landesbank	Largella		2002- 2006
			2002- 2006
			2002- 2006
			2002- 2006
			2002- 2006
			2002- 2006
			2002, 2003
			2002
			2002- 2006
			2003 – 2005
Verwaltungs und Privatbank AG	Topanga		2002 - 2006
			2002 - 2006
Privatbank von Graffenreid AG	Topanga		2002 – 2006
			2002 – 2006
			2002 – 2006
			2002 - 2004

Redacted by Permanent Subcommittee on Investigations

The Taxpayer, a construction contractor, was unsophisticated in the area of U.S. tax and reporting requirements. It is believed that he did not know that the existence of these Foundations or the passive income in the Accounts was required to be reported to the U.S. Department of Treasury. We believe that The Taxpayer was under the erroneous belief that his interest in the Accounts was not required to be reported until such time as the funds in the Accounts were repatriated to the United States. This seemingly may explain why he apparently did not spend any of the money in the Accounts for over twenty years.

The Taxpayer relied on his U.S. accountant(s) to handle all of his IRS filings. The U.S. accountant(s) apparently never advised the Taxpayer

regarding his U.S. reporting obligations with respect to non-U.S. bank accounts, nor was the Taxpayer aware of the necessity to disclose his passive income in the Accounts to his U.S. accountant(s). As a consequence, the Accounts were never reported, and the Taxpayer apparently remained unaware of his reporting obligations under 31 USC §5314.

Mrs. Marsh, who will be 85 years old on [REDACTED] 2008, was not aware of the existence of the Accounts until the commencement of an IRS examination after her husband's death. Her husband was extremely private and did not discuss financial issues with her. He was the one in their relationship who took care of business and financial matters, paying the bills and dealing with the tax return preparer so that even if Mrs. Marsh had been aware of the Foundations, she would have assumed that her husband had taken care of any reporting requirements.

Recently, while assisting Mrs. Marsh and her sons with the IRS examination, we brought to her attention that her husband's interest in the Accounts needed to be properly reported. Mrs. Marsh agreed without any hesitation to do everything that was required to meet her tax reporting requirements. She requested that we assist her in seeking the financial data necessary to meet the filing requirements. Pursuant thereto, after many months of dogged effort, all of the necessary financial information was finally obtained from Liechtenstein and carefully analyzed by U.S. tax accountants. This financial data collection and complicated tax analysis was done at great expense in professional fees, both legal and accounting, in Liechtenstein and in the United States.

The facts above clearly demonstrate that Mrs. Marsh, individually and on behalf of her deceased husband as Personal Representative of the Estate of James A. Marsh, has acted in a responsible manner, exercising business care and prudence, and making more than reasonable efforts to determine the Taxpayer's tax and information reporting obligations as quickly as possible. Promptly upon being notified of the Taxpayer's U.S. tax reporting obligations, Mrs. Marsh cooperated fully with counsel to assist in filing these reporting forms.

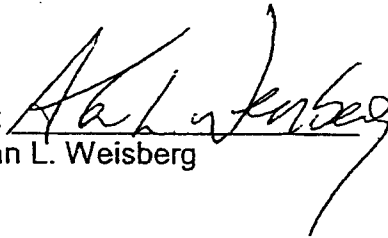
This letter and the enclosed Forms are intended to satisfy the Taxpayer's 31 U.S.C. §5314 reporting obligations for calendar years 2002 through 2006. We believe the acts, circumstances and reasons set forth above demonstrate an affirmative showing that the Taxpayer's failure to report the Accounts in a timely manner was due to reasonable cause, and not willful neglect. We respectfully request that, pursuant to 31 U.S.C. §5321(a)(5)(B)(ii), any and all possible penalties which otherwise could be imposed for the Taxpayer's failure to report timely the Accounts for calendar years 2002 through 2006 be waived.

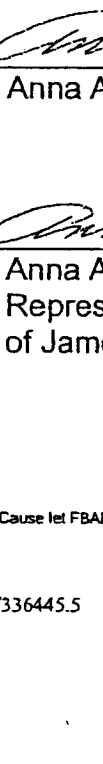
Please note that Mrs. Marsh, individually and on behalf of her deceased husband as Personal Representative of the Estate of James A. Marsh, has attested below to the facts stated above under penalties of perjury. If you require any further information, we request that you contact Alan L. Weisberg, Esq. at (305) 374-5544. Thank you for your understanding and consideration of this matter.

Very truly yours,

Weisberg and Kainen

Baker & McKenzie LLP

By: 
Alan L. Weisberg


By: 
Robert F. Hudson, Jr.

Attestation

Under penalties of perjury, I, Anna Marsh, individually and as Personal Representative for the Estate of James A. Marsh, do hereby declare that I have examined the above reasonable cause statement and, to the best of my knowledge and belief, it is true, correct and complete.

By: 
Anna A. Marsh

Date: 5/12/08

By: 
Anna A. Marsh, as Personal
Representative for the Estate
of James A. Marsh

Date: 5/12/08

May 12, 2008

Asia
Pacific
Bangkok
Beijing
Hanoi
Ho Chi Minh City
Hong Kong
Jakarta
Kuala Lumpur
Manila
Melbourne
Shanghai
Singapore
Sydney
Taipei
Tokyo

Europe &
Middle East
Almaty
Amsterdam
Antwerp
Bahrain
Baku
Barcelona
Berlin
Bologna
Brussels
Budapest
Cairo
Dusseldorf
Frankfurt / Main
Geneva
Kyiv
London
Madrid
Milan
Moscow
Munich
Paris
Prague
Riyadh
Rome
St. Petersburg
Stockholm
Vienna
Warsaw
Zurich

North & South
America
Bogota
Brasilia
Buenos Aires
Caracas
Chicago
Chihuahua
Dallas
Guadalajara
Houston
Juarez
Mexico City
Miami
Monterrey
New York
Palo Alto
Porto Alegre
Rio de Janeiro
San Diego
San Francisco
Santiago
Sao Paulo
Tijuana
Toronto
Valencia
Washington, DC

Revenue Agent
[Redacted]

[Redacted] = Redacted by the Permanent
Subcommittee on Investigations

**RE: Kerry Marsh (SSN [Redacted])
Shannon Marsh (SSN [Redacted])
Reasonable Cause Statement
Failure to Timely File Form 3520
Calendar Year: 2006**

Dear Mr. [Redacted]

As you know, the undersigned represent Kerry Marsh, a U.S. citizen taxpayer with SS# [Redacted] ("Kerry Marsh") and Shannon Marsh, a U.S. citizen taxpayer with SS# [Redacted] ("Shannon Marsh") and have previously filed Forms 2848, Power of Attorney.

Enclosed please find the following completed and executed Forms 3520, Annual Return to Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts, for calendar year 2006 (the "Forms"), filed on behalf of Kerry Marsh; Shannon Marsh; [Redacted] Marsh, a U.S. taxpayer with SS# [Redacted] ("[Redacted]"); [Redacted] Marsh, a U.S. taxpayer with SS# [Redacted] ("[Redacted]"); [Redacted] Marsh, a U.S. taxpayer with SS# [Redacted] ("[Redacted]"); [Redacted] Marsh, a U.S. taxpayer with SS# [Redacted] ("[Redacted]"); Kerry Marsh, Shannon Marsh, [Redacted], [Redacted], [Redacted] are referred to herein as the "Taxpayers").

The Taxpayers' failure to file these Forms in a timely manner was due to reasonable cause, and not any willful act or specific intent on the part of the Taxpayers, as explained herein below.

Many years ago, James A. Marsh, the father of Kerry Marsh and Shannon Marsh, funded several foundations in Liechtenstein, including one called Topanga Foundation (the "Foundation").

MIADMS/336548.2

After the death of James A. Marsh and the commencement of an IRS examination, Kerry Marsh and Shannon Marsh learned that each of the Taxpayers was a beneficiary of the Foundation, and that such Foundation is a simple trust whose income is required to be distributed to each of the Taxpayers as a beneficiary. As such, we informed Kerry Marsh and Shannon Marsh that under IRC §6048(b), each of the Taxpayers is required to file Form 3520 with respect to the Foundation because they are each deemed to receive annual distributions despite the fact that they did not actually receive any income (or other) distributions in 2006 from the Foundation. Kerry Marsh and Shannon Marsh agreed without any hesitation to do everything that was required to meet the Taxpayers' tax reporting requirements. They requested that we assist them in seeking the financial data necessary to meet the filing requirement. Pursuant thereto, after many months of dogged effort, all of the necessary financial information was finally obtained from Liechtenstein and carefully analyzed by U.S. tax accountants. However, such financial and tax data was only received well after the last filing deadline for 2006 and only just now completed to be able to file the enclosed Forms. This financial data collection and complicated tax analysis (due principally to the substantial number of PFIC investments involved) was done at great expense in professional fees, both legal and accounting, in Liechtenstein and in the United States.

The facts above clearly demonstrate that Kerry Marsh and Shannon Marsh, on behalf of all of the Taxpayers, have acted in a responsible manner, exercising business care and prudence, and making more than reasonable efforts to determine their tax and information reporting obligations as quickly as possible. Promptly upon being notified of their U.S. tax reporting obligations, they cooperated fully with counsel to assist in filing the enclosed Forms.

We believe the foregoing facts, circumstances and reasons set forth above demonstrate an affirmative showing that the Taxpayers' failure to file the enclosed Forms in a timely manner was due to reasonable cause, and not willful neglect. Accordingly, we respectfully request that any and all possible penalties which otherwise could be imposed pursuant to IRC § 6677(a) and (b) be waived.

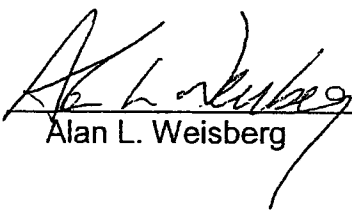
Please note that Kerry Marsh and Shannon Marsh have attested below to the facts stated above under penalties of perjury. If you require any further information, we request that you contact Alan L. Weisberg,

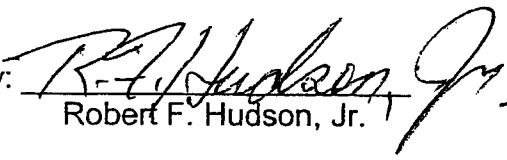
Esq. at (305) 374-5544. Thank you for your understanding and consideration of this matter.

Very truly yours,

Weisberg and Kainen

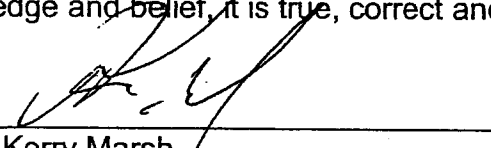
Baker & McKenzie LLP

By: 
Alan L. Weisberg

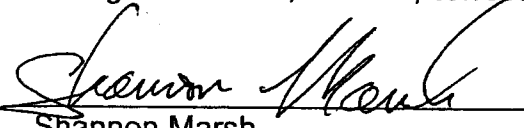
By: 
Robert F. Hudson, Jr.

Attestation

Under penalties of perjury, I, Kerry Marsh, do hereby declare that I have examined the above reasonable cause statement, and to the best of my knowledge and belief, it is true, correct and complete.

By:  Date: 5/12/08
Kerry Marsh

Under penalties of perjury, I, Shannon Marsh, do hereby declare that I have examined the above reasonable cause statement, and to the best of my knowledge and belief, it is true, correct and complete.

By:  Date: 5/12/2008
Shannon Marsh

Gründungsdatum: 20.06.1996

Status: Aktiv

Verwaltungs- / Stiftungsräte

Profile Management Trust reg., Vad Zeichnungsrecht: Einzel
Feuerstein Nicola Dr., Triesenberg Zeichnungsrecht: Kollektiv

[redacted] = Redacted by the Permanent Subcommittee on Investigations

Banken

LGT Bank in Liechtenstein AG, Vaduz

AB: Müller Beat Tel. [redacted] Zlg-Kto: [redacted]

Diverses

Aniagerberater: Müller Beat,
Protector: WU Veronica,
Protector: WU Margaret S.B.,
Repräsentant: LGT Treuhand AG, Vaduz
Vermittler: LGT Investment Management, Hong Kon
Auftraggeber: Privater Auftraggeber

Fix-Honorare

Domizilhonorar	800.00	20.06.2003	LGT Treuhand AG, Vaduz
Kapitalsteuer	1'000.00	20.06.2003	Liechtensteinische Steuerverwaltung, Vaduz
Stiftungsrats-honorar	3'000.00	20.06.2003	LGT Treuhand AG, Vaduz

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00 Fakturierbares Pauschalhonorar: 0.00

Zweck

- 100%ige Beteiligung: - Sandalwood International Limited, Bahamas
- Verwaltung durch Byrne (T. Corkhill), Hong Kong
- * - Aktienzertifikat --> ins Depot JCMA 14.1.97
- einziger Zweck von von Sandalwood ist das Halten der Tai Lung Worldwide Ltd., BVI

Tai Lung hält ein Haus in New York, das vermietet ist.
Die Mieteinkünfte werden auf das Konto der Standard Chartered Bank

überwiesen.

* Cobyrne Ltd. + Declare Limited sind Directors / beides nominee company von Byrne, welche Sandalwood treuhänderisch für die JCMA halten (siehe diesbezüglich auch Declaration of Trust und Service Agreement)

Besitznachweis, Verträge, Vollmachten

- die zwei Schwestern des Kunden, Mrs [redacted] Wu und Mrs [redacted] Wu haben auf dem LGT-Konto seit 1.8.96 bzw. 25.7.97 Einzelzeichnungsrecht

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

- Statuten und Beistatuten mit Protector

Pendenzen / Geschichte

- LTV hat Auftraggeber noch nie getroffen
- Privatadresse von [redacted] Wu erhalten (s. Schr. Ph. Jehle vom 21.7.97): bei der nächsten Beistatuten-Aenderung berücksichtigen; Mrs WU=Protector
- die 3 Töchter des 1B leben an der selben Adresse wie der 1B (Brief PJ 10.8.99) Adresse des Sohnes fehlt --> Beistatuten
- Annahmeerklärung mit Nachfolgeregelung i.S. Protector unterzeichnen (s. Schreiben HK 27.06.2002 - wird erfolgen)

ACHTUNG US-Citizen

Permanent Subcommittee on Investigations
EXHIBIT #19

JCMA Foundation 9490 Vaduz
SB: Dagmar Gächter KB: Sonja Sprenger

Client No.: [REDACTED]
Client Request: 6/27/2002

Founding date: 6/20/1996 **Status:** Active

Management/ Foundation Board
Profile Management Trust re., Vaduz Signature right: Individual
Dr. Nicola Feuerstein, Triesenberg Signature right: Joint

Banks
LGT Bank in Liechtenstein AG, Vaduz AB: Beat Müller Tel. # [REDACTED] ZigAcct: [REDACTED]

Miscellaneous
Investment Adviser: Beat Müller
Protector: Veronica WU
Protector: Margaret S.B. WU
Representative: LGT Treuhand AG, Vaduz
Agent: LGT Investment Management, Hong Kong
Client: Private Client

Fixed Fees			
Domicile fee	800.00	6/20/2003	LGT Treuhand AG, Vaduz
Capital Tax	1,000.00	6/20/2003	Liechtenstein Tax Authority, Vaduz
Foundation Board Fee	3,000.00	6/20/2003	LGT Treuhand AG, Vaduz

Lump Sum Fee
 {no entry}

Purpose
 - 100% Share: - Sandalwood International limited, Bahamas
 - Managed by Byrne (T. Corkholl), Hong Kong
 * - Stock certificate -- on deposit JCMA 1/14/97
 - sole purpose of Sandalwood is the holding of Tai Lung Worldwide, ltd., BVI

Tai Lung has a house in New York that is rented.
 The rental income is transferred to the account of Standard Chartered Bank.

Cobyne Ltd. + Declare Limited are directors / both nominee companies of Byrne, which Sandalwood holds in trust for JCMA (Also see Declaration of Trust and Service Agreement concerning this.)

Proof of Ownership, Contracts, Powers of Attorney
 - from 8/1/96 to 7/25/97 the two sisters of the client, Mrs. [REDACTED] Wu and Mrs. [REDACTED] Wu, had individual signature rights to the LGT account.

Instructions (Management, accounting, by-laws, etc.)
 - statutes and by-laws with Protector.

Pending/History
 - LTV has never met the client.
 - The private address for [REDACTED] Wu maintained (See 7/21/97 Ph. Jehle document): Allowed for in the next by-laws alteration; Mrs. WU = Protector
 - the 3 daughters in 1B live at the same address as 1B (8/10/99 PJ letter) son's address is missing -- by-laws
 - signed explanation with succession regulations according to Protector (See HK. 6/27/2002 document.)

ATTENTION US citizen

DECLARATION OF TRUST

THIS TRUST DEED is made 1 October 1996 between Cobyrne Limited of 37/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong (hereinafter called the trustee) of the one part and JCM Foundation, p.o. box 683, FL-9490 Vaduz/Principality of Liechtenstein (hereinafter called the beneficiary) of the other part.

WHEREAS the beneficiary is the beneficial owner of the following shares:

Name of Company: Sandalwood International Limited
Address: Providence House, East Hill Street, P O Box N-3944, Nassau,
Bahamas
Number of shares: 1
Share Number: 1

AND WHEREAS the beneficiary has requested the trustee to register the said shares in the trustee's name, and it was agreed that the trustee should execute such declaration of trust as is hereinafter contained.

NOW THIS DEED WITNESSETH as follows:

1. The trustee hereby declares that it holds the shares specified as aforesaid and all dividends and interest accrued or to accrue upon the same or any of them upon trust for the beneficiary and its successors in title and agrees to transfer pay and deal with the said shares and the dividends and interest payable in respect of the same in such manner as the beneficiary shall from time to time direct in writing subject to the following terms and conditions:

Directions to transfer shares from one beneficiary to another will be subject to the Articles of Association of the company concerned and the trustee reserves the right to notify the company concerned of changes in the beneficial ownership where it is considered necessary. In cases where notification is given and where under the Articles of Association of the company concerned the directors indicate an unwillingness to accept the transfer of beneficial interest the trustee will be under no obligation to accept the instructions given to him.

2. The trustee will at the request of the beneficiary or its successors in title attend all meetings of shareholders or otherwise which it shall be entitled to attend by virtue of being the registered proprietor of the said shares or any of them and will vote at every such meeting in such manner as the beneficiary or its successors in title shall have previously directed in writing and in default of and subject to any such direction at the discretion of the trustee and further will if so required by the beneficiary or its successors in title execute all proxies or other documents which shall be necessary or proper to enable the beneficiary, its personal representatives or assigns or its or their nominees to vote at any such meeting in the place of the trustee. The trustee reserves the right to give notice to the company when voting on any resolution that he is acting on specific instructions from the beneficiary.

..12

3. The trustee shall keep the beneficiary or its successors in title reasonably informed of the operations of the aforesaid company. Failure to notify the beneficiary of any specific matter will not be construed as a breach of this trust.

4. The trustee shall render debit notes for services rendered through Byrne Corporate Services Limited of 37th Floor, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong as their agents and Byrne Corporate Services Limited shall have a lien on the shares the subject of the trust to the extent of any unpaid fees due to them so rendered. Should fees properly rendered by Byrne Corporate Services Limited remain outstanding for more than three (3) consecutive months after the date of the rendering of the debit note concerned the trustee is hereby empowered by the beneficiary to transfer all or such part of the shares held under this trust to his own name and to sell same or to dispose of them according to his best advantage and the trustee shall be under no further obligation to the beneficiary. Provided however that the right to transfer and sell shall not be acted upon until fourteen days (14) after a final reminder requesting payment has been sent by registered post to the beneficiary at his last known address.

5. The beneficiary hereby undertakes to indemnify the trustee to the full extent of any and all obligations which arises out of the trustee holding the said shares on behalf of the beneficiary.

IN WITNESS WHEREOF the parties hereto have now set their signatures on the day and in the year beforementioned.

WITNESSED BY:

For and on behalf of

COBYRNE LIMITED

M. T. T. T.

Annika J. J.

Cobyrne Limited

Trustee

WITNESSED BY:

JCMA Foundation

M. T. T. T.

P. S. S. S.

Martina Toggenburg

Petar Schmid

Beneficiary

Vaduz, 21st November 1996 mto

New York City Department of Finance
Office of the City Register

HELP
[Click help for additional instructions]
Selecting a help option will open new window

Detailed Document Information

Current Search Criteria:
Name: TAI LUNG*
Date: To Current Date
Party Type: All Parties
Borough/County: All Boroughs/Counties
Document Class: All Document Classes

DOCUMENT ID: FT_4380005495638	CRFN: N/A	COLLATERAL: N/A
# of PAGES: 5	REEL-PAGE: 4524-2412	EXPIRATION DATE: N/A
DOC. TYPE: DEED	FILE NUMBER: N/A	ASSESSMENT DATE: 2/18/1997
DOC. DATE: 1/21/1997	RECORDED / FILED: 2/14/1997	SLID #: N/A
DOC. AMOUNT: \$0.00	BOROUGH: QUEENS	MAP SEQUENCE #: 0
MESSAGE: N/A	RPTT #: 03384	

PARTY 1

NAME	ADDRESS 1	ADDRESS 2	CITY	STATE	ZIP	COUNTRY
WU, WILLIAM S	[REDACTED]		FOREST HILLS	NY		US

PARTY 2

NAME	ADDRESS 1	ADDRESS 2	CITY	STATE	ZIP	COUNTRY
TAI LUNG WORLDWIDE LTD	213 QNS ROAD EAST WU CHUNG HOUSE		WAN CHAI			HK

PARTY 3/Other

NAME	ADDRESS 1	ADDRESS 2	CITY	STATE	ZIP	COUNTRY

PARCELS

BOROUGH	BLOCK	LOT	PARTIAL	PROPERTY TYPE	EASEMENT	AIR RIGHTS	SUBTERRANEAN RIGHTS	PROPERTY ADDRESS	UNIT	REMARKS
QUEENS	3251	70	ENTIRE LOT	PRE-ACRIS	N	N	N			

REFERENCES							REMARKS
CRFN	DOCUMENT ID	BOROUGH	YEAR	REEL	PAGE	FILE NBR	

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CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT - THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY

THIS INDENTURE, made the 21st day of January, nineteen hundred and ninety-seven BETWEEN WILLIAM S. WU, residing at [REDACTED] Forest Hills, NY

DO IN ORIGINAL

[REDACTED] = Redacted by the Permanent Subcommittee on Investigations

party of the first part, and

TAI LUNG WORLDWIDE, LTD., having its principal place of business at 213 Queens Road East, 37th Floor, Wu Chung House, Wan Chai, Hong Kong

party of the second part,

WITNESSETH, that the party of the first part, in consideration of Ten Dollars and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the

See annexed Schedule A

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

[Signature] WILLIAM S. WU

— = Redacted by the Permanent
Subcommittee on Investigations

SCHEDULE A

ALL that certain plot, parcel of land, with the buildings and improvements thereon erected, situate lying and being in the Second Ward, Borough and County of Queens, City and State of New York, being shown as a part of Block 4 on a certain map entitled, "Map No. 3 of Forest Hills Gardens, situated at Forest Hills, Borough of Queens, City of New York, surveyed for Sage Foundation Homes Company, dated April, 1913 by C.B. Fancy, C.E." and filed in the office of the clerk, now Register, of Queens County on 7/15/13 as map No. 97 bounded and described as follows:

BEGINNING at a point on the westerly side of street known as [REDACTED], as laid down on said map distant 279.94 feet measured along said side of [REDACTED] southerly from the corner formed by the intersection of the said westerly side of [REDACTED] with the southerly side of [REDACTED] as now laid out 50 feet wide; and

RUNNING THENCE southerly along the westerly side of [REDACTED] on an arc of a circle bearing to the right and at a radius of 888.26 feet a distance of 30.06 feet;

THENCE South 71 degrees 29 minutes 13 seconds West and part of the distance through a party wall 78.50 feet;

THENCE south 26 degrees 29 minutes 13 seconds west 6.36 feet;

THENCE south 71 degrees 29 minutes 13 seconds west 17.73 feet;

THENCE north 63 degrees 30 minutes 47 seconds west 6.36 feet;

THENCE north 18 degrees 30 minutes 47 seconds west 16.03;

THENCE south 71 degrees 29 minutes 13 seconds west 5.50 feet to the east side of a private lane hereinafter described;

THENCE along said lane north 18 degrees 30 minutes 47 seconds west 13.97 feet;

REEL 452 PG 2414

THENCE north 71 degrees 29 minutes 13 seconds east and part of the distance through a party wall 112.73 feet to the westerly side of [REDACTED], to the point or place of beginning.

TOGETHER with an undivided interest of, in and to the rear service lane or driveway which lane or driveway is bounded and described as follows:

BEGINNING at a point on the southerly side of [REDACTED] as now laid out, 50 feet wide distant 127.30 feet westerly measured along said side of [REDACTED] on a course running south 48 degrees 34 minutes 35 seconds west from the corner formed by the intersection of said southerly side of said place with the westerly side of said street known as [REDACTED] and

RUNNING THENCE south 41 degrees 4 minutes 28 seconds, east 52.42 feet;

THENCE south 74 degrees 47 minutes 37 seconds east 16.75 feet;

THENCE south 15 degrees 11 minutes 19 seconds east 48.03 feet;

THENCE south 18 degrees 30 minutes 47 seconds east 120 feet;

THENCE north 71 degrees 29 minutes 13 seconds east 11.10 feet;

THENCE south 18 degrees 30 minutes 47 seconds east 21.97 feet;

THENCE south 71 degrees 29 minutes 13 seconds west 23.60 feet;

THENCE north 18 degrees 30 minutes 47 seconds west 176.40 feet;

THENCE north 41 degrees 4 minutes 28 seconds west 72.92 feet to the said southerly side of Middlemay Place and

THENCE north 48 degrees 34 minutes 35 seconds east along said side of said place 10 feet to the point or place of beginning.

SAID PREMISES being known as and by street address 81 [REDACTED] Forest Hills, New York.

STATE OF NEW YORK, COUNTY OF QUEENS

STATE OF NEW YORK, COUNTY OF

On the 21st day of January 1997, before me personally came WILLIAM S. WU

On the day of 19, before me personally came

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that he executed the same.

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that executed the same.

Antonia Tripiano
Notary Public

SO IN ORIGINAL

~~ANTONIA TRIPIANO
Notary Public, State of New York
No. 0178031880
Qualified in Queens County
Commission Expires August 8, 1998~~

ANTONIA TRIPIANO
Notary Public, State of New York
No. 0178031880
Qualified in Queens County
Commission Expires August 8, 1998

— = Redacted by the Permanent Subcommittee on Investigations

STATE OF NEW YORK, COUNTY OF

STATE OF NEW YORK, COUNTY OF

On the day of 19, before me personally came to me known, who, being by me duly sworn, did depose and say that he resides at No.

On the day of 19, before me personally came the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who, being by me duly sworn, did depose and say that he resides at No.

that he is the of the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

that he knows to be the individual described in and who executed the foregoing instrument; that he, said subscribing witness, was present and saw execute the same; and that he, said witness, at the same time subscribed his name as witness thereto.

Bargain and Sale Deed
WITH COVENANT AGAINST GRANTOR'S ACTS
TITLE No. CR2440

WILLIAM S. WU
TO
TAI LUNG WORLDWIDE, LTD

SECTION
BLOCK 3251
LOT 70
COUNTY OR TOWN QUEENS
Forest Hills, N.Y.
RETURN BY MAIL TO

TAI LUNG WORLDWIDE, LTD.
C/O FRANK J. DIDERO, ESQ.
47-14 158th Street
Flushing, New York
Zip No. 11358

REEL 52 PG 2415

Reserve this space for use of Recording Office.

**CITY REGISTER RECORDING AND ENDORSEMENT PAGE
- QUEENS COUNTY -**

(This page forms part of the instrument)

Block(s) 3251
 Lot(s) 70
 [Redacted] *Ferry Hill*

Record & Return to: Frank J. Pidero, Esq.
77-14 158th St., Flushing, N.Y. 11358
 Title/Agent Company name: Pioneer Real Title Corp.
 Title Company number: 01-2990

OFFICE USE ONLY - DO NOT WRITE BELOW THIS LINE

THE FOREGOING INSTRUMENT WAS ENDORSED FOR THE RECORD AS FOLLOWS:

REEL 4524 PG 2416

Examined by (s): [Signature]

Mtge Tax Serial No. _____
 Mtge Amount \$ _____
 Taxable Amount \$ _____
 Exemption (✓) YES NO
 Type: [339EE] | 255 | OTHER _____
 Dwelling Type: [1 u 2] | 3 | [4 u 6] | OVER 6

TAX RECEIVED ON ABOVE MORTGAGE ▼

County (basic) \$ _____
 City (Addtl) \$ _____
 Spec Addtl \$ _____
 TASF \$ _____
 MTA \$ _____
 NYCTA \$ _____
 TOTAL TAX \$ _____
 Apportionment Mortgage (✓) YES NO

Joy A. Bobrow, City Register

City Register Serial Number 010725

Indexed By (s): [Signature] Verified By (s): _____

Block(s) and Lot(s) verified by [Signature]
 Address Tax Map
 Extra Block(s) _____ Lot(s) _____

Recording Fee A \$ 42
 Affidavit Fee (C) \$ _____
 TP-504/582 Fee (Y) \$ _____
 RPTT Fee (R) \$ 25
 HPD-A HPD-C

New York State Real Estate Transfer Tax ▼
 \$ 15.20

Serial Number _____

New York City Real Property Transfer Tax
 Serial Number 003384

New York State Gains Tax
 Serial Number _____

0107 0107 0107 0107 0107

RECORDED IN QUEENS COUNTY OFFICE OF THE CITY REGISTER



1991 FEB 14 P 3 11

Witness My Hand and Official Seal

Joy A. Bobrow

City Register

CRCFM80.BPG 1-93



Memorandum

1 / 1

Subject **JCMA Foundation**

Author/dept./tel. **Kim Choy**

Date **June 26, 2002**

For action by

For information **BM, PW, Sonja Sprenger**

Meeting held on 25 June 2002.

Attendees : **Mr William Wu**
LGT - Beat Muller, Kim Choy

KC joined the meeting following BM's presentation of Mr Wu's account(s) with LGT Bank to discuss the JCMA Foundation.

Mr Wu confirmed that he and all family members named in the By-laws except his wife hold US passports and all live in the US. His wife has retained her Singapore passport (N.B. Singapore does not permit dual nationality).

The JCMA Foundation's assets consist of an account with LGT Bank and shares in a BVI company (Sandalwood) which in turns owns the family home in the US.

KC explained the reporting requirements imposed on a US grantor, e.g. creation of the foundation, ensuring the Board Members file annual returns with the IRS. Also, as the income of the Foundation is taxed to the grantor, further annual filing of income of the foundation and payment of income tax on worldwide income of the foundation. Furthermore, if US beneficiaries have received distributions from the Foundation, the Board Members must provide a Beneficiary Statement to each recipient which should be attach to his/her income tax return to the IRS. Upon the death of the US grantor, the Board Members may be considered the statutory executor of his estate and will bear liability and exposure for any non-compliance by the grantor during his lifetime of reporting and other requirements to the IRS, the filing of the deceased's US estate tax return and payment of estate taxes on the assets of the Foundation at the date of his death.

KC informed Mr Wu that the JCMA Foundation must be re-structured and that LGT & Treuhand were looking at formulating solutions. We raised the possibility of an insurance product which Mr Wu didn't seem interested in. Other possibilities included:

- lifetime transfers to his beneficiaries;
- making use of Mr Wu's non-US siblings to restructure the Foundation ;
- private/corporate account.

Mr Wu acknowledged the need to restructure the Foundation and was receptive to any ideas we could come up with. Similarly, we would welcome any solutions from him or his advisers. Mr Wu has interests in other ventures/companies unconnected with LGT which require restructuring to address US tax/reporting requirements.

Permanent Subcommittee on Investigations

EXHIBIT #22

PSI-USMSTR - 004989

LGT Treuhand AG
18 Städtle
FL-9490 Vaduz
Liechtenstein

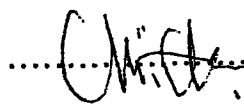
Dear Sirs,

Re: JCMA Foundation, Ref. no. 328.1

Please arrange to buy a bank draft for USD100,000.00 in favour of William WU by debiting the above account. The undersigned will collect the bank draft in person.

Thank you for your attention.

Yours truly,



Date: 27 June, 2002


Kontr. 2635

Permanent Subcommittee on Investigations

EXHIBIT #23

PSI-USMSTR - 004980

— = Redacted by the Permanent Subcommittee on Investigations



K939026

1-108
210

Issuing Office: HKH HONG KONG Date: 26 JUN 2002 Ref: DD [REDACTED]

On demand pay to the order of: WILLIAM WU*****

Amount	USD ONE HUNDRED THOUSAND ONLY	USD100,000.00*
--------	-------------------------------	----------------

To HSBC Bank USA
140 Broadway
New York
NY 10005 USA
Payable at any branch of HSBC Bank USA in the USA

For The Hongkong and Shanghai Banking Corporation Limited
Incorporated in the Hong Kong SAR with limited liability

CHIN KWAN YUET WAH
ROSANNA
7606

LAI KWOK KAI ANG
6649

Please DO NOT Write Below This Line

[REDACTED]

Acknowledge receipt of cheque [REDACTED]

Chith

Branch HONG KONG OFFICE
Date 26 JUN 2002

ON-LINE REMITTANCES ADVICE

REFERENCE DD [REDACTED]	Drawn On / To / From HSBC BANK USA NEW YORK
WE HAVE DEBITED YOUR ACCOUNT [REDACTED] ON 26 JUN 2002 WITH THE AMOUNT OF A DEMAND DRAFT REMITTANCE AMOUNT USD***100,000.00 COMMISSION HKD *976.38 TOTAL CHARGES USD*****125.00 DR AMOUNT USD***100,125.00	Beneficiary WILLIAM WU By order of LGT BANK IN L AKT Payment Details
Bk to Bk Infor To LGT BANK IN LIECHTENSTEIN AG P O BOX 85 9490 VADUZ LIECHTENSTEIN	

[REDACTED] = Redacted by the Permanent Subcommittee on Investigations

REMIT0014 (150999)

Note: 1. For inward remittance transactions, amount credited is subject to final settlement and any additional charges will be debited to your account under advice to you.
2. For clean cheque transactions, the interest charged represents the interim cost to the bank between the immediate crediting of your account and the receipt of the cleared funds.

Resolution

The Foundation Board of the

JCMA Foundation, Vaduz

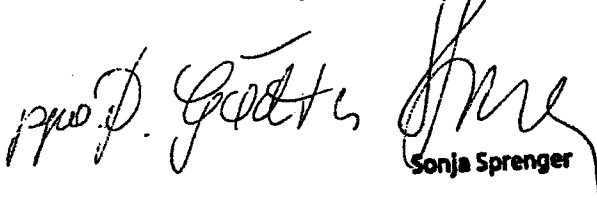
pursuant to Art. 8 and 10 of the Articles and to Art. 1 of the By-Laws as well as in accordance to the request of the first beneficiary hereby resolves to carry out the following distribution:

Amount	USD*100'000.--* by cheque
Beneficiary	William WU
Bank	HSBC Hong Kong and Shanghai Banking Corp. Hong Kong
Date	26 June 2002

Vaduz, 26 June 2002 SSP/dgc

The Foundation Board

Profile Management Trust reg.


Sonja Sprenger


Dr Nicola Feuerstein

Resolution

The Foundation Board of

JCMA FOUNDATION, Vaduz

has passed the following resolution:

1. The statement of assets as per 31 t December 2001 in the total amount of USD*4'283'473.49* to enclosure /1 is herewith approved.
2. All investments carried out in 2001 according to enclosures /2 are herewith approved.
3. All distributions carried out in 2001 according to enclosures /2 are herewith approved.
4. LGT Treuhand Aktiengesellschaft, Vaduz, will be instructed to establish the statement of assets for the next year.

Vaduz, 07 February 2002 / dgc

The Foundation Board:

Profile Management Trust reg.

ppw. D. Gächter
Dagmar Gächter

Sonja Sprenger
Sonja Sprenger

Dr. Nicola Feuerstein

Dr. Nicola Feuerstein

Permanent Subcommittee on Investigations

EXHIBIT #24

WWU-PSI-00027



JCMA Foundation
9490 Vaduz

Vaduz, January 1, 2002
BML / BHK / 20:22:38

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— = Redacted by the Permanent
Subcommittee on Investigations

Performance

<u>Period 01.01.2001 - 31.12.2001</u>		ref. currency: USD
Assets as of 31.12.2000	including accr. interests (8,642.11)	4,666,442.19
Deposits		0.00
Withdrawals		304,086.86-
Balance transfer from/to another account		0.00
Balance deliveries of securities	including accr. interests (0.00)	0.00
		<hr/>
Assets as of 31.12.2001	including accr. interests (921.52)	4,362,355.33
		4,283,472.49
Performance		<hr/>
		78,882.84-
		<hr/>
<u>Details of performance</u>		
Profit or loss		130,864.45-
Dividends / credit interests		56,379.10
Debit interests		453.17-
Expenses and commissions		3,944.32-
		<hr/>
Performance		78,882.84-
		<hr/>
Average capital	100.00 %	4,438,475.83
Performance	1.78- %	78,882.84-

We do not accept responsibility for the accuracy or completeness of the information provided above.

Resolution

The Foundation Board of the

JCMA Foundation, Vaduz

hereby resolves:

1. The inventory of assets and liabilities at 31 December 2003 showing a total of USD*2'172'145.97*, which is attached to this resolution as Schedule 1, is hereby approved and adopted.
2. The investments made in 2003 according to Schedule 2 are hereby approved and adopted.
3. The distributions and payments made in 2003 according to Schedule 2 are hereby approved and adopted.
4. LGT Treuhand AG, Vaduz, is entrusted with drawing up the inventory of assets and liabilities for the next business year.

Vaduz, 10 March 2004 / dgc

The Foundation Board

Profile Management Trust reg.

Dr Nicola Feuerstein


Dagmar Gächter



lic.iur. Marco Sacchet



JCMA Foundation
9490 Vaduz

Vaduz, January 2, 2004
BML / BHK / 01:25:14

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Subcommittee on Investigations

Performance

Period 01.01.2003 - 31.12.2003

ref. currency: USD



Assets as of 31.12.2002	including accr. interests (	0.00)	3,233,227.78
Deposits			525,000.00
Withdrawals			4,680,795.10
Balance transfer from/to another account			0.00
Balance deliveries of securities	including accr. interests (	0.00)	2,650,000.00
Assets as of 31.12.2003	including accr. interests (	5,491.85-)	1,727,432.68
Performance			2,172,144.97
			444,712.29

Details of performance

Profit or loss			464,967.46
Dividends / credit interests			6,491.85-
Debit interests			11,527.28-
Expenses and commissions			2,236.04-
Performance			444,712.29

Average capital	100.00 %	2,067,800.55
Performance	21.51 %	444,712.29

Only the Banks official account and safe custody advices are binding.

Resolution

of the Foundation Board of

JCMA Foundation, Vaduz

The Foundation Board takes note of the Statements of Assets as per 31 December 2004 together with its notes and schedules which shall form an integral part of this resolution. After due consideration the Foundation Board states:

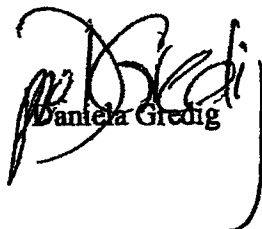
1. The Foundation's net assets as per 31 December 2004 amount to USD 1'202'636.25.
2. During the course the business year 2004 an amount of USD 1'026'250.00 was distributed to the first beneficiary.
3. The investments are in line with the statutory object of the Foundation and the declaration of intent of the founder.
4. In compliance with its statutory object the Foundation has not pursued any commercial activities in the business year 2004.

Based on these facts the Foundation Board herewith unanimously approves and adopts the said Statement of Assets and resolves to entrust the Legal Representative with the drawing up of the Statements of Assets for the business year to come.

Vaduz, 13 February 2006/SSP/xpt

The Foundation Board

Profile Management Trust reg.


Daniela Gredig


lic. iur. Marco Sacchet

Sonja Sprenger


Permanent Subcommittee on Investigations

EXHIBIT #26

WWU-PSI-00064

Notes to the Statement of Assets as per 31 December 2004

4. Participations

Sandalwood International Limited, B.V.I.
100% owned by the Foundation

Authorized Capital: USD 50'000.00
divided into 50'000 shares of USD 1.-- each
Issued Capital: 1 share of USD 1.-- each

1.00

1.00

Dickinson Holding & Finance Ltd., B.V.I.
100% owned and controlled by the Foundation

Authorized Capital: USD 50'000.00
divided into 50'000 shares of USD 1.-- each
Issued Capital: 1'000 shares of USD 1.-- each

1'000.00

0.00

A statement of assets as of 31 December 2004
was provided by the directors on 15 September 2004,
it shows a total of fair market value of USD 1'349'698.71

1'001.00

1.00

5. Loans

August 2004 Principal loan amount paid

1'178'515.46

0.00

1'178'515.46

0.00

In August 2004 an interest free loan in the amount of USD 1'179'515.46 was granted to DICKINSON HOLDING & FINANCE LTD, BVI, for an indefinite period of time. A loan agreement was made in writing on 13 February 2006.

Notes to the Statement of Assets as per 31 December 2004

6. Liabilities

2004
USD

2003
USD

Lombard Loan

On 31 May 1999 the Foundation entered into a lombard loan contract with LGT Bank in Liechtenstein AG, Vaduz. In this respect a general deed of pledge and of assignment was signed.

0.00

-1'522'690.18

The Foundation Board has no notice of any other liabilities, commitments or obligations the effect of which should be considered for disclosure in the Statement of Assets or as a basis for recording a contingency or making adjustment or provision. To-date there are neither annuities nor titles nor enforceable legal claims against the Foundation.

JCMA Foundation, Vaduz

Endowments and Distributions in 2004

<u>Endowments</u>	USD
none	<u>0.00</u>

<u>Distributions</u>	USD
To the first beneficiary according to a board resolution dated 12 February 2004	525'000.00
To the first beneficiary according to a board resolution dated 24 May 2004	200'500.00
To the first beneficiary according to a board resolution dated 10 August 2004	<u>300'750.00</u>
	<u>1'026'250.00</u>

JCMA Foundation
 9490 Vaduz

Vaduz, January 2, 2005
 BML / BHK / 04:54:45

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— = Redacted by the Permanent
 Subcommittee on Investigations

Performance

Period 01.01.2004 - 31.12.2004

ref. currency: USD

Assets as of 31.12.2003	including accr. interests (	5,491.85-)	2,172,144.97
Deposits			4,967,938.95
Withdrawals			1,242,355.13-
Balance transfer from/to another account			0.00
Balance deliveries of securities	including accr. interests (	1,850.00-)	5,903,506.84-
			5,778.05-
Assets as of 31.12.2004	including accr. interests (	0.00)	23,119.79
Performance			28,897.84

Details of performance

Profit or loss	15,002.86
Dividends / credit interests	13,358.52
Debit interests	22.53-
Expenses and commissions	558.99
Performance	28,897.84

Average capital	100.00 %	1,061,926.94
Performance	2.72 %	28,897.84

This performance statement is meant only for information purposes and is not legally binding.

Resolution

of the Foundation Board of

JCMA Foundation, Vaduz

The Foundation Board takes note of the Statements of Assets as per 31 December 2005 together with its notes and schedules which shall form an integral part of this resolution. After due consideration the Foundation Board states:

1. The Foundation's net assets as per 31 December 2005 amount to USD 1'188'957.64.
2. The assets development for the business year 2005 shows a decrease in Foundation's assets of USD 463'754.13.
3. During the course the business year 2005 an amount of USD 49'939.93 (equivalent of HKD 387'600.--) was endowed to the Foundation and an amount of USD 500'000.-- was distributed to the first beneficiary. The endowment and distributions were entered in the Statement of Assets as redemption/additions to the loan of Dickinson Holding & Finance Ltd., BVI.
4. The investments are in line with the statutory object of the Foundation and the declaration of intent of the founder.
5. In compliance with its statutory object the Foundation has not pursued any commercial activities in the business year 2005.

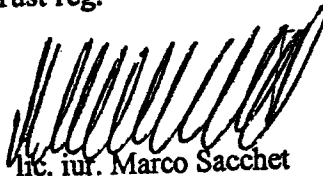
Based on these facts the Foundation Board herewith unanimously approves and adopts the said Statement of Assets and resolves to entrust the Legal Representative with the drawing up of the Statements of Assets for the business year to come.

Vaduz, 30 March 2006/SSP/xpt

The Foundation Board

Profile Management Trust reg.


Daniela Gredig


lic. iur. Marco Sacchet

Sonja Sprenger


Permanent Subcommittee on Investigations

EXHIBIT #27

WWU-PSI-00078

Notes to the Statement of Assets as per 31 December 2005

1. General information on the Foundation

The formation documents of JCMA Foundation were deposited with the public registry in Vaduz on 20 June 1996.

The currently valid Articles of the Foundation date back to 20 June 1996. In compliance with the said Articles, Beneficiaries of the Foundation were appointed in separate By-Laws on 25 June 1996.

As from 18 October 2004 the Foundation Board consists of two members, namely Sonja Sprenger (PGR Art. 180a) and Profile Management Trust reg., Vaduz. While Sonja Sprenger has joint signatory power, Profile Management Trust reg., Vaduz is entitled to represent and bind the Foundation by its sole signature.

The statutory minimum Foundation Fund amounts to CHF 30'000.--.

2. Cash at banks

LGT Bank in Liechtenstein AG, Vaduz

Account No. [REDACTED]

USD Account
SGD Account
HKD Account

SGD 11.33
HKD 798.52

	2005 USD	2004 USD
	328.35	550.63
	6.82	6.93
	103.03	37.75
Total LGT Bank in Liechtenstein AG, Vaduz	438.20	595.31
Total Cash at banks	438.20	595.31

Please refer to the attached bank statements for details.

Profile Management Trust reg. is the sole authorized signatory on the bank accounts of the Foundation.

3. Securities

LGT Bank in Liechtenstein AG, Vaduz

Safe Custody Account No. [REDACTED]

Money Market Funds

Total Securities

Total Securities

	2005 USD	2004 USD
	9'002.98	22'524.48
Total Securities	9'002.98	22'524.48
Total Securities	9'002.98	22'524.48

Notes to the Statement of Assets as per 31 December 2005

Generally the valuation of the above securities is made on a market value basis (daily rates) as of the end of the year in accordance with the information provided by the bank. Please note that the total includes unrealized profits and losses.

When managing the assets the Foundation Board takes into consideration the recommendations coming from LGT Bank in Liechtenstein AG, Vaduz. All securities transactions are detailed in the Schedules.

For further details on the asset and currency allocation, security transactions and the performance please refer to the Schedules.

4. Participations

SANDALWOOD INTERNATIONAL LIMITED, BVI

100% owned by the Foundation

Authorized Capital: USD 50'000.00
divided into 50'000 shares of USD 1.-- each
Issued Capital: 1 share of USD 1.-- each

	<u>2005 USD</u>	<u>2004 USD</u>
	1.00	1.00

Sandalwood is the shareholder of a company called Tai Lung Worldwide Ltd., which owns a property in New York. Financial Statements were not provided by the directors.

DICKINSON HOLDING & FINANCE LTD.

100% owned and controlled by the Foundation

Authorized Capital: USD 50'000.00
divided into 50'000 shares of USD 1.-- each
Issued Capital: 1'000 shares of USD 1.-- each

	1'000.00	1'000.00
	<u>1'001.00</u>	<u>1'001.00</u>

The Foundation granted a loan to DICKINSON, which is operating a bank account with LGT Bank in Liechtenstein AG. The attached statement of assets as of the year-end show a market value of USD 3'443'753.94 (2004) and USD 3'774'387.02 (2005).

Notes to the Statement of Assets as per 31 December 2005

5. Loans

DICKINSON HOLDING & FINANCE LTD.

Principal loan amount paid
 Additions during the year
 Redemptions during the year

2005 USD	2004 USD
1'178'515.46	1'178'515.46
49'939.93	0.00
-500'015.45	0.00
728'439.94	1'178'515.46

In August 2004 an interest free loan in the amount of USD 1'178'515.46 was granted to DICKINSON HOLDING & FINANCE LTD, BVI, for an indefinite period of time. A loan agreement was made in writing on 13 February 2006.

During the course of 2005 DICKINSON HOLDING & FINANCE LTD, BVI, received monies and effected payments for and on behalf of the Foundation. These payments are registered in the books as additions/redemptions of the principal loan amount.

6. Liabilities

Lombard Loan

On 31 May 1999 the Foundation entered into a lombard loan contract with LGT Bank in Liechtenstein AG, Vaduz. In this respect a general deed of pledge and of assignment was signed.

2005 USD	2004 USD
0.00	0.00

The Foundation Board has no notice of any other liabilities, commitments or obligations the effect of which should be considered for disclosure in the Statement of Assets or as a basis for recording a contingency or making adjustment or provision. To-date there are neither annuities nor titles nor enforceable legal claims against the Foundation.

Endowments and Distributions in 2005

	USD
<u>Endowments</u>	
- according to a declaration of endowment dated 13 September 2005 <i>transferred to Dickinson Holding & Finance Ltd, BVI</i> <i>HKD 387'600.00</i>	49'939.93
	<hr/>
Total	<u>49'939.93</u>

	USD
<u>Distributions</u>	
- according to a board resolution dated 27 May 2005 <i>transferred from the bank account of Dickinson Holding & Finance Ltd, BVI</i>	200'007.72 *)
- according to a board resolution dated 17 August 2005 <i>transferred from the bank account of Dickinson Holding & Finance Ltd, BVI</i>	300'007.73 *)
	<hr/>
Total	<u>500'015.45</u>

*) incl. charges, fees & commissions

Resolution

of the Foundation Board of

Desert Rose Foundation, Vaduz

The Foundation Board takes note of the Statement of Assets as per 31 December 2006 together with its notes and schedules which shall form an integral part of this resolution. After due consideration the Foundation Board states:

1. The Foundation's net assets as per 31 December 2006 amount to USD 422'249.10.
2. The Cash Flow Statement for the business year 2006 shows a decrease in Foundation's assets of USD 316'633.02.
3. During the course of the said business year no endowments were made and a total of USD 300'000.00 was distributed.
4. The investments of assets are in line with the statutory object of the Foundation and the declaration of intent of the founder.
5. In compliance with its statutory object the Foundation has not pursued any commercial activities in the business year 2006.

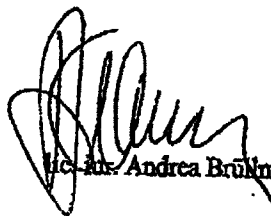
Based on these facts the Foundation Board herewith unanimously approves and adopts the said Statement of Assets and resolves to entrust the Legal Representative with the drawing up of the Statement of Assets for the business year to come.

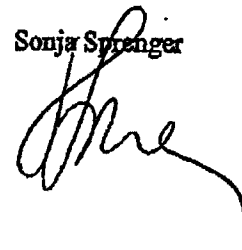
Vaduz, 18 April 2007/SSP/rwe

The Foundation Board

Profile Management Trust reg.


Xenia Hestettler


Andrea Brühlmann

Sonja Sprenger


Desert Rose Foundation, Vaduz

Notes to the Statement of Assets as per 31 December 2006

Generally the valuation of the above securities is made on a market value basis (daily rates as per 31 December) in accordance with the information provided by the bank. Please note that the total includes unrealized profits and losses on exchange rates and currency exchange.

When managing the assets the Foundation Board takes into consideration the recommendations coming from LGT Bank in Liechtenstein AG, Vaduz. All securities transactions are detailed in the Schedules.

For further details on the asset and currency allocation, securities transactions and the performance please refer to the Schedules.

4. Participations

	<u>2006 USD</u>	<u>2005 USD</u>
<i>SANDALWOOD INTERNATIONAL LIMITED, BVI</i>		
100% beneficially owned by the Foundation		
Authorized Capital: USD 5'000.00		
divided into 5000 shares of USD 1.-- each		
Issued Capital: 1 share of USD 1.-- each	1.00	1.00

Sandalwood is the shareholder of a company called Tai Lung Worldwide Ltd., which owns a property in New York. Financial Statements have not been provided by the directors. During the course of 2006 it was resolved to distribute the shares to the first Beneficiary, however, the planned share transfer has not yet been completed.

<i>DICKINSON HOLDING & FINANCE LTD.</i>		
100% owned and controlled by the Foundation		
Authorized Capital: USD 50'000.00		
divided into 50'000 shares of USD 1.-- each		
Issued Capital: 1'000 shares of USD 1.-- each	1'000.00	1'000.00

The Foundation granted a loan to DICKINSON, which is operating a bank account with LGT Bank in Liechtenstein AG. The attached statement of assets as of the year-end show a market value of USD 3'774'387.02 (2005) and USD 4'250'013.53 (2006).

Total Participations

<u>1'001.00</u>	<u>1'001.00</u>
-----------------	-----------------

Desert Rose Foundation, Vaduz**Notes to the Statement of Assets as per 31 December 2006**

5. Loans	2006 USD	2005 USD
<i>DICKINSON HOLDING & FINANCE LTD.</i>		
Principal loan amount paid	728'439.94	1'178'515.46
Additions in 2005	0.00	49'939.93
Redemptions in 2005	0.00	-500'015.45
Redemptions during the year	-324'311.87	0.00
	404'128.07	728'439.94

In August 2004 an interest free loan in the amount of USD 1'178'515.46 was granted to DICKINSON HOLDING & FINANCE LTD., BVI, for an indefinite period of time. A loan agreement was made in writing on 13 February 2006.

During the course of 2005 and 2006 DICKINSON HOLDING & FINANCE LTD., BVI, received monies and effected payments for and on behalf of the Foundation. These payments are registered in the books as additions/redemptions of the principal loan amount.

6. Liabilities

The Foundation Board has no notice of liabilities, commitments or obligations the effect of which should be considered for disclosure in the Statement of Assets or as a basis for recording a contingency or making adjustment or provision. To-date there are neither annuities nor titles nor enforceable legal claims against the Foundation.

Desert Rose Foundation, Vaduz**Endowments and Distributions in 2006**

<u>Endowments</u>	USD
none	<u>0.00</u>
	<u>0.00</u>

<u>Distributions</u>	USD
- according to a Board Resolution dated 20 November 2006 transferred from the bank account of Dickinson Holding & Finance Ltd.	<u>300'000.00 *)</u>
	<u>300'000.00</u>

*) includes bank charges paid by Dickinson Holding & Finance Ltd.

Gründungsdatum: 21.08.1997

Status: Gelöscht

[REDACTED] = Redacted by the Permanent Subcommittee on Investigations

Verwaltungs- / Stiftungsräte

Profile Management Trust reg., Vad Zeichnungsrecht: Einzel
Feuerstein Nicola Dr., Vaduz Zeichnungsrecht: Kollektiv

Banken

LGT Bank in Liechtenstein AG, Vaduz

AB: Jehle Philip / LGT HK ZR-Nr.: [REDACTED] Zlg-Kto: [REDACTED]

Diverses

Anlageberater: Jehle Philip / LGT HK,
Aktien / Zessionen: LGT Bank Depot Ordinario,
Repräsentant: LGT Treuhand AG, Vaduz
Vermittler: LGT Investment Management, Hong Kon
Auftraggeber: Privater Auftraggeber

Fix-Honorare

Domizilhonorar	800.00	21.08.2001	LGT Treuhand AG, Vaduz
Kapitalsteuer	1'000.00	21.08.2001	Liechtensteinische Steuerverwaltung, Vaduz
Stiftungsratshonorar	3'000.00	21.08.2001	LGT Treuhand AG, Vaduz

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00 Fakturierbares Pauschalhonorar: 0.00

Zweck

- 100%ige Beteiligung: - Manta Company Limited, Western Samoa ??
- Zweck: s. Organigramm mit div. Angaben
- 1 Inhaber-Aktienzertifikat im LGT-Depot der Veline
--> siehe auch Pendenzen!

AKTIE am 12.04.2001 nach Hong Kong /Rep. Office per UPS gesandt zur Weiterleitung an Kunde

Besitznachweis, Verträge, Vollmachten

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

- unsere Kontaktperson für sämtliche Pendenzen Mrs Ann Mary Pak, KK Young & Co., Hong Kong (siehe AV psc vom 14.6.99)

Pendenzen / Geschichte

- Passkopien der Dritt- und Viertbegünstigten fehlen (vorläufig abgelehnt durch die Kundin am 11.12.97)
- siehe AV scp vom 11.12.97 und cc-mail scp an Ph. Jehle vom 18.2.98 betr. Manta bzw. Struktur:
 - sind alle Unterlagen ok, insbesondere das "neue" eingelieferte Aktienzertifikat Manta? (Kopie beiliegend)
 - Ist Manta 100%ige Beteiligung von Veline?

--> scp mit Kundin und KK Young besprechen (siehe Schr. K.K. Young 30.7.98 und u/Fax an KK Young vom 13.8.98)
(- SAB: M2 und Akt ev. anpassen)

- Financial Statements bei NALA MANAGEMENT am Jahresanfang anfordern.
- VS00 von Kunde unterzeichnen per Fax nach HK 05.02.00

Permanent Subcommittee on Investigations

EXHIBIT #29

PSI-USMSTR - 005887

Veline Foundation – closed on 4/19/2001 9490 Vaduz Client No.: [REDACTED]
 SB: Dagmar Güchter KB: Sonja Sprenger Client Request: 3/27/2000

Founding date: 8/21/1997 Status: closed

Management/ Foundation Board
 Profile Management Trust re., Vaduz Signature right: Individual
 Dr. Nicola Feuerstein, Vaduz Signature right: Joint

Banks
 LGT Bank in Liechtenstein AG, Vaduz AB: Phillip Jehle / LGT Hong Kong ZR# [REDACTED] ZigAcct: [REDACTED]

Miscellaneous
 Investment Advisor: Phillip Jehle / LGT Hong Kong
 Shares/Assignments: LGT Bank Depot Ordinario
 Representative: LGT Truchand AG, Vaduz
 Agent: LGT Investment Management, Hong Kong
 Client: Private Client

Fixed Fees

Domicile fee	800.00	8/21/2001	LGT Treuhand AG, Vaduz
Capital Tax	1,000.00	8/21/2001	Liechtenstein Tax Authority, Vaduz
Foundation Board Fee	3,000.00	8/21/2001	LGT Treuhand AG, Vaduz

Lump Sum Fee
 {no entry}

Purpose
 - 100% Share: - Manta Company Limited, Western Samoa ??
 - Purpose: S. organization with miscellaneous assets
 - 1 bearer stock certificate in Veline LGT-Deposit
 - also see Pending

SHARE sent on 4/12/2001 to Hong Kong /Rep. Office by UPS to pass on to client

Proof of Ownership, Contracts, Powers of Attorney
 {no entry}

Instructions (Management, accounting, by-laws, etc.)
 - Our contact person for all pending matters, Mrs. Ann Mary Pak, KK Young & Co., Hong Kong
 (See AV psc of 6/14/99)

Pending/History

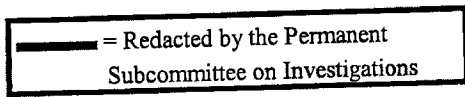
- pass copies of the third and fourth beneficiaries are missing (temporarily declined by the client on 12/11/97)
- see AV sep of 12/11/97 and cc mail sep to Ph. Jehle dated 2/18/98 concerning Manta and structure:
- are all documents ok, especially the new Manta stock certificate issued? (See attachment.)
 Is Manta owned 100% by Veline?

→ scp discussed with client and KK Young (See KK Young letter of 7/30/98 and our fax to KK Young of 8/13/98.)
 (SAB: M2 and Akt will adapt)

- Financial Statements ordered from NALA MANAGEMENT at beginning of year.
- Client VSOO signed by fax per Hong Kong

Statements of assets as per 31.12.2000




05.02.2001

 = Redacted by the Permanent Subcommittee on Investigations

Veline Foundation
Vaduz

USD

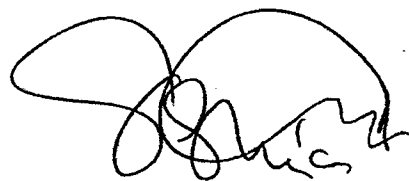
Assets

EUR ACCOUNT		EUR	13'624.37	12'704.94
EUR FIDUCIARY DEPOSIT		EUR	323'369.05	301'546.81
Total LGT Bank in Liechtenstein AG Vaduz				314'251.75
Total Cash in banks				314'251.75
SAFE CUSTODY ACCOUNT				574'570.07
Total LGT Bank in Liechtenstein AG Vaduz				574'570.07
Total Securities				574'570.07
Manta Company Limited				1.00
Total				1.00
Total Participations				1.00
				<u><u>888'822.82</u></u>

Liabilities

Capital				18'404.91
Remaining net worth				870'417.91
Total				888'822.82
Total Net worth				888'822.82
				<u><u>888'822.82</u></u>

Exchange rates LGT: EUR 0.932516


7.2.2001

BEARER SHARE CERTIFICATE

Transferable by Delivery

This Share Certificate is issued by

MANTA COMPANY LIMITED

pursuant to its Memorandum and Articles of Association and pursuant to the provisions of the International Companies Act 1987 of Western Samoa.

Registered office of the Company:
Level 2, Chandra House
Convent Street
Apla, Western Samoa

Shares covered by this Certificate total ONE (1)

and numbered from 1

Description of Shares: ORDINARY USD1.00 each

Certificate Number: 1

This is to certify that the Bearer of this Share Certificate is entitled to the shares described herein.

This Certificate was sealed by the Company on 3rd day of September, 19 97

For and on behalf of
BROMUS LIMITED

SEAL

David
.....
President

DIRECTOR
For and on behalf of
PHILIP INC.

And
.....
SECRETARY

Control Number: 10

I HEREBY ACKNOWLEDGE RECEIPT OF THE ORIGINAL OF THIS SHARE CERTIFICATE.

[Signature]
.....
dpc

DATE: 18 April 2001

Dividend coupons issued in conjunction with this Share Certificate. 1 and 2

THIS SHARE CERTIFICATE IS ISSUED WITHOUT ALTERATION OR ERASURE

**Permanent Subcommittee on Investigations
EXHIBIT #31**

PSI-USMSTR - 005878

Bank/ATC
Left Bank in
Lichtstrasse
Voting Section
Stein
AP No. [redacted]

LGT BIL A/C

Philip Jelle

2413/122/2523 6180

1/F Three Exchange Square

* when conducting LGT BIL

Hong Kong office, mention

No. 6680 as ID No.

Veline Foundation	Bearer Share
ANANTA Co. LTD. (Western Samoa)	
Forshire Nominees Co. Ltd.	
Holders Nominees Co. Ltd.	
Boo Fin Co. Ltd. (HK)	

Vehicle
[redacted]
Hire Packet
Mobile Phone
[redacted]

Property
2 Wallest Street
9 Hill Kield Rd
Rental Agent
Mingy Corp.
HKS/K/Mo.

Bank A/C
Standard Chartered Bank
c/a [redacted]
5/11 [redacted]

Bank A/C
Swiss Bank Corporation
100m A/c [redacted]
c/a [redacted]

Swiss Bank Corp

Contract =

Tel =

Address =

Bell Tsui / Vivian Tsui

2971 8818 / 2971 8043

7/F One Exchange Square

Ananta Co. Ltd. (U.S.)

Directors (nominee)

Co. Secretary

Shareholder

Boo Fin Co. Ltd. (Hong Kong Co.)

Directors (nominee)

Shareholders (nominee)

for Ananta Co. Ltd.

c/o KK Young

Company Secretary

Auditors

Contact

BROMUS LTD

PHISARA INC.

PHISARA INC.

Bearer (one share) % LGT BIL

@ USD 1.--

EPHARA Ltd.

ANCLARE LTD

ROBERT WALLACE

Forshire Nominees Co. Ltd.

Holders Nominees Co. Ltd.

1000 shares

Benta Nominees Ltd.

KK Young & Co.

% KK Young

Permanent Subcommittee on Investigations
EXHIBIT #32

[redacted] = Redacted by the Permanent Subcommittee on Investigations



Aktenvermerk

1 / 2

Thema **Westfields, Adelphi, Crofton**

VerfasserIn/Abt./Tel. **Peter Widmer / R22 / 1296**

Datum **26. November 1996**

Zur Erledigung

Zur Kenntnisnahme **Dr. K. Bächinger
E. Mattle
W. Orvati, LGT Treuhand
KD Westfields**

*27.11.96 → hohj & P. Widmer
P. 106*

Treffen mit: - Frank Lowy
- David Lowy
- David Gonski
- Joshua Gelbard

Datum: 21. November 1996 (in Sydney)

LGT Bank: P. Widmer

1. Zuerst ist es darum gegangen, die Kreditrückzahlungsformalitäten bei Adelphi zu regeln. Dies ist erfolgt und im beiliegenden cc:mail an Elmar Mattle vom 21. November 1996 festgehalten. Beigefügt sind für Elmar Mattle auch die Instruktionen der Crofton Foundation zur vorläufigen Anlage der Gelder bei LGT Bank für jeweils 1 Monat, visiert durch Joshua Gelbard.

2. Weiteres Vorgehen:

a) Errichtung einer neuen Stiftung

Namenswahl ist Sache von LGT; es gibt keine Präferenzen. Statuten können soweit als möglich jenen der Crofton Foundation entsprechen. (Falls diese bei LGT Treuhand nicht vorliegen, habe ich eine Kopie.)

b) Protektor

Eine weitere neu zu gründende Gesellschaft soll als Protektor auftreten; Joshua H. Gelbard soll wiederum deren Board angehören. Daneben werden 1 - 3 LGT-Leute gewünscht (P. Widmer und evtl. Dr. K. Bächinger, W. Orvati oder jemand von der Anlagenseite).

c) Überträge von Crofton auf neue Foundation

Diese sollen über eine Zwischengesellschaft erfolgen, wobei wiederum Joshua Gelbard Ansprechpartner sein wird. Er wird hierfür nach Vaduz kommen.

Permanent Subcommittee on Investigations
EXHIBIT #33



d) Dokumentation

Die Draft-Dokumentation bezüglich neu zu gründender Gesellschaft sollte bis spätestens Ende Dezember an folgende Adresse gesandt werden:

Joshua H. Gelbard
Advocate
J.H. Gelbard & Co.
Law Office
5 Manne Street
Tel Aviv 64168
Israel

— = Redacted by the Permanent
Subcommittee on Investigations

(Joshua möchte in dieser Sache im telefonischen Kontakt auf deutsch verkehren. Tel. [REDACTED]
[REDACTED], Schriftverkehr bleibt Englisch.

3. Die Lowys haben entschieden, dass sie im Zusammenhang mit diesen Gesellschaften nie mehr nach FL oder CH reisen möchten. Aus diesem Grund ist von einem Treffen in Los Angeles (anstelle des für den 17.12.1996 in Vaduz geplanten Meetings), an dem auch noch weitere Lowy-Familienmitglieder (u.a. Peter) teilnehmen sollen, gesprochen worden. Dieses Treffen sollte frühestens in der 2. Hälfte Januar stattfinden. Ich habe offen gelassen, wer und ob überhaupt jemand von der Bank daran teilnehmen wird. Eventuell gibt es auch die Möglichkeit einer Videokonferenz.

Ansprechpartner wird in Zukunft ausschliesslich Joshua Gelbard sein.

4. Ich werde die Koordination der Aktivitäten nach meiner Rückkehr an die Hand nehmen. Für mögliche Vorarbeiten wäre ich aber schon jetzt dankbar.

i.A. G. Widmer
P. Widmer

Memorandum for the Record

2/2

c) Transfers from Crofton to new foundation

These are to be carried out by a holding company, whereby once again Joshua Gelbard will be contact person. He will come to Vaduz for this.

d) Documentation

The draft documentation regarding the newly to be established company should be sent no later than end of December to the following address:

Joshua H. Gelbard
Advocate
J. H. Gelbard & Co.
Law Office
5 Manne Street
Tel Aviv 64168
Israel

(In this matter, Joshua would like to correspond in German during phone conversations. Tel. [redacted], fax [redacted]; written communication remains in English.

3. The Lowys have decided that they never want to travel to Liechtenstein or Switzerland in connection with these companies again. For this reason, there was talk of a meeting in Los Angeles (instead of the one planned for Dec. 17, 1996 in Vaduz), at which other Lowy family members (Peter, among others) should participate. The earliest this meeting should take place is in the second half of January. I left open who and if someone from the bank will participate. Possibly there will also be the option of a video conference.

Contact person will be in the future exclusively Joshua Gelbard.

4. I will take on the details of the activities after my return. I'd be thankful already, however, for preparatory work, if possible.

on behalf of [illegible]

P. Widmer



Aktenvermerk

1 / 1

Thema	Neugründung Westfields / Lowy <i>Gruppe (Aus)</i>
Verfasser(in) / Tel.	Werner Orvati
Datum	27. November 1996 / pfi
Bestimmt für	Dr. P. Job
Zur Kenntnisnahme	Dr. K. Bächinger, Dr. P. Schlachter, P. Widmer

Neugründung Westfields / Lowy

Beiliegender Aktenvermerk vom 26. November 1996 von Peter Widmer.

Vorgehen:

1. Kopie der Crofton Foundation Statuten von P. Widmer einholen.
2. Welche Bestimmungen befinden sich in den Statuten Crofton bzw. Beistatuten betreffend den Protektor?
3. Wer ist Aktionär der Protektor Gesellschaft und wo ist sie zu domizilieren?
4. Sorgfaltspflichtvereinbarung: Ist die LGT BIL genügend dokumentiert über die Vermögenswerte, die auf die neu zu errichtende Stiftung übertragen werden?
Soll die Berufsheimnisträgererklärung überhaupt abgegeben werden?
5. Erstellung erster Entwürfe für die folgenden Unterlagen:
 - ✓- Errichtungsauftrag (ist Joshua H. Gelbard Auftraggeber?)
 - Statuten der neu zu errichtenden Stiftung
 - ✓- sofern möglich Beistatutenentwurf
 - Zusammenstellung der üblichen Angaben für die Protektorgesellschaft wie Jurisdiktion, Name, Kapital, Aktionäre, Verwaltungsratsmitglieder, etc.

TERMIN: 13.12. 1996

AWWESTF.DOC - 21.11.1996 - 08.22

Permanent Subcommittee on Investigations

EXHIBIT #34

NY 1403-C-018

PSI-USMSTR - 008775



Aktenvermerk

1 / 2

Thema	Westfields, Adelphi, Crofton
Verfassertr/Abt./Tel.	P. Widmer / R22 / 1296
Datum	17. Dezember 1996
Zur Erledigung	
Zur Kenntnisnahme	H. Nipp (Pt. 3) Dr. K. Bächinger W. Orvati KD Westfields

→ P. 106

Telefon mit: - Frank Lowy (17.12.96)
- Joshua Gelbard (16.12.96)

Unter Bezugnahme auf meine beiden AV's vom 26.11. und 10.12.1996 bezüglich den aus der Adelphi-Kreditrückzahlung frei gewordenen Gelder in Höhe von rd. USD 53 Mio. und deren Einbringung in eine neue Struktur mit anschliessender Übergabe ins PM, möchte ich den letzten Stand der Verhandlungen festhalten.

1. Gelbard hat mir den Empfang der Entwürfe für die neue Stiftung und die Vorschläge bezüglich Protektor bestätigt. Lowy war zu jenem Zeitpunkt auch in Israel und hat die Unterlagen bereits eingesehen. Grundsätzlich sind diese in Ordnung. Die offenen Fragen, welche jetzt schon beantwortet werden können, werden direkt an LGT Treuhand (Dr. Job) gefaxt.

Von der rechtlichen Seite werden die Abklärungen frühestens im Februar / März 1997 erledigt sein. Die Unterzeichnung der Dokumente kann dannzumal in London oder Amsterdam erfolgen.

2. Bezüglich Ausarbeitung von Anlagestrategie und Kostenstruktur insistiert Lowy auf einem Treffen in Los Angeles, an dem auch seine Söhne David und Peter sowie ev. Stephen teilnehmen sollen. Meinen Vorschlag für eine Videokonferenz hat er abgelehnt. Er möchte, dass ich ihn mit der Person, welche für "seine Anlagen" dann auch verantwortlich sein wird, in Los Angeles treffe.

Der Grund hierfür sind Diskretionsüberlegungen sowie die Tatsache, dass er und seine Familie sich nach diesem entscheidenden Meeting weitestgehend von der Verwaltung dieser Vermögens- teile zurückziehen möchten.

Mit Lowy bin ich so verblieben, dass ich ihn nach dem 10.1.1997 in Los Angeles kontaktieren werde, um das Treffen von voraussichtlich 20. oder 21.1.1997 zu bestätigen.

Vorgängig zum LA-Treffen sollten wir unsere ersten Vorschläge schriftlich unterbreiten, wobei diese auf neutralem Papier und ohne Bezug auf irgend eine Person oder Gesellschaft aus dem Lowy Umfeld erfolgen sollten. Die Übermittlung soll erst nach persönlicher Absprache durch mich mit Frank erfolgen.



3. Darf ich Heinz Nipp ersuchen, die Person zu bestimmen, welche für den Besuch in Los Angeles in Frage kommt und mit mir die Ausarbeitung der ersten schriftlichen Vorschläge vornimmt.
4. Die Festgelder sind vorläufig auf 1-Monats-Rollover-Basis bei uns angelegt. Sofern die Bereini-
gung der Rechtsfragen länger als erwartet dauern würde, könnte sich Lowy vorstellen, dass der
PM-Auftrag auch bereits durch die "alten" Gesellschaften erteilt wird.

P. Widmer

Note for File

1/2

Subject: Westfields, Adelphi, Crofton

Writer/ Tel.: P. Widmer/R22/1296

Date: 17 December 1996

For follow up:

To the attention of: H. Nipp
Dr. K. Baechinger
W. Orvati → [SIGNED]
KD Westfields

Telephone Conversations with: -Frank Lowy (12.17.96)
-Joshua Gelbard (12.16.96)

In reference to my two memos from 11.26 and 12.10.1996 regarding the free funds in the amount of rd. USD 53 million from the Adelphi-Credit Repayment and their insertion into a new structure with subsequent transfer in the PM, I would like to record the last condition of the proceedings.

1. Gelbard has confirmed to me the receipt of the designs/drafts for the new Foundation and the proposals regarding the protector. Lowy was also in Israel at that time and has already accepted the documents. In principle, they are in order. The open questions, which can now be answered, will be faxed directly to LGT Treuhand (Dr. Iob).

On the legal side, the clarifications will be completed by February/March 1997 at the earliest. The signing of the documents can then occur in London or Amsterdam.

2. Regarding the composition of the portfolio strategy and the cost structure, Lowy insists on a meeting in Los Angeles, in which his sons David and Peter as well as possibly Stephen should take part. He refused my suggestion for a video conference. He would like that I meet with him in Los Angeles with the person who will also be responsible for "his establishment".

The reason for this is considerations of discretion as well as the fact that he and his family would like to withdraw themselves as far as possible from the management following this scheduled meeting.

I determine with Lowy that I will contact him in Los Angeles after the 1.10.1997 in order to confirm the meeting likely on the 20th or 21st of January 1997.

Before the meeting in LA, we should prepare our first proposals in writing. These should be written on neutral paper and without reference to any person or corporation in the Lowy field. The forwarding should first occur via personal consultation with Frank through me.

Note for File

2/2

3. May I ask Heinz Nipp to certify the person who comes into question regarding the meeting in Los Angeles and to conduct the composition of the first written proposals.
 4. The fixed deposits are applied by us preliminarily on a 1-month-rollover-basis. If the adjustment of the legal questions lasts longer than expected, Lowy can introduce that the PM-Order should also already be informed through the "old" corporations.
-

[SIGNED]
P. Widmer



Aktenvermerk

1 / 2

Thema **Westfield / Lowy Family**

Verfasserin/Abt./Tel. **Peter Widmer / R22 / 1296**

Datum **23. Januar 1997**

Zur Erledigung

Zur Kenntnisnahme
**H. Nipp
Dr. K. Bächinger
Th. Fiske
W. Ospelt
LGT T (Dr. P. Iob)
KD Adelphi**

Treffen mit
**- Frank Lowy
- David Lowy
- Peter Lowy**

Ort/Datum: **Los Angeles, 20. Januar 1997**

LGT Bank:
**- Wilfried Ospelt
- Peter Widmer**

1. Beim Treffen ist es darum gegangen, die Anlagestrategie für aus einer Spezialfinanzierung stammende und bei uns angelegte Festgelder in Höhe von rund US\$ 54,2 Mio. festzulegen und gleichzeitig die Überführung in eine neue Struktur zu diskutieren resp. festzulegen.

Unsere Diskussion ist zu unserer vollen Zufriedenheit verlaufen. Wir konnten unsere Minimalziele mehr als erreichen: Das Geld bleibt bei uns resp. wird ins PM übergeführt. Bezüglich Fees haben wir eine All-In-Lösung (inkl. LGT Treuhand und Fremde) zu 70 bp (bei einem Minimalziel von 45 bp) durchgesetzt.

2. Anlagestrategie:

- Strategie: Ertrag USD
- Horizont: mind. 5 Jahre, eher aber 5 - 10 Jahre
- Benchmark: Inflation USA + 2 %
- Individuelles Mandat, Sondervermögen in Einzelfällen nicht ausgeschlossen
- Beimischung spezieller Strategien: eher nicht erwünscht

Permanent Subcommittee on Investigations
EXHIBIT #36

PSI-USMSTR - 008771



3. Aus der Diskussion sind folgende weiteren Punkte festzuhalten:

- Die Lowys betrachten diese Gelder als "Versicherung", d.h. sie werden sehr langfristig und eher konservativ angelegt.
- "Wirtschaftlich Begünstigte" sind der Vater und die drei Söhne David, Peter und Stefan.
- Bis die Struktur definitiv feststeht, bleiben die Gelder bei uns als Festgeld angelegt und weiter jeweils 1 Monat verlängert.
- Die Lowys möchten ein- bis zweimal jährlich anhand einer Präsentation über die Zusammensetzung und Performance informiert werden. Eine dieser Präsentationen kann in Europa stattfinden.
- Sowohl mit dem Vater wie auch den Söhnen können wir einzeln und in mündlicher Form verkehren.
- Den Wunsch nach Mitbestimmung beim Anlageprozess konnten wir ihnen ausreden, mit dem Hinweis, dass jede direkte Einflussnahme auf die Stiftung Nachteile bringen kann.
- Wir haben zugesichert, dass die Gesamtbeziehung unter meiner Kontrolle (Key Account) bleiben wird und dass Wilfried Ospelt sich dem Depot "anlagestrategiemässig" persönlich annehmen wird. Die Kontakte sollen vorläufig ausschliesslich über mich laufen.

4. Bezüglich Struktur benötigen die Lowys noch 1 - 2 Monate, bis die Gründungen bei LGTT stattfinden können. Grund: Man möchte alle bisher involvierten Parteien ersetzen, d.h. Leute wie Gelbard, Leibler oder Sinitus Treuhand sollen nicht mehr in die neue Lösung einbezogen werden.

Mit Joshua Gelbard dürfen wir weiter offen sprechen. So wie es im Moment aussieht, wird auch auf den "Protector" verzichtet werden.

Wenn alles erledigt ist, möchte man, dass LGTT sämtliche Akten über die alten Strukturen vernichtet, soweit wir diese nicht aus rechtlichen Gründen aufbewahren müssen. Diesbezüglich werde ich mit LGTT nach Überführung in die neue Struktur speziell Kontakt aufnehmen.


Peter Widmer

Memorandum for the Record

Subject **Westfield / Lowy Family**

Compiler / Tel.: Peter Widmer / R22 / 1296

Date: Jan. 23, 1997

For follow up:

cc: H. Nipp
 Dr. K. Bächinger
 Th. Piske
 W. Ospelt
 LGT T (Dr. P. Iob)
 KD Adelphi

Meeting with: - Frank Lowy
 - David Lowy
 - Peter Lowy

Place / Date: Los Angeles, Jan. 20, 1997

LGT Bank: - Wilfried Ospelt
 - Peter Widmer

1. The meeting concerned determining the investment strategy for fixed deposits invested with us stemming from special financing in the amount of around US\$ 54.2 million, and simultaneous discussion or determination of the transfer to a new structure.

Our discussion went to our complete satisfaction. We were able to more than reach our minimum goals: The money will stay with us, or be transferred into the PM. Regarding fees, we have pushed through an "all-in" solution (incl. LGT Trust and external people) at 70 bp (with a minimum goal of 45 bp).

2. Investment strategy:

- Strategy: proceeds USD
- Projected timeline: minimum 5 years, probably more around 5 – 10 years
- Benchmark: Inflation USA + 2 %
- Individual mandate, special assets possible in individual cases
- Add-in of special strategies: rather undesired

3. The following additional points from the discussion are to be recorded:

- The Lowys view these monies as "insurance," i.e., they will be invested very long-term and rather conservatively.

- "financial beneficiaries" are the father and the three sons David, Peter, and Stefan.

- Until the structure is determined definitively, the monies will remain invested as fixed deposits with us and continue to be extended 1 month at a time.

- The Lowys would like to be informed about the composition and performance once to twice a year by means of a presentation. One of these presentations can take place in Europe.

- We can communicate individually and verbally both with the father as well as with the sons.

- We were able to talk them out of the desire for co-management of the investment process by pointing out that every direct influence on the foundation can have disadvantages.

- We promised that the total relationship will remain under my control (key account) and that Wilfried Ospelt will personally take over the depot in an investment-strategic manner. For the short-term, the contacts should go exclusively through me.

4. Regarding structure, the Lowys still need 1 – 2 months until the establishments at LGTT can take place. Reason: One wants to replace all previously involved parties, i.e., people like Gelbard, Leibler, or Sinitus Trust should not be included in the new solution.

We are allowed to continue talking openly to Joshua Gelbard. The way it looks at the moment, one will also do without the "protector."

When everything is completed, one wants LGTT to destroy all files on the old structures, insofar as we don't have to keep them for legal reasons. Regarding this matter, I will specifically get in touch with LGTT after the transfer into the new structure.

[signed]

Peter Widmer



Aktenvermerk

1/1

Thema	Termin London: 12.3.1997, 15.00 Uhr
Verfasser(in) / Tel.	Werner Orvati
Datum	4. März 1997 / SKO
Zur Erledigung	Dr. P. Iob
Zur Kenntnisnahme	P.O. 6. März 1997

Telefon vom 3.3.1997 mit Peter Widmer.

Am 23.1.1997 haben P. Widmer und W. Ospelt die Familie L. in Los Angeles getroffen.

Grundsätzlich ist eine Vereinbarung betreffend die Vermögensverwaltung von zirka USD 54 Mio. erzielt worden.

Unsererseits wurde Ende 1996 an den Anwalt Joshua Gelbert in Israel ein Entwurf für Stiftungsunterlagen zugesandt.

Anlässlich der Besprechung vom 12.3.1997, 15.00 Uhr in London mit F.L. sowie J. Gelbert soll die definitive Struktur sowie die Vermögensübertragung besprochen werden.

P. Widmer sage ich bis zum 6.3.1997 die Namhaftmachung des LGTT Vertreters an dieser Besprechung zu (P. Schlachter oder P. Iob).

W. Orvati

W. Orvati

Memorandum for the Record

Subject **Appointment London: March 12, 1997, 3 p.m.**

Compiler / Tel.: Werner Orvati

Date: March 4, 1997 / SKO

For action: Dr. P. Iob

cc: P. O. March 6, 1997

Phone call of March 3, 1997 with Peter Widmer.

On Jan. 23, 1997, P. Widmer and W. Ospelt met the L. family in Los Angeles.

Fundamentally, an agreement was reached regarding the asset management of around USD 54 million.

From our side, a draft for foundation documents was sent to the attorney Joshua Gelbert in Israel at the end of 1996.

On the occasion of the discussion of March 12, 1997, 3 p.m. in London with F. L. and J. Gelbert, the definitive structure as well as the asset transfer is to be discussed.

I promise P. Widmer to name the LGTT representative at this discussion by March 6, 1997 (P. Schlachter or P. Iob).

[by hand:] on behalf of S. [illegible]

W. Orvati

J. H. Gelbard

LGT Treuhand Aktiengesellschaft
att. Werner Orvati / Dr. Paolo Iob
Städle 18
FL-9490 Vaduz

London, 12 March 1997

Formation of a Foundation by the name Luperla Foundation

Dear Sirs,

I kindly request you to set up the Luperla Foundation according to the following enclosed documents

- Formation Deed in English (Appendix A)
- Statutes of Foundation (Appendix B)
- Regulation of Foundation (Appendix C)

The payment of the capital in the amount of sFr. 30'000.- will be effected to the Foundation's account with LGT Bank in Liechtenstein AG, Vaduz.

As legal representative of the Foundation shall be appointed:

- LGT Treuhand Aktiengesellschaft

As Board Members of the Foundation with authority to sign any two jointly shall be appointed

- Dr. Konrad Bächinger, c/o LGT Bank in Liechtenstein
- Mr. Hans-Werner Ritter, Eichgasse 4a, FL-9490 Vaduz
- Mr. Peter Widmer, c/o LGT Bank in Liechtenstein AG, Vaduz
- Mr. Werner Orvati, c/o LGT Treuhand AG, Vaduz

Signatories on the account of the Foundation with LGT Bank in Liechtenstein shall be

- the Members of the Foundation Board according to their right to represent
- LGT Treuhand, singly

The Foundation is to enter into a Management Agreement with LGT Bank in Liechtenstein AG, Vaduz as set out in Appendix D.

I agree that an annual all-in-fee of 0.7 % of the average Foundations' assets shall be debited to the Foundation in accordance with the above referred Management Agreement. This fee includes

- the management of the Foundation's assets
- the formation and administration of the Foundation and its bank accounts
- the formation and administration of a transfer company (with legal situs in the British Virgin Islands) and its bank accounts
- the annual tax and registration payments for the Foundation and the transfer company in Liechtenstein and the British Virgin Islands

I also have taken note of the fact that LGT Treuhand AG and LGT Bank in Liechtenstein AG accepts liability for any damage suffered by ourselves and or the Foundation and its Beneficiaries due to any breach of duty of the members of the Foundation Board delegated by LGT Treuhand AG and LGT Bank in Liechtenstein AG.

Yours sincerely,

J.H. Gelbard



Aktenvermerk

1 / 2

Thema	Frank Lowy
VerfasserIn/Abt./Tel.	Peter Widmer / R22 / 1296
Datum	13. März 1997
Zur Erledigung	W. Ospelt, PBA E. Mattle, SFI Dr. P. Iob, LGTT
Zur Kenntnisnahme	S.D. Prinz Philipp von und zu Liechtenstein (Pt 3) H. Nipp, GDV Dr. K. Bächinger, GB2 W. Orvati, LGTT H.W. Ritter, LGTT

Besuch bei: - Frank Lowy
- Josua Gelbard

Datum/Ort: 12. März 1997 in London

LGT: - Dr. Paolo Iob
- Wilfried Ospelt
- Peter Widmer

1. Der Entscheid zur Überführung der Crofton Vermögenswerte von rund USD 55 Mio. (weitere Beträge, die bisher bei SBG waren, sollen folgen) ins PM ist definitiv gefallen. Die neue Struktur steht, Stiftungsunterlagen und Mandatsvertrag sind unterzeichnet, und die Zwischengesellschaft ist bestimmt (Stiftungsräte W. Orvati, H.W. Ritter, Dr. K. Bächinger, P. Widmer). Was wir jetzt noch benötigen, sind die Unterschriften der zeichnungsberechtigten Personen auf den Vergütungsaufträgen.
2. Die Überführung der Festgelder wird bei Fälligkeit stattfinden. Die Anlagen im PM werden im Laufe von 1 - 2 Monaten erfolgen. W. Ospelt wird dafür verantwortlich zeichnen.

Ausgehandelt wurde eine All-in Fee von 0,7 %, wobei darin auch alle Kosten der LGT Treuhand eingeschlossen sind. M.E. kann LGTT für effektive Kosten plus einen Nominalbetrag für deren Bemühungen Rechnung an PM stellen.
3. Lowy scheint mit unserem Service sehr zufrieden gewesen zu sein und möchte diesen Sommer S.D. Prinz Philipp, Dr. K. Bächinger und P. Widmer zu einem speziellen Anlass nach London einladen.
4. Westfield International möchte wieder an die Börse und hat dafür in den USA per voraussichtlich 7. Mai 1997 ein IPO vorgesehen.

Permanent Subcommittee on Investigations

EXHIBIT #39



5. Wir haben nochmals versprochen, dass alle Unterlagen von Crofton vernichtet werden, soweit diese aus rechtlichen Gründen nicht aufbewahrt werden müssen. Crofton wird nach Übertrag der Aktiven saldiert.
6. Die Adelphi-Aktiven werden nicht in die neue Struktur eingeschlossen.
7. Besten Dank an alle, die mit ihrer konstruktiven Mitarbeit diesen Abschluss ermöglicht haben.

Peter Widmer

Memorandum for the file

1 / 2

Subject Frank Lowy

~~From / Tel. Peter Widmer / R22 / 1296~~

Date 13 March 1997

For follow-up: W. Ospelt, PBA
E. Mattle, SFI
Dr. P. Iob, LGTT

CC S.D. Prince Philipp from and to Liechtenstein (Pt 3)
H. Nipp, GDV
Dr. K. Baechinger, GB2
W. Orvati, LGTT
H.W. Ritter, LGTT

Visit by: - Frank Lowy
- Josua Gelbard

Date / Place: 12 March 1997 in London

LGT: - Dr. Paolo Iob
- Wilfried Ospelt
- Peter Widmer

1. The decision of the transfer of the Crofton assets, worth around USD 55 million (further amounts, that were formerly with SBG, shall follow) is definitely cancelled in the PM. The new structure stands, foundation documents and engagement contracts are signed, and the mediating company is determined (board of directors W. Orvati, H.W. Ritter, Dr. K. Baechinger, P.Widmer). What we now will require, are the signature of the signatory beneficiary person on the payment contract.

2. The transfer of the fixed deposits will take place at the payment date. The arrangements in the PM will follow after a duration of 1 - 2 months. W. Ospelt will be responsible for showing this.

An All-in Fee of 0,7 % was negotiated, where by all costs of the LGT Trust are included. M.E. can adjust for effective costs plus a nominal amount for their service bill.

3. Lowy seems to have been very pleased with our service and would like to invite S.D. Prince Philipp, Dr. K. Baechinger and P. Widmer to London this summer for a special occasion.

4. Westfield international would like to be listed on the stock exchange again and has scheduled in advance an IPO in the USA on 7 May 1997.

[end of page 1]

5. We have promised once again, that all documents of Crofton will be destroyed, as long as will not have to be protected for legal reasons. After the transfer of the assets, Crofton will be closed.

6. The Adelphi – assets will **not** be included in the new structure.

7. Many thanks to everyone, who with their constructive team work, have made this conclusion possible.

[signature]
Peter Widmer



Aktenvermerk

1/1

Thema **Luperla Foundation**

Verfasser(in) / Tel. pio

Datum 16. März 1997 / pio

Zur Erledigung pio

Zur Kenntnisnahme pio

Neugründung Luperla Foundation / Meeting mit F.L. vom 12.3.97 / London

Das Meeting findet im Connaught Hotel, Mayfair, London statt. Anwesend sind F.L., dessen Anwalt Joshua Gelbart sowie unsererseits Peter Widmer, Wilfried Ospelt und pio. Es wird folgendes besprochen:

1. F.L. ist zur Gründung entschlossen. Es ist jedoch besondere Vorsicht anzuwenden, da er den australischen Steuerbehörden nicht abnimmt, dass der Fall mit der Bezahlung der 25M endgültig abgeschlossen ist. Die ganze Dokumentation und Aufbau ist so abzufassen, dass F.L. sowie dessen Anwälte in Australien vor Gericht bedenkenlos aussagen könnten.
2. Die Luperla ist eine Stiftung ohne Mandatsvertrag. Auftraggeber ist J. Gelbart.
3. Die Gründung soll anhand der durch F.L. vorgelegten Dokumente erfolgen, welche entsprechend mit den Anwälten in Australien abgesprochen sind. J. G. und ich machen verschiedene Vorschläge zur Ergänzung der Dokumente. Es sind dies:

Statuten:

Ermächtigungsnorm zur Zuwahl eines Protektors
Arbitrage-Klausel

Beistatuten:

Nomination des Protektors sowie Festlegung von dessen Rechten und Pflichten
Einführung eines Letztbegünstigten
Einschränkung betreffend allfälliger Gesetzesänderungen in Liechtenstein hinsichtlich der Auskunftspflichten gegenüber Behörden oder Dritten

4. Es wird die Vergabe eines Vermögensverwaltungsauftrages verabredet. J. Gelbart als Auftraggeber unterzeichnet das Belegexemplar.
5. Die Gelder sollen von Crofton via eine extra übernommene BVI-Gesellschaft (Name: *Sewell*.....) überwiesen werden. Der Auftrag an LGT BIL für Crofton muss von Sinitus Treuhand in Zürich erfolgen. Den Auftrag an Sinitus wird J. Gelbart veranlassen (Beilage: Entwurf eines Schreibens an Sinitus/am 12.3.97 an J.G. übergeben).

Permanent Subcommittee on Investigations

EXHIBIT #40

PSI-USMSTR - 008902



Aktenvermerk

2/2

Weiteres Vorgehen:

1. Gründung der Luperla Foundation veranlassen und Konti bei LGT BIL einrichten.
2. Übernahme der BVI-Gesellschaft veranlassen und Konti bei LGT BIL einrichten.

3. Kontonummern an J. Gelbard mitteilen (per Telefon, keine Schriftstücke)
4. VV-Auftrag an LGT-BIL vergeben
5. Geldtransfer überwachen
6. Instruktion von J. Gelbart betreffend Änderung/Ergänzung Statuten/Beistatuten abwarten

LTV/pio
16.3.97

Memorandum for the Record

Subject **Luperla Foundation**

Compiler / Tel.: Roger pio

Date: March 16, 1997 / pio

For action: pio

cc: pio

New Establishment Luperla Foundation / Meeting with F. L. of March 12, 1997 / London

The meeting takes place in the Connaught Hotel, Mayfair, London. In attendance are F. L., his attorney Joshua Gelbart [sic], as well as from our side Peter Widmer, Wilfried Ospelt, and pio. The following is discussed:

1. F. L. is resolute about the establishment. Special caution is to be used, however, since he doesn't believe the Australian tax authorities that the case with the payment of the 25 M is settled for good. The entire documentation and assembly is to be done in such a manner that F. L. and his attorneys can testify before court in Australia without hesitation.

2. Luperla is a foundation without engagement contract. Client is J. Gelbart.

3. The establishment is to be carried out by means of the documents presented by F. L., which have been discussed with the attorneys in Australia accordingly. J. G. and I make various suggestions for amendment of the documents. These are:

Laws:

Authorization standard for addition of a protector
Arbitrage clause

Bylaws:

Nomination of the protector as well as determination of his rights and duties
Introduction of a final beneficiary
Restriction regarding possible legal changes in Liechtenstein regarding the disclosure duties toward agencies or third parties

4. The assignment of an asset-management contract is agreed upon. J. Gelbart as client signs the file copy.

[initialed]

5. The monies are to be transferred from Crofton via a specially taken-over BVI company (name: *Sewell* [by hand]). The order to LGT BIL for Crofton has to come from Sinitus Trust in Zurich.

J. Gelbart will request the order to Sinitus. (Enclosure: Draft of a letter to Sinitus / handed over to J. G. on March 12, 1997).

Further Approach:

1. Request establishment of Luperla Foundation and set up account at LGT BIL.
2. Request takeover of BVI company and set up accounts at LGT BIL.
3. Give account numbers to J. Gelbard [sic] (by phone, no papers).
4. Assign asset-management contract to LGT BIL.
5. Monitor money transfer.
6. Wait for instructions from J. Gelbart regarding change/amendment laws/bylaws.

LTV / pio
March 16, 1997

[initialed]

Regulations
Luperla Foundation, Vaduz

Based on the power contained in Art. 4 of the Statutes of Luperla Foundation with seat in Vaduz, Liechtenstein, and all other powers it enabling the Board of Foundation hereby issues the following

REGULATIONS

as replacement of the
Regulations issued

on 20.11.97

1. The persons, companies or other entities from time to time notified in writing to the Board of Foundation by the company (Company) in which Beverly Park Corporation, a company formed in Delaware, United States of America on 3 January 1997, (Corporation) for the time being holds any share and if there is more than one such company, then the company in which the Corporation last became a shareholder before the notification (a certificate to that effect from any office bearer for the time being of the Corporation may be relied upon by the Board of the Foundation) shall be within the class of distributees of the Foundation assets and the income therefrom, provided that the Company for the time being or its legal successor may revoke any such notification at any time by a further notice in writing to the Board of Foundation, and provided further that no Company shall directly or indirectly become a distributee or benefit therefrom.
2. The Board of Foundation may pay to any one or more of the distributees appointed under 1. above, to the exclusion of any of the other distributees, such portions or all of the Foundation assets or the income therefrom at such time or times as the Board of Foundation shall think fit in its absolute and uncontrolled discretion.
3. Any expenses and costs including legal costs, if any, related to the maintenance and administration, the asset management, the execution of the present Regulations and the dissolution of the Foundation shall be charged to the income, if and when they become due, and only in the event that the income does not cover sufficiently the aforementioned expenses and costs, to the Foundation assets.
4. At present there is no public, governmental or other supervisory authority or agency or similar person or institution to supervise the Foundation except as expressly provided for in the Statutes or Regulations of the Foundation. If any such authority or agency is introduced in Liechtenstein, the Foundation Board is to immediately inform the Corporation accordingly.
5. The present Regulations shall have the same legal effects as the Statutes. In case of differences between the Statutes and the Regulations the provisions of the latter shall prevail provided they do not violate any compulsory provisions of the Statutes.


6. The Board of Foundation may change, alter, amend or revoke these Regulations at any time.

Vaduz, April 30, 1997

EINVERSTANDEN:

Approuvé:

Approved:



The Foundation Board:

Dr. Konrad Bächinger

Peter Widmer

Hans-Werner Ritter

Werner Orvati



Aktenvermerk

Thema **Luperla Foundation, Vaduz**

VerfasserIn/Abt./Tel. **Peter Widmer / R22 / 1296**

Datum **2. Mai 1997**

Zur Erledigung **Dr. P. Iob, LGT Treuhand
Wilfried Ospelt
E. Mattle**

Zur Kenntnisnahme **H. Mipp
Dr. K. Bächinger**

Treffen mit: **- David Lowy
- J.H. Gelbard**

Datum: **30. April 1997 im Hotel Savoy, Zürich**

LGT Bank: **P. Widmer**

*upk -> spr
zu Info
(und Ablage?)*

nfe

1. Die Herren waren in Zürich um mit Sinitus Treuhand die Überträge der Vermögenswerte auf Luperla vorzubereiten. Ich bin mit Ihnen das Vorgehen nochmals durchgegangen:
 - a) Ca. USD 54 Mio. (Saldi Crofton bei uns) gehen auf Konto Sewell bei uns (Auftrag kommt von Sinitus); anschliessend vergütet Sewell (Auftrag kommt von LGT T) den Betrag an Luperla. ✓
 - b) Weitere rd. USD 3 Mio. werden durch Drittbankvergütung bei Sewell (Konto LGT) eingehen, welche ebenfalls auf Konto Luperla bei LGT zu vergüten sind (Auftrag LGT T). *→ CHF 3.6 Mio. gen. K. Ulrich*
 - c) Crofton wird deren Konto bei Union Bank of Israel, Tel-Aviv schliessen lassen und Saldo (ca. USD 0.2 Mio.) auf Konto Sewell vergüten; Sewell zahlt auch diesen Betrag an Luperla bei LGT (Auftrag LGT T). ✓

Luperla soll dann USD 250'000.- auf deren Konto (durch LGT T bereits eröffnet) bei Union Bank of Israel vergüten. ✓

 - d) Das Konto Sewell ist am 31.5.1997 zu saldieren und die Gesellschaft zu löschen. Auftrag durch LGT T. ✓
2. Die Belegexemplare "Regulations" und "Statutes" der Luperla Foundation habe ich von J. Gelbard gegenzeichnen lassen, diese liegen diesem AV für P. Iob bei.

Bezüglich der Stiftung ist somit alles i.O.



3. Bezüglich Anlagestrategie und Fees bleibt alles beim alten: Ertrag USD, All-in 70bp (siehe AV vom 23.1.1997).

Die neuen Investitionsvorschläge habe ich übergeben. Diese wurden geschätzt und als i.O. in Empfang genommen.

Nach Eingang der Gelder, voraussichtlich ab nächster Woche, resp. nach Anlaufen der Festgelder kann mit dem Anlageprozess begonnen werden, wobei ich nochmals festgehalten habe, dass es bis zur vollen Investition 1-2 Monate dauern kann.

4. Ich bitte die Geldflüsse mit E. Mattle zu koordinieren.
5. Nach Abschluss dieser Transaktionen sollen dann definitiv alle Unterlagen von "Crofton" und "Jelnav" vernichtet werden, soweit dies aus rechtlichen Gründen möglich ist. Ich bitte Dr. Iob um Bestätigung der Erledigung bis 30.6.1997.


P. Widmer

Beilage für Dr. Iob

Luperla is then to remunerate USD 250,000.00 to its account (already opened by LGT T) with Union Bank of Israel. ✓

d) The Sewell account is to be closed on May 31, 1997 and the company to be dissolved. Assignment through LGT T. ✓

[all ✓ by hand]

2. I have had the file copies "Regulations" and "Statutes" of the Luperla Foundation countersigned by J. Gelbard; these are attached to this memo for P. Iob.

Regarding the foundation, everything is herewith in order.

3. Regarding investment strategy and fees everything remains the same: proceeds USD, all-in 70 bp (see memo of Jan. 23, 1997).

I have turned over the new investment suggestions. These were appreciated and received as in order.

After in payment of monies, probably starting next week, or after the fixed deposits run out, the investment process can be started, whereby I stated once more that it can take 1 – 2 months for full investment.

4. I request that the money flows be coordinated with E. Mattle.

5. After completion of these transactions, all documents from "Crofton" and "Jelnav" are definitely to be destroyed, insofar as this is legally possible. I ask Dr. Iob for confirmation of completion by June 30, 1997.

[signed]

P. Widmer

Enclosure for Dr. Iob
[not at hand for translation]



LGT Bank in Liechtenstein
A Member of Liechtenstein Global Trust

LGT Bank in Liechtenstein
Aktiengesellschaft
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ERLEBTE

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Aktenvermerk

1/1

Thema	Luperla Foundation, Vaduz
VerfasserIn/Abt./Tel.	Peter Widmer / R22 / 1296
Datum	14. Mai 1997
Zur Erledigung	
Zur Kenntnisnahme	H. Nipp Dr. K. Bächinger Dr. P. Iob, LGT Treuhänder Wilfried Ospelt KD

Im Anschluss an meinen AV vom 2. Mai 1997 möchte ich mitteilen, dass die Überträge der Vermögenswerte auf die Luperla Foundation abgewickelt wurden. Nach Abschluss dieser Transaktionen verfügt die Luperla Foundation über Guthaben von USD 54,7 Mio. und CHF 3,6 Mio.

Der Investitionsprozess hat bereits angefangen und wird bis zum Abschluss in bezug auf das richtige Timing der Anlagen noch eine geraume Zeit dauern.

Wie in obigem AV erwähnt, werden wir per Ende Mai veranlassen, dass die alten Konti geschlossen werden. Offen bleibt darum nur noch die Bestätigung von Dr. Iob, dass die alten "Crofton" und "Jelnav" Akten bei LGTT entfernt wurden.


P. Widmer

Permanent Subcommittee on Investigations

EXHIBIT #43

PSI-USMSTR - 008883

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Memorandum for the File

1/1

Topic: **Luperla Foundation, Vaduz**

Author / Tel.: Peter Widmer / R22 / 1296

Date: 14 May 1997

For Follow-Up:

To the Attention of: H. Nipp
Dr. K. Bächinger
Dr. P. Iob, LGT Treuhand
Wilfried Ospelt
KD

I would like to disclose, in connection to my memorandum for the file from 2 May 1997 that the transfer of assets to the Luperla Foundation has been carried out. Upon completion of this the Luperla Foundation will have assets of USD 54.7 Mil. and CHF 3.6 Mil. at its disposal.

The investment process has already begun and, with reference to the right timing of the investments, will take a fairly long time until completion.

As mentioned in the above mentioned memorandum for the file, we will arrange as per the end of May for the old accounts to be closed. Therefore, all that remains outstanding is the confirmation from Dr. Iob that the old "Crofton" and "Jelnav" shares at LGTT have been removed.

[signature]

P. Widmer



LGT Treuhand
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Aktenvermerk

1/1

Thema **Luperla Stiftung / Sewell Services Ltd. B.V.I.**

Verfasser(in) / Tel. **NMU**

Datum **23. Oktober 1997 / nm**

Zur Erledigung

Zur Kenntnisnahme **RT, EVO**

[Redacted] = Redacted by the Permanent
Subcommittee on Investigations

Herr Elmar Mattle (arbeitet bei Peter Widmer, welcher Stiftungsrat von Luperla Foundation und den Kontakt zum Auftraggeber hält) von der LGT BIL ruft an und teilt folgendes mit:

Von einer Gesellschaft namens Crofton, welche das Konto bei der LGT BIL hat werden ca. USD 30'000.- auf das Konto der Sewell Services Ltd. transferiert (Sewell Services Ltd. ist die Tochtergesellschaft der Luperla Stiftung). Ich habe die Eröffnung eines USD-Kontos veranlasst => **[Redacted]** (USD). Von der Sewell soll dieser Betrag dann auf das Konto der Luperla vergütet werden. Dies wurde anscheinend schon öfters so gemacht.

Nach Durchsicht der Akten stelle ich fest, dass vom Konto der Sewell am 7.5.1997 USD 54.7 Mio. und CHF 3.6 Mio. sowie am 12.5.1997 USD 211'000.- mittels Vergütungsaufträgen an die Luperla überwiesen wurden, ohne Nennung des Auftraggebers. Am 16.5.1997 wurde dann die Kontoverbindung bei der LGT BIL gelöscht.

EVO/RT bitte mit ORV Kontakt aufnehmen, um Hintergrundinformationen über die gesamte Struktur zu erfahren. Falls ORV nicht informiert sein sollte, an Peter Widmer gelangen.

Ferner sind noch folgende Pendenzen offen:

Erledigt? • Belegexemplare der Statuten und Beistatuten wurden noch nicht unterzeichnet (=> wurden am 25.4.97 an Herrn Widmer zur Weiterleitung an Kunden gesandt)

P • Die schriftliche Bestätigung, betr. Aktenvernichtung der Unterlagen Crofton/Yelnarf der Rechtsabteilung LGT BIL ist noch hängig (s. Av PIO v. 3.7.97)

Stiftungsräte der Luperla sind:

Dr. Bächinger
Peter Widmer
Werner Orvati
Hans-Werner Riner

Natalie Müller

Permanent Subcommittee on Investigations

EXHIBIT #44

PSI-USMSTR - 008896

Memorandum for the File

1/1

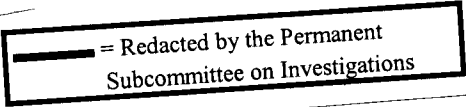
Concerned Issues **Luperla Foundation / Sewell Service Ltd. B.V.I.**

Author / Tel. NMU


Date 10.23.1997 / nmu

For Follow-Up

For the information of RT, EVO

 = Redacted by the Permanent
Subcommittee on Investigations

Mr. Elmar Mattle (who works with Peter Widmer, a member of the board of trustees of the Luperla Foundation, who maintains contact with the client), from the LGT BIL, calls and communicates the following:

Approximately 30,000.-- is being transferred from a corporation named Crofton, which has the account at the LGT BIL, to the account of the Sewell Services Ltd. (Sewell Services Ltd. is the subsidiary of the Luperla Foundation). I have brought about the opening of a USD account =>  (USD). This amount shall then be paid to the account of the Luperla from the Sewell. This has apparently already been done on many occasions.

After review of the files I establish that on 05.07.1997 USD 54.7 million and CHF 3.6 million, and on 05.12.1997 USD 211,000.--, was transferred from the account of the Sewell to the Luperla by means of authorized payment orders, without mention of the client. Then, on 05.16.1997, the account relationship at the LGT BIL was cancelled.

EVO/RT, please establishment contact with ORV to procure background information concerning the entire structure. If ORV does not have this information, make a request with Peter Widmer.

Furthermore, the following pending items are left open:

- File copies of the statutes and bylaws have still not been signed (=> were sent to Mr. Widmer on 04.25.1997 to be forwarded to the client). *completed*
- The written authorization regarding file destruction of the Crofton/Yelnarf documents of the LGT BIL legal department is still pending (see memo PIO dated 07.03.1997). *P*

Members of the board of trustees of the Luperla are:

Dr. Bächinger
Peter Widmer
Werner Orvati
Hans-Werner Ritter

[signature]
Natalie Müller



LGT Treuhand
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Aktenvermerk

1/1

Thema **Luperla Foundation, Vaduz ("Luperla")**

Verfasser(in) / Tel. erm / 2621

Datum 29. Januar 1998

Zur Erledigung

Zur Kenntnisnahme *MW*, pfr

Besprechung vom 28.01.1998 mit Herrn Peter Widmer (wp) in Bendern

Anlässlich unserer Besprechung erläutert wp im wesentlichen die Hintergründe der Luperla. Hinter dieser Stiftung steht Herr Frank P. Lowy, einer der reichsten Männer Australiens (Hauptaktionär und Chairman der Westfields Holdings, verdient ca. USD 5,5 Mio p.a. = Rang 2 in Australien), Privatvermögen über mehrere Milliarden USD). Seine drei Söhne, ebenfalls in der Westfields in Top-Positionen tätig, sind wp ebenso persönlich bekannt.

Das Stiftungsvermögen soll sich auf ca. 100 Mio. USD belaufen und stammt aus einer reaktiv komplexen Transaktion, die zum Ziel hatte, die börsenkotierten Aktien der Westfields wieder in Familienbesitz zurückzuführen, was schliesslich auch gelungen ist.

ORV hat angeblich mitgewirkt und ist im Detail darüber informiert. Es soll sich wp zufolge um keinerlei "Risikogelder" handeln.

Das Wesentliche unserer Besprechung ist, dass der Klient diese Gelder nicht offiziell in sein australisches Vermögen zurückführen kann. Es bleibt somit in der Stiftung und wp ist überzeugt, dass sich daran auch nichts ändern wird, solange das PM-Mandat ordentlich ausgeführt wird. Das Mandat ist als eines der grössten Geschäfte der LGT BIL einzustufen (hat bisher ca 7 Mio CHF gebracht!). Gerade deshalb ist darauf zu achten, dass keine Belastungen oder Transaktionen über das Luperla-Konto getätigt werden, die den Klienten grundsätzlich "nervös" machen.

Ich versichere wp, dass dies nicht mehr geschehen werde (s. VG über USD 600,- unter namentlicher Anführung der Sewell). Ich werde veranlassen, dass jede Transaktion vor Ausführung wp vorgelegt wird. *normals in F4 notes / MW*

Bezüglich der Sewell informiere ich wp, dass die Streichung veranlasst wurde.

Was die Rückvergütung der abgebuchten USD 600,- Trident-fees betrifft, so wird wp diese bei Herr M. Knecht veranlassen. Die Rückvergütung seitens der Trident ist auf ein internes Treuhandkonto gutzuschreiben und nach Absprache mit M. Knecht an LGT BIL weiterzuleiten.

LTV/erm

29. Januar 1998

E. Widmer

Permanent Subcommittee on Investigations

EXHIBIT #45

PSI-USMSTR - 008901

[logo]

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Memorandum for the File

1/1

Concerned Issues **Luperla Foundation, Vaduz ("Luperla")**

Author / Tel. erm / 2621

Date 01.29.1998

For Follow-Up

For the information of nmu [initialed], pfr

Meeting on 01.28.1998 with Mr. Peter Widmer (wp) in Bendern

On the occasion of our meeting, wp provides basic background information of the Luperla. Behind this foundation is Mr. Frank P. Lowy, one of the richest men in Australia (primary shareholder and chairman of the Westfields Holdings, earning approximately USD 5.5 million annually = second place in Australia, with private assets of several billion USD). His three sons, likewise active in top positions of the Westfields, are just as well-known to wp.

The foundation assets shall come to the amount of approximately USD 100 million and originate from a relatively complex transaction, with the goal of bringing shares listed in the stock market back into the family's possession, which was successfully completed.

ORV apparently assisted in this and is informed of the details. According to wp, no activities involving "risk money" are to be involved.

The substance of this meeting is that the client cannot officially bring these funds back into his Australian assets. Therefore, they remain in the foundation and wp is convinced that nothing along these lines will change, so long as the PM-mandate is properly conducted. The mandate is to be classified as one of the largest business affairs of the LGT BIL (has up to this point brought in CHF 7 million!). For exactly this reason it must be ensured that no fees or transactions occur through the Luperla account that make the clients "nervous" in principle.

I reassure wp that this will no longer occur (see assets fee of USD 600.-- under quotation of the name "Sewell"). I will determine that every transaction be presented to wp before being carried out. *noted again in F4 / [initialed]*

As concerns the Sewell, I inform wp that the abatement has already been initiated.

Mr. M. Knecht will determine what the written-off USD 600.-- Trident fees concern (which are being repaid). The repayment is to be credited to an internal trust account on the part of the Trident and to be continued after consultation with M. Knecht.

LTV/erm
01.29.1998
[signature]



Aktenvermerk

1/1

Thema	LUPERLA STIFTUNG
Verfasser(in) / Tel.	Werner Orvati /ORV (Sandra Schneider /ssn/2640)
Datum	26. Juni 2001
Zur Erledigung	
Zur Kenntnisnahme an	Dr. K. Bächinger Dr. E. Müller

Beiliegend Kopien aus der Zeit der Errichtung von Luperla Foundation:

1. Herkunft der Mittel

Aus diesen Aktenvermerken, wie auch aus meiner Erinnerung ergibt sich, dass die Mittel der Luperla Stiftung aus einer Kreditfinanzierung der LGT Bank in Liechtenstein stammen, die seinerzeit über eine Gesellschaft Crofton abgewickelt wurde. Aus den beiliegenden Aktenvermerken ergibt sich, dass die Instruktionen betreffend Crofton von Sinus Treuhand, Zürich, erteilt wurden. Ich bin davon ausgegangen, dass Crofton bei Dr. Karlheinz Ritter verwaltet worden sei.

2. Begünstigung

Hinweise betreffend die Interpretation der Beistatuten betreffend Nomination von Begünstigten bei Vorliegen von Instruktionen durch die Company oder im Falle des Widerrufs solcher Instruktionen oder im Falle des Fehlens solcher Instruktionen, habe ich in den Akten nicht gefunden. Ich gehe davon aus, dass Instruktionen betreffend die Nomination von Begünstigten durch die in den Beistatuten aufgeführte "Company" gemacht werden, falls diese Instruktionen widerrufen werden oder nicht vorhanden wären, könnte sich der Stiftungsrat auf Instruktionen abstützen, welche durch diejenige Gesellschaft gegeben würde, von welcher Beverley Park Corp. zuletzt Aktien erworben hätte.

Aus den Aktenvermerken ist eindeutig ersichtlich, dass gemäss Stifterwille FL und seine drei Söhne DL, PL und SL wirtschaftlich begünstigt werden sollen. AV von Peter Widmer vom 23.01.1997, S. 2, Linie 4.

In den Aktenvermerken wird auch die bei uns über Jahre geführte Struktur "Yelnarf" erwähnt.

Beilagen:

Aktenvermerke vom 27.11.1996 - 29.01.1998

Memorandum for the File

Topic: **LUPERLA FOUNDATION**

Author / Tel.: Werner Orvati / ORV (Sandra Schneider / ssn/2640)

Date: 26 June 2001

For Follow-Up:

To the Attention of: Dr. K. Bächinger
Dr. E. Müller

Copies from the time of the Establishment of the Luperla Foundation attached:

1. Origin of Funds

The result from these memorandums for the file as well as from my memory is that the funds of the Luperla Foundation stem from a credit financing of the LGT Bank in Liechtenstein that at the time was carried out through a company Crofton. The result from the attached memorandums for the file is that the instructions regarding Crofton were issued by Sinus Treuhand, Zürich. I assumed that Crofton was being managed by Dr. Karlheinz Ritter.

2. Benefit

I didn't find information regarding the interpretation of the by-laws with regard to the nomination of beneficiaries upon presentation of instructions by the Company or in the case of revocation or absence of such instructions in the file. I assume that instructions regarding the nomination of beneficiaries will be made by the "Company" listed in the by-laws, if these instructions are revoked or don't exist, the foundation board can support itself on instructions that are given by the company from which Beverley Park Corp. last acquired shares.

It is explicitly apparent from the memorandums for the file that, in accordance with the intention of the founder, FL and his three sons DL, PL and SL are to be financial beneficiaries. Memorandum for the file from Peter Widmer from 01.23.1997, page 2, line 4.

The memorandums for the file also mention the "Yelnarf" structure which we've been conducting for years.

Attachments:

Memorandums for the file from 11.27.1996 - 01.29.1998



Aktenvermerk

1/4

Thema **LUPERLA FOUNDATION, VADUZ**

Verfasser(in) / Tel. Dr. Erik Müller

Datum 16. Juli 2001 / nmu

Zur Erledigung

Zur Kenntnisnahme

bereits zugestellt / 17.7.01
Dr. K. Bächinger, lic. oec. HSG / W. Orvati, Dr. N. Feuerstein *7.7.01*

Bestellung von möglichen Begünstigten bzw. Vornahme von Ausschüttungen an Begünstigte unter Berücksichtigung der geltenden Stiftungsstatuten und Regulations sowie des Stifterwillens:

1. Gesellschaftsrechtlich massgebende Bestimmungen

1.1. Gemäss Art. 5 der geltenden Statuten bestimmt der Stiftungsrat im Rahmen der Reglemente über Ausmass und Art von Ausschüttungen an die Stiftungsbegünstigten. Ferner werden "Begünstigte der Stiftung und der Inhalt der Begünstigung [...] vom Stiftungsrat bestimmt. Die nähere Regelung erfolgt in einem eigenen Beistatut." (Art. 4). Der Begriff des Beistatuts wird synonym mit dem des Reglements verwendet. Die Englischversion nennt "Regulations", welche rechtsgültig erlassen wurden.

1.2. Auch die statutarische Zweckdefinition unter Art. 3 sieht vor, dass die Stiftung (über den eigentlichen Stiftungszweck gemäss Abs. 1 hinaus) "in Auslegung der Reglemente auch Zuwendungen an natürliche oder juristische Personen sowie Institutionen etc. machen" kann.

1.3. Schliesslich ist gemäss Art. 11 der geltenden Statuten, welcher unter anderem die Stiftungsauflösung regelt, der Stiftungsrat "jederzeit berechtigt, durch einstimmigen Beschluss die Stiftung aufzulösen." Ferner ist bei der Auflösung der Stiftung "das Stiftungsvermögen nach Massgabe der Begünstigungsbestimmungen [in der Englischversion: Regulations] zu verwenden."

1.4. Damit kommt den Begünstigungsbestimmungen auf jeden Fall - sei es im Fall einer vollumfänglichen und endgültigen Ausschüttung des Stiftungsvermögens mit anschliessender Löschung der Stiftung oder im Zuge einer Verwendung des Stiftungsvermögens im Sinne des Art. 11 der Statuten - eine zentrale Bedeutung zu. Umso mehr als den Regulations unter Art. 5 derselben grundsätzlich dieselbe Rechtskraft wie den Statuten und im Fall entgegenlaufender Bestimmungen das grössere Gewicht beigemessen wird.

2. Regulations

Die Begünstigungsbestimmungen sehen für die Vornahme von Ausschüttungen zwei zwingende Schritte vor:

2.1. Notifikation(en)

Grundsätzlich werden mögliche Begünstigte ("members of the class of distributees") durch eine Gesellschaft ("Company"), an welcher die am 3. Januar 1997 gegründete und in Delaware/USA domizilierte Beverly Park Corporation ("Corporation") beteiligt ist, dem Stiftungsrat bekanntgegeben/notifiziert. Ist die Corporation an mehreren Companies beteiligt, fällt diese Bestellungskompetenz jener Company zu, an welcher die Corporation vor der Notifikation zuletzt Beteiligung genommen hat.

Begünstigte können "persons, companies or other entities" sein.

Zwingende (kumulative) Voraussetzungen für die Aufnahme in den Kreis der Begünstigten sind, dass

- die Company selbst weder direkt noch indirekt begünstigt ist (somit kann sie gewissermassen als "excluded person" betrachtet werden) und dass
- eine (bereits erfolgte) Begünstigtenbestellung durch die Company oder deren Rechtsnachfolger jederzeit durch schriftliche Mitteilung an den Stiftungsrat widerrufen werden kann.

2.2. Ausschüttung(en)

Besteht ein nach den oben beschriebenen Bestimmungen bestellter Begünstigtenkreis, liegt es im uneingeschränkten Ermessen des Stiftungsrats ("absolute and uncontrolled discretion"), eine oder mehrere Ausschüttungen zu Gunsten eines oder mehrerer Begünstigten ("member of the class of distributees") zu tätigen.

3. Stifterwille

Die Aktenlage dokumentiert den Stifterwillen dahingehend, dass der wirtschaftliche Stifter und dessen drei Söhne wirtschaftlich begünstigt werden sollen (siehe auch Aktenvermerk von Herrn Orvati vom 26. Juni 2001). Zu einer erwünschten Begünstigungsreihenfolge, verschiedenen Begünstigtenquoten, zeitlichen Rahmen oder Begünstigungsumfang liegen - mit Ausnahme der Bestimmungen von Statuten und Regulations - keine Hinweise vor. Die Existenz eines schriftlich zum Ausdruck gebrachten Stifterwillens in der Form eines Letter of Wishes (Side Letter, Record of Intent) geht aus den Akten nicht hervor.

4. Conclusio

Die gegenständliche Stiftung wurde in der Form einer "Discretionary Foundation" ausgestaltet, wobei ein Letter of Wishes nicht vorliegt.

Die statutarischen Bestimmungen definieren einen sehr weitreichenden Zweck und sehen keinen bestimmten Begünstigtenkreis vor, sondern verweisen auf mögliche Reglemente bzw. Beistatuten, die die ordentliche Begünstigung regeln.

Die bestehenden Regulations schreiben eine klare Vorgehensweise mit zwei getrennten Kompetenzbereichen sowie bestimmte Voraussetzungen vor:

4.1. Die Notifikationskompetenz liegt bei der Company, wobei keine Kriterien zur Auswahl möglicher Begünstigter ("members of the class of distributees") festgelegt wurden. Hingegen gibt es zwingende Voraussetzungen für eine solche Notifikation:

- Schriftlichkeit;
- Adressat ist der Stiftungsrat;
- Company darf nicht direkt oder indirekt begünstigt sein;
- Notifikation muss (auf schriftlichem Wege) widerruflich sein;

Bezüglich der notifizierenden Company sind folgende Voraussetzungen gegeben:

- die Corporation muss an der Company beteiligt sein;
- falls mehrere solcher Beteiligungen bestehen, muss die notifizierende Company die vor der Notifikation zuletzt erworbene sein;

4.2. Die Ausschüttungskompetenz wurde uneingeschränkt und vollumfänglich dem Stiftungsrat zugewiesen ("absolute and uncontrolled discretion").

5. Massnahmen

5.1. Im vorliegenden Fall wurden bereits folgende Massnahmen gesetzt:

- Zirkularbeschluss vom 25. Juni 2001, die Stiftung im Hinblick auf eine endgültige und vollumfängliche Ausschüttung in Liquidation zu setzen, da diese danach den Stiftungszweck nicht mehr erfüllen kann sowie sämtliche Vermögensanlagen in liquide Form zu bringen;
- entsprechende Veranlassung bei der depotführenden und vermögensverwaltenden LGT Bank in Liechtenstein AG;
- entsprechende Benachrichtigung des ÖRA als Stiftungsregister.

5.2. Im Hinblick auf o.a. Ausschüttung sollte Folgendes schriftlich vorliegen:

- Notifikationsschreiben der Company wie oben ausgeführt;



- Rechtsgültiger Nachweis der Corporation darüber, dass sie an der Company beteiligt ist und dass die Company die vor dem Notifikationsdatum zuletzt erworbene Beteiligung ist;
 - Geeigneter Nachweis darüber, dass die Company nicht direkt oder indirekt begünstigt ist;
-
- (Formeller) Stiftungsratsbeschluss über die Deutung des Stifterwillens;
 - Stiftungsratsbeschluss über Umfang der Begünstigung und Ausschüttungsmodalitäten;
 - Einverständnis des wirtschaftlichen Stifters, sofern er nicht selbst vollumfänglich in den Genuss der Stiftungsreinvermögens kommt;

Abschliessend und der Vollständigkeit halber sei darauf hingewiesen, dass keine Unabänderlichkeitsklausel in den geltenden Stiftungsbestimmungen vorgesehen ist, der Stiftungsrat gemäss Art. 11 der Statuten dieselben jederzeit abändern und gemäss Art. 6 der Regulations auch diese abändern, vervollständigen oder widerrufen kann, wobei gleichzeitig der Stifterwille grundsätzlich seine Berücksichtigung zu finden hat.


Dr. Erik Müller

[logo]

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Memorandum for the File

1/4

Concerned Issues **LUPERLA FOUNDATION, VADUZ**

Author / Tel. Dr. Erik Müller

Date 07.16.2001 / nmu

For Follow-Up

already delivered / 07.18.2001

For the information of Dr. K. Bächinger, lic. oec. HSG W. Orvati, Dr. N. Feuerstein [initialed]

Specification of possible beneficiaries and initiation of disbursements to beneficiaries with regard to the effective statutes and regulations of the foundation as well as the intent of the benefactor;

1. Authoritative stipulations under company law

- 1.1. According to Article 5 of the effective statutes, the board of trustees determines the size and type of disbursement to the beneficiaries of the foundation in the framework of the regulations. Furthermore, the "beneficiaries of the foundation and the content of the benefit (...) are determined by the board of trustees. The more detailed specifications are to result from their own bylaw." (Article 4). The terms of the bylaw are synonymous with those used in the regulations. The English version names "regulations" [English], which were issued with legal force.
- 2.2. Also, the statutory definition of purpose under Article 3 specifies that the foundation (by virtue of its own foundation purpose, according to Paragraph 1 forward) can "also make donations to natural or juridical persons as well as institutions through the issue of regulations."
- 3.3. Finally, according to Article 11 of the effective statutes, which govern the dissolution of the foundation, among other things, the board of trustees of the foundation is "empowered at any time to dissolve the foundation by means of a unanimous resolution." Furthermore, upon the dissolution of the foundation, "the assets of the foundation are to be utilized under the authority of the regulations of benefit (in the English version: regulations)."
- 4.4. Thus the regulations of benefit assume a central meaning in any case - be it in the case of a complete and final disbursement of the assets of the foundation with the subsequent dissolution of the foundation or of the process of utilization of the assets of the foundation according to the terms of Article 11 of the statutes. The same legal force is imputed [to the above-mentioned regulations] as to the statutes, even more than to the regulations under Article 5 (of the regulations), and in the case of contradictory regulations, greater importance is imputed [to the above-regulations].

2. Regulations

The regulations of benefit require two mandatory steps for the execution of disbursements:

2.1. Notification(s)

The board of trustees must categorically be notified of the identities of possible beneficiaries ("members of the class of distributees" [English]) through a corporation ("Company" [English]), of which the Beverly Park Corporation ("Corporation" [English]) has shares; the Beverly Park Corporation was founded on 01.03.1997 and is domiciled in Delaware / USA. If the "Corporation" holds several "Companies," then the capacity to designate falls to that company of which the "Corporation" most recently took up shares before the notification.

Beneficiaries can be "persons, companies, or other entities" [English].

Mandatory (cumulative) premises for entry into the exclusive group of beneficiaries are that

- the "Company" itself is neither directly nor indirectly benefited (therefore it can be specifically regarded as an "excluded person" [English]), and that
- an (already effective) designation of beneficiary can be revoked by the "Company" or its legal successors at any time by means of written message to the board of trustees.

2.2. Disbursement(s)

If there does exist an exclusive group of designated beneficiaries as described above, then it falls to the unrestricted discretion of the board of trustees ("absolute and uncontrolled discretion" [English]) whether to effect one or more disbursements in favor of one or more beneficiaries ("member of the class of distributees" [English]).

3. Intent of the benefactor

The records document the intent of the benefactor to the effect that the economic benefactor and his three sons shall be financial beneficiaries (see also memo from Mr. Orvati dated 06.26.2001). No directions exist pertaining to desired succession of beneficiaries, different beneficiary proportions, time frames, or extent of benefit - with the exception of the stipulations of statutes and regulations. The existence of the intent of the benefactor, brought to written expression in the form of a Letter of Wishes (Side Letter, Record of Intent), does not appear in the files.

4. Conclusion

The above-described foundation was structured in the form of a “**Discretionary Foundation**”, whereupon a Letter of Wishes is not present.

The statutory stipulations define a very far-reaching purpose and specify **no certain group of beneficiaries**, but rather refer to possible regulations and/or bylaws that regulate the proper benefit.

The existing **Regulations** prescribe clear proceedings with two divided realms of competence as well as certain requirements:

4.1. The **capacity of notification** rests with the Company, whereby no criteria were established for the selection of possible beneficiaries (“members of the class of distributees”). On the other hand, there are mandatory requisites for such a notification:

- Written Form
- Addressee is the Board of Trustees
- Company may not be directly or indirectly benefited
- Notification must be revocable (by written means)

Concerning the notifying Company, the following requisites are given:

- the Corporation must be a shareholder of the Company
- if several such holdings exist, then the notifying Company must be the last acquired before the notification

4.2. The **capacity for disbursement** was allotted completely and without restriction to the board of trustees (“absolute and uncontrolled discretion”).

5. Proceedings

5.1. In the case at hand, the following proceedings have already occurred:

- Circular resolution dated 06.25.2001, regarding a complete and final disbursement, to place the foundation in liquidation (since it can no longer fulfill the purpose of the foundation after this), and to bring all investments of assets into liquid form;
- Corresponding initiation at the custodial (for the depot) and asset-managing bank, the LGT Bank in Liechtenstein AG;
- Corresponding notice in writing from ÖRA as a foundation record

5.2. With regard to the above-listed disbursement, the following should be in our possession in writing:

- Letter of notification of the Company as listed above;

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- Legal verification from the Corporation attesting that it is a shareholder of the Company and that the Company is the holding last acquired before the date of notification;
- Proper verification attesting that the Company is neither directly nor indirectly benefited;
- (Formal) resolution of the board of trustees concerning the interpretation of the intent of the benefactor;
- Resolution of the board of trustees concerning the extent of the benefit and types of disbursement;
- Consent of the economic benefactor, inasmuch as he does not himself exclusively receive the complete benefit of the net assets of the foundation.

In conclusion and for the sake of completeness it is established that no immutable stipulation is specified in the effective regulations of the foundation, that that board of trustees can alter the statutes at any time according to Article 11 (of these statutes), and that it can alter, supplement, or revoke these according to Article 6 of the Regulations, whereby the intention of the benefactor as a rule must always be taken into consideration.

[signature]
Dr. Erik Müller



Aktenvermerk

1/3

Thema	Luperla Foundation, Vaduz
Verfasser(in) / Tel.	Dr. Erik Müller
Datum	17. Dezember 2001 / ssn
Zur Erledigung	
Zur Kenntnisnahme	Dr. K. Bächinger, Dr. N. Feuerstein

Im Hinblick auf die endgültige Ausschüttung des gesamten Stiftungsvermögens der Luperla Foundation sind folgende Voraussetzungen gemäss meinem Aktenvermerk vom 16.07.2001 zu erfüllen:

1. Notifikationsschreiben der Company;
2. Rechtsgültiger Nachweis der Corporation darüber, dass sie an der Company beteiligt ist und dass die Company die vor dem Notifikationsschreiben zuletzt erworbene Beteiligung ist;
3. Geeigneter Nachweis darüber, dass die Company nicht direkt oder indirekt begünstigt ist;
4. (Formeller) Stiftungsratsbeschluss über die Deutung des Stifterwillens;
5. Stiftungsratsbeschluss über Umfang der Begünstigung und Ausschüttungsmodalitäten;
6. Einverständnis des wirtschaftlichen Stifters, sofern er nicht selbst vollumfänglich in den Genuss des Stiftungseinvermögens kommt.

Zu 6.: Das diesbezügliche Telefongespräch mit dem wirtschaftlichen Stifter und einem seiner Söhne geführt und /oder Joshua H. Gelbard, wird aufgenommen werden.

Zu 4. und 5.: Interne Dokumente, die noch erstellt werden.

Zu 1., 2. und 3.: Folgende Dokumente wurden am 14.12.2001 zur Prüfung vorgelegt:

Zur Beverly Park Corporation:

- Vollmacht vom 13.12.2001 von Beverly Park Corp. zu Gunsten von Joshua Gelbard im Namen derselben zu handeln, unterschrieben durch den Director Leon C. Janks (Kopie); **Original notwendig.**
- Notarielle Bestätigung vom 13.12.2001 über die Richtigkeit der Vollmacht vom 13.12.2001, wonach Leon C. Janks Director & Officer von Beverly Park Corp. ist (Kopie); **Original notwendig.**
- Passkopie Joshua Gelbard: Kopie ab Original bestätigt durch Dr. K. Bächinger;
- Certificate of Qualification vom 04.02.1997 betreffend Beverly Park Corp., unterschrieben vom Secretary of State of California (Kopie);

Permanent Subcommittee on Investigations

EXHIBIT #48

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Aktenvermerk

- Bestätigung des Secretary of State (datiert vom 04.01.1997) über die Echtheit des Certificate of Incorporation betreffend Beverly Park Corp., die am 03.01.1997 ausgestellt wurde (Kopie);
- To whom it may concern, ausgestellt von Joshua Gelbard am 13.12.2001, wonach er bestätigt, dass sich die Beverly Park Corp. nach dem 24.07.2001 an keiner Gesellschaft beteiligt hat (Original; handschriftlich);
- ~~Certificate of Good Standing des Secretary of State vom 17.12.2001 zur Beverly Park Corp. (Kopie); *Original notwendig.*~~
- Opinion der Kanzlei Debevoise & Plimpton, New York, wonach Beverly Park Corp. "duly formed, validly existing and in good standing under the law of the states of Delaware" ist (Kopie); *Original notwendig.*

Zur Lonas Ltd., B.V.I.:

- Aktienzertifikat der Lonas Limited, B.V.I. (incorporated on 24.07.2001) (über eine Aktie à USD 1,-, Aktienzertifikat Nr. 1) vom 06.08.2001: Kopie ab Original bestätigt durch Dr. K. Bächinger;
- Certificate of the Registered Agent of Lonas Ltd., datiert vom 06.08.2001, wonach die Beverly Park Corp. eine Aktie in der Form des Zertifikats Nr. 1, ausgestellt am 06.08.2001, hält (Original);
- Deed of Appointment von Lonas Ltd. vom 24.07.2001 und unterschrieben vom Registered Agent, wonach Joshua H. Gelbard zum first sole Director der Lonas bestellt wird (Original);
- Memorandum of matters resolved by the company's sole director on the 06.08.2001, unterschrieben von Joshua H. Gelbard (Kopie);
- Certificate of Incorporation vom Gründungstag 24.07.2001 (Original);
- Memorandum and Articles of Association of Lonas Ltd., B.V.I., vom Gründungstag 24.07.2001 (Original).
- Auftrag von Lonas Ltd. (Notifikationsschreiben) vom 13.12.2001, unterschrieben von Joshua H. Gelbard, Sole Director bezüglich der Ausschüttung aller Stiftungsvermögenswerte (Original).

Aufgrund der oben beschriebenen Sachlage sind meines Erachtens folgende Dokumente im Original einzuholen, bevor die Ausschüttung vorgenommen wird:

- Certificate of Good Standing des Secretary of State vom 17.12.2001 zur Beverly Park Corp.;
- Opinion der Kanzlei Debevoise & Plimpton, New York, wonach Beverly Park Corp. "duly formed, validly existing and in good standing under the law of the states of Delaware" ist;
- Vollmacht vom 13.12.2001 von Beverly Park Corp. zu Gunsten von Joshua Gelbard im Namen derselben zu handeln, unterschrieben durch den Director Leon C. Janks;
- Notarielle Bestätigung vom 13.12.2001 über die Richtigkeit der Vollmacht vom 13.12.2001, wonach Leon C. Janks Director & Officer von Beverly Park Corp. ist;
- Geeigneter Nachweis darüber, dass die Company nicht direkt oder indirekt begünstigt ist; eine solche Bestätigung kann durch Joshua Gelbard in seiner Eigenschaft als Director der Lonas unter Verwendung des Firmenstempels ausgestellt werden.



— = Redacted by the Permanent
Subcommittee on Investigations

Telefonat mit David Lowy vom 17.12.2001:

Ich informiere Herrn Lowy über die Notwendigkeit der oben aufgeführten Originaldokumente. Er teilt mir mit, dass er mit Ausnahme des ersterwähnten Certificate of Good Standing alle Dokumente Herrn Dr. Konrad Bächinger übermitteln werde. Die Notwendigkeit des besagten Certificate of Good Standing vom 17.12.2001 relativiert sich meines Erachtens, nachdem sich die zweitgenannte Legal Opinion auf dieses Certificate bezieht und das good standing der Beverly Park Corp. bestätigt.

Ich teile Herrn Lowy ferner mit, dass nach Erhalt der Originaldokumente die Ausschüttung vorgenommen werden könne. Die entsprechenden Beschlüsse werden unsererseits bereits vorbereitet.

Herr David Lowy ist unter der Nummer [REDACTED] (Israel) erreichbar.

Telefonkonferenz mit Dr. Konrad Bächinger und David Lowy vom 18.12.2001:

Der Nachweis darüber, dass die Lonas Ltd. weder direkt noch indirekt begünstigt ist, wurde uns per Fax (bestätigt und unterfertigt durch Joshua Gelbard in seiner Eigenschaft als Director) zugestellt und ist in Ordnung.

Zusätzlich zu den oben aufgeführten Dokumenten wird meinerseits ein Telefonat mit der Overseas Management Company (OMC) geführt und ein aktuelles Unterschriftenverzeichnis angefordert, aus dem die Unterschriftsberechtigung von Frau Geidis Dixon, die das Certificate of the Registered Agent und das Deed of Appointment von Joshua Gelbard als Director unterschrieben hat.

Abschliessend und im Hinblick auf die Ausführung des Vergütungsauftrags im Sinne des Notifikationsschreibens vom 13.12.2001 zeigt sich David Lowy damit einverstanden, sämtliche Fremdwährungskonten der Luperla in USD zu konvertieren und auf dem USD-Konto zusammenzuführen. Schliesslich zeigt er sich mit einer Pauschalfaktura der LGT Treuhand AG für alle Bemühungen im Zusammenhang mit der Liquidation, Endausschüttung und Löschung der Luperla Foundation in Höhe von CHF 25.000,- zuzüglich MWSt einverstanden.


Dr. Erik Müller

Memorandum for the File

1/3

Concerned Issues **Luperla Foundation, Vaduz**

Author / Tel. Dr. Erik Müller

Date 12.17.2001 / ssn

For Follow-Up

For the information of Dr. K. Bächinger, Dr. N. Feuerstein

In consideration of the final disbursement of the total foundation assets of the Luperla Foundation, the following prerequisites must be fulfilled according to my memo for the file dated 07.16.2001:

1. Notification letter of the company;
2. Legally valid authorization of the corporation attesting that it holds the company and that the company is the holding last acquired before the notification letter;
3. **Proper authorization that the company is not directly or indirectly benefited;**
4. (Formal) resolution of the board of trustees concerning the interpretation of the founder's intention;
5. Resolution of the board of trustees concerning the extent of benefit and the form of disbursements;
6. Consent of the economic benefactor, insofar as he himself does not exclusively benefit from the net assets of the foundation.

Pertaining to 6.: The telephone conversation in this regard will be taken up with the economic benefactor and one of his sons and/or Joshua H. Gelbard.

Pertaining to 4. and 5.: Internal documents, which still must be issued.

Pertaining to 1., 2., and 3.: The following documents were presented for review on 12.14.2001:

Pertaining to Beverly Park Corporation:

- Power of attorney dated 12.13.2001 from Beverly Park Corp. in favor of Joshua Gelbard to act in his own name, signed by the director Leon C. Janks (**copy**); **original is necessary**.
- Notarized certification dated 12.13.2001 attesting to the accuracy of the authorization dated 12.13.2001, which states that Leon C. Janks is director and officer of Beverly Park Corp. (**copy**); **original is necessary**.
- Copy of the passport of Joshua Gelbard: copy from the original certified by Dr. K. Bächinger;
- Certificate of Qualification dated 02.04.1997 regarding Beverly Park Corp., signed by the Secretary of State of California (**copy**);

Memorandum for the File

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- Certification of the Secretary of State (dated 01.04.1997) attesting to the authenticity of the Certificate of Incorporation regarding Beverly Park Corp., which was issued on 01.03.1997 (**copy**);
 - "To whom it may concern," issued by Joshua Gelbard on 12.13.2001, in which he specifies that the Beverly Park Corp. does not hold shares of any corporation after 07.24.2001 (original, hand-written);
 - Certificate of Good Standing of the Secretary of State dated 12.17.2001 regarding Beverly Park Corp. (**copy**); *original is necessary*.
-
- Opinion of the office of Debevoise & Plimpton, New York, which states that Beverly Park Corp. is "duly formed, validly existing and in good standing under the law of the state of Delaware" (**copy**); *original is necessary*.

Pertaining to the Lonas Ltd., B.V.I.:

- Shares certificate of the Lonas Limited, B.V.I. (incorporated on 07.24.2001) (of a share at USD 1.00, shares certificate No. 1) dated 08.06.2001: copy from the original certified by Dr. K Bächinger;
- Certificate of the Registered Agent of Lonas Ltd., dated 08.06.2001, in which is stated that the Beverly Park Corp. holds a share in the form of the certificate No. 1, issued on 08.06.2001 (original);
- Deed of Appointment from Lonas Ltd. dated 07.24.2001 and signed by the registered agent, which states that Joshua H. Gelbard is appointed as first sole director of the Lonas (original);
- Memorandum of matters resolved by the company's sole director on 08.06.2001, signed by Joshua H. Gelbard (**copy**);
- Certificate of Incorporation from the day of founding, 07.24.2001 (original);
- Memorandum and Articles of Association of the Lonas Ltd., B.V.I., from the day of founding, 07.24.2001 (original);
- Mandate from Lonas Ltd. (notification letter) dated 12.13.2001, signed by Joshua H. Gelbard, sole director, regarding the disbursement of all assets of the foundation (original).

On the basis of the state of affairs as described above, it is my consideration that the following documents must be obtained in original form before the disbursement can be initiated:

- Certificate of Good Standing of the Secretary of State dated 12.17.2001 regarding Beverly Park Corp.;
- Opinion of the office of Debevoise & Plimpton, New York, which states that Beverly Park Corp. is "duly formed, validly existing and in good standing under the law of the state of Delaware";
- Power of attorney dated 12.13.2001 from Beverly Park Corp. in favor of Joshua Gelbard to act in his own name, signed by the director Leon C. Janks;
- Notarized certification dated 12.13.2001 attesting to the accuracy of the authorization dated 12.13.2001, which states that Leon C. Janks is director and officer of Beverly Park Corp.;
- Proper authorization that the company is not directly or indirectly benefited; such certification can be issued by Joshua Gelbard in his capacity as director of the Lonas through utilization of the stamp of the firm.

Memorandum for the File

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Telephone conversation with David Lowy dated 12.17.2001:

I inform Mr. Lowy of the importance of the above-listed documents in original form. He says to me that he will transmit all documents to Dr. Konrad Bächinger with the exception of the first Certificate of Good Standing. The necessity of the aforementioned Certificate of Good Standing dated 12.17.2001 becomes relative in my consideration, especially because the second-named legal opinion pertains to this certificate and \certifies the good standing of the Beverly Park Corp.

I communicate to Mr. Lowy that the disbursement can be initiated after receipt of the original documents. The appropriate resolutions are already being prepared on our part.

Mr. David Lowy is attainable at the number [REDACTED] (Israel).

Telephone conference with Dr. Konrad Bächinger and David Lowy dated 12.18.2001:

The verification that the Lonas Ltd. is neither directly nor indirectly benefited was delivered to us per fax (certified and signed by Joshua Gelbard in his capacity as director) and is satisfactory.

In addition to the documents listed above, a telephone conversation is taken up with the Overseas Management Company (OMC) on my part and a current list of authorized signatories is requested, on which [appears] the signatory rights of Ms. Geidis Dixon, who undersigned the Certificate of the Registered Agent and the Deed of Appointment of Joshua Gelbard as director.

Lastly, and in view of the execution of the authorized payment order along the terms of the notification letter from 12.13.2001, David Lowy states that he gives consent to convert all foreign-currency accounts of the Luperla to USD and to collect them in the USD account. Subsequently, he agrees to a flat fee of the LGT Trust Corp. for all endeavors associated with the liquidation, final disbursement, and dissolution of the Luperla Foundation in the amount of CHF 25,000.-- in addition to value-added tax.

[signature]
Dr. Erik Müller



Aktenvermerk

1/2

Thema	Luperla Foundation, Vaduz
Verfasser(in) / Tel.	Dr. Erik Müller
Datum	18. Dezember 2001 / ssn
Zur Erledigung	
Zur Kenntnisnahme	Dr. K. Bächinger, Dr. N. Feuerstein

Telefonat mit Dr. Konrad Bächinger und David Lowy vom 18.12.2001:

Der Nachweis darüber, dass die Lonas Ltd. weder direkt noch indirekt begünstigt ist, wurde uns heute per Fax (bestätigt und unterfertigt durch Joshua Gelbard in seiner Eigenschaft als Director) zugestellt und ist in Ordnung.

Zusätzlich zu den in meinem gestrigen Aktenvermerk aufgeführten Dokumenten wird ein Telefonat mit der Overseas Management Company geführt und ein aktuelles Unterschriftenverzeichnis angefordert, aus dem die Unterschriftsberechtigung von Frau Geidis Dixon, die das Certificate of the Registered Agent und das Deed of Appointment von Joshua Gelbard als Director unterschrieben hat.

David Lowy wird über Joshua Gelbard OMC informieren lassen, dass wir mit ihnen in Kontakt treten werden, um die Frage der zeichnungsberechtigten Personen der OMC zu klären.

Am 18.12.2001 bei uns eingelangte Dokumente:

Faxmitteilung von Joshua Gelbard mit den Koordinaten von Frau Geidis Dixon (OMC) unter Beilage eines Faxes an Frau Dixon, wonach er sie über unsere bevorstehende Kontaktaufnahme informiert und diese beauftragt, uns umfassend Auskunft zu erteilen.

Telefonat mit Frau Geidis Dixon von OMC vom 18.12.2001 (ca. 15.00h MEZ):

Nach einem Telefonat mit Frau Dixon sendet übermittelt mir diese eine List of Authorized Signatories for Overseas Management Company Trust (B.V.I.) Ltd.

Ich stelle fest, dass diese lediglich vom Director der OMC unterschrieben ist, ohne Beglaubigung.



Telefonat mit Frau Dixon vom 18.12.2001 (ca 20.30h MEZ):

Ich teile Frau Dixon mit, dass wir eine beglaubigte Version des Unterschriftenverzeichnisses benötigen, verbunden mit dem Nachweis über ein öffentlich nachgewiesenes Zeichnungsrecht.

Sie wird uns diese per Fax zusenden; das Original soll per Kurier folgen.

A handwritten signature in black ink, appearing to read 'E. Müller', is written over the printed name.

Dr. Erik Müller

Memorandum for the Record

1/2

Subject: **Luperla Foundation, Vaduz**

Compiler / Tel.: Dr. Erik Müller

Date: Dec. 18, 2001 / ssn

For action:

Cc: Dr. K. Bächinger, Dr. N. Feuerstein

Phone conversation with Dr. Konrad Bächinger and David Lowy of Dec. 18, 2001:

The confirmation that Lonas Ltd. is not benefited directly or indirectly was sent to us today by fax (confirmed and signed by Joshua Gelbard in his capacity as director) and deemed to be in order.

In addition to the documents listed in my memo of yesterday, a phone conversation is conducted with Overseas Management Company and a current signature directory requested, from which the signatory authorization of Ms. Geidis Dixon [word missing], who has signed the Certificate of the Registered Agent and the Deed of Appointment from Joshua Gelbard as director.

David Lowy will have OMC informed via Joshua Gelbard that we will get in touch with them in order to clarify the question of the persons who have signatory rights for OMC.

Documents received by us on Dec. 18, 2001:

Fax from Joshua Gelbard with information on Ms. Geidis Dixon (OMC) with enclosure of a fax to Ms. Dixon, in which he informs her of our upcoming approach and instructs her to give us comprehensive information.

Phone conversation with Ms. Geidis Dixon of OMC of Dec. 18, 2002 (around 3 p.m. Middle European Time):

After the phone call with Mr. Dixon, she sends me a List of Authorized Signatories for Overseas Management Company Trust (B. V. I.) Ltd.

I discover that it is signed merely by the OMC director, without notarization.

Memorandum for the Record

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Phone conversation with Ms. Dixon of Dec. 18, 2001 (around 8:30 p.m. Middle European Time):

I inform Ms. Dixon that we need a notarized version of the signature directory, connected with confirmation of a publicly verified signatory right.

She will send us these by fax; the original is to follow by courier.

[signed]

Dr. Erik Müller



Aktenvermerk

1/3

Thema	Luperla Foundation, Vaduz
Verfasser(in) / Tel.	Dr. Erik Müller
Datum	20. Dezember 2001 / ssn
Zur Erledigung	
Zur Kenntnisnahme	Dr. K. Bächinger, Dr. N. Feuerstein

E-mail an Frau Dixon (OMC) vom 19.12.2001

zur Erinnerung, uns ehestmöglich das gewünschte Unterschriftenverzeichnis im voraus per Fax und anschliessend per Kurier zuzustellen (unter Angabe der Adresse).

Prüfung der am 18.12.2001 Herrn Dr. Konrad Bächinger an seine Privatadresse persönlich überbrachten (bei uns am 19.12. eingelangten) Originaldokumente:

Zur Beverly Park Corporation:

- Vollmacht vom 13.12.2001 von Beverly Park Corp. zu Gunsten von Joshua Gelbard im Namen derselben zu handeln, unterschrieben durch den Director Leon C. Janks (Kopie war bereits vorhanden; siehe AV vom 17.12.2001);
- Notarielle Bestätigung vom 13.12.2001 über die Richtigkeit der Vollmacht vom 13.12.2001, wonach Leon C. Janks Director & Officer von Beverly Park Corp. ist (Kopie war bereits voranden; siehe AV vom 17.12.2001);
- Certificate of Qualification vom 04.02.1997 betreffend Beverly Park Corp., unterschrieben vom Secretary of State of California (Kopie war bereits voranden; siehe AV vom 17.12.2001);
- Certificate of Good Standing des Secretary of State vom 24.03.1997 zur Beverly Park Corp. (die bereits vorhandene Kopie datiert zwar vom 17.12.2001, deren Richtigkeit wird jedoch von der Kanzlei Debevoise & Plimpton, N.Y. bestätigt: siehe unten);
- Opinion der Kanzlei Debevoise & Plimpton, New York, wonach Beverly Park Corp. "duly formed, validly existing and in good standing under the law of the states of Delaware" ist (Kopie war bereits voranden; siehe AV vom 17.12.2001);
- Certificate of Amendment of Beverly Park Corporation vom 19.03.1997 (betreffen Kapitalerhöhung) sowie Certificate of Incorporation vom 03.01.1997 in Kopie.

Zur Lonas Ltd., B.V.I.:

- der bereits per Fax übermittelte Nachweis darüber, dass die Lonas Ltd. weder direkt noch indirekt begünstigt ist, (bestätigt und unterfertigt durch Joshua Gelbard in seiner Eigenschaft als Director).

Permanent Subcommittee on Investigations

EXHIBIT #50

PSI-USMSTR - 008875



Damit sind die im Original erforderlichen Dokumente, die gemäss AV vom 17.12.2001 einzuholen waren, bevor die Ausschüttung vorgenommen wird, eingelangt.

Telefonkonferenz mit Dr. Konrad Bächinger und David Lowy vom 19.12.2001:

Die Telefonkonferenz wird aufgenommen und anschliessend auf Band zur Aufbewahrung im Akt überspielt.

Wir informieren David Lowy über das Ergebnis unserer Prüfung obgenannter Dokumente:

Die Legal Opinion der Kanzlei Debevoise & Plimpton liegt zwar im Original vor, jedoch ist nicht ersichtlich, welche Person diese ausgestellt hat, da kein Kurzzeichen vorhanden und Unterschrift handschriftlich unter dem Titel "Debevoise & Plimpton" erfolgt ist.

David Lowy wird veranlassen, dass Kanzleipartner Peter R. Schwartz eine spezielle Bestätigung ausstellt, wonach er selbst die besagte Legal Opinion ausgefertigt hat.

Ferner teilen wir David Lowy mit, dass die List of Authorized Signatories von OMC noch nicht eingetroffen ist. David Lowy wird sich darum kümmern.

Abschliessend wiederholt Dr. Konrad Bächinger den Auftrag von Joshua Gelbard zur Vergütung/Ausschüttung des Stiftungsvermögens auf zwei verschiedene Genfer Bankverbindungen im Verhältnis 60:40. Neben der mündlichen Bestätigung von David Lowy betreffend die Richtigkeit des Auftrags gibt David Lowy sein Einverständnis dazu, dass die Familie Lowy selbst im Rahmen der beauftragten Transaktion nicht direkt begünstigt wird.

Die aufgenommenen Bänder werden im Gesellschaftsakt aufbewahrt.

Am 19.12.2001 bei uns eingelangte Dokumente:

- Schriftliche Faxbestätigung von Peter R. Schwarz, wonach er Partner von Debevoise & Partner ist, die legal opinion selbst unterfertigt hat und dazu legitimiert ist;
- Faxbestätigung von J. Gelbard, wonach die Lonas Ltd. die jüngste Beteiligung der Beverly Park Corporation ist;
- List of Authorized Signatories legalized by Apostille per Fax (Original folgt per Kurier);

Telefonat mit Dr. Konrad Bächinger vom 19.12.2001:

Wir werden die Originalunterschriftenliste abwarten bevor wie die Vergütung veranlassen, was ich auch David Lowy mitteile. Die übrigen Unterlagen sind vollständig vorhanden; über Sabrina Venturi, Niederlassung Lugano, die mehrere Jahre bei Morgan & Morgan gearbeitet hat erfahre ich, das OMC eine effektiv tätige Treuhandgesellschaft ist.



Kurier vom 20.12.2001:

Wie vereinbart erhalten wir die Originalunterschriftenliste von OMC, notariell beglaubigt und apostilliert. Damit sind alle erforderlichen Dokumente im Original vorhanden.

Telefonat mit David Lowy vom 20.12.2001:

Ich bestätige den Erhalt der Dokumente und die Ausführung der Transaktion, die er mir nochmals bestätigt.


Dr. Erik Müller

[logo]

LGT Trust

A Member of Liechtenstein Global Trust

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Memorandum for the File

1/3

Concerned Issues **Luperla Foundation, Vaduz**

Author / Tel. Dr. Erik Müller

Date 12.20.2001 / ssn

For Follow-Up

For the information of Dr. K. Bächinger, Dr. N. Feuerstein

Email to Ms. Dixon (OMC) dated 12.19.2001

as a reminder to provide us with the requested list of authorized signatories as soon as possible per fax and subsequently per courier (under the address specified).

Review of the original documents personally delivered to Dr. Konrad Bächinger at his private address on 12.18.2001 (delivered to us 12.19):

Pertaining to the Beverly Park Corporation:

- Power of attorney dated 12.13.2001 from Beverly Park Corp. in favor of Joshua Gelbard to act under his own name, signed by the director, Leon C. Janks (copy was already available, see memo dated 12.18.2001);
- Notarized certification dated 12.13.2001 attesting to the accuracy of the authorization dated 12.13.2001, according to which Leon C. Janks is the director and officer of the Beverly Park Corp. (copy was already available, see memo dated 12.17.2001);
- Certificate of Qualification dated 02.04.1997 regarding Beverly Park Corp, signed by the Secretary of State of California (copy was already available, see memo dated 12.17.2001);
- Certificate of Good Standing of the Secretary of State dated 03.24.1997 regarding Beverly Park Corp. (the already available copy actually dates from 12.17.2001, but its accuracy is certified by the offices of Debevoise & Plimpton, N.Y.: see below);
- Opinion of the office of Debevoise & Plimpton, New York, which reads that Beverly Park Corp. is "duly formed, validly existing and in good standing under the law of the state of Delaware" (copy was already available, see memo dated 12.17.2001);
- Certificate of Amendment of Beverly Park Corporation dated 03.19.1998 (concerning increase in capital) as well as Certificate of Incorporation in copy form dated 01.03.1997.

Pertaining to the Lonas Ltd., B.V.I.:

- the already transmitted authentication that the Lonas Ltd. is neither directly nor indirectly benefited (certified and signed by Joshua Gelbard in his capacity as director).

Memorandum for the File

2/3

Hereby the originals of the required documents have arrived; they needed to be obtained according to the memo dated 12.17.2001 before the disbursement could be effected.

Telephone conference with Dr. Konrad Bächinger and David Lowy dated 12.19.2001:

The telephone conference commences and is subsequently stored by recording on electronic tape.

We inform David Lowy of the result of our review of the above-named documents.

The legal opinion of the office of Debevoise & Plimpton does appear in the original, but it is not apparent which person issued it since no department code can be seen, nor does there appear a hand-written signature under the title "Debevoise & Plimpton."

David Lowy will order that his colleague Peter R. Schwartz issue a special certificate in which he himself will sign the legal opinion in question.

Further, we tell David Lowy that we still do not have the List of Authorized Signatories from OMC in our possession. David Lowy will look into this.

In closing, Dr. Konrad Bächinger brings up the order from Joshua Gelbard for the payment/disbursement of the foundation assets to two separate bank connections in Geneva in the ratio of 60:40. Besides verbal attestation to the accuracy of the order, David Lowy gives his consent that the Lowy family itself not be directly benefited in the framework of the commissioned transactions.

The recorded electronic tape is stored in the corporation's file.

Documents arriving to us on 12.19.2001:

- Written fax certificate from Peter R. Schwarz which states that he is a partner of Debevoise & Plimpton; also included is the legal opinion that he has personally signed, which authorizes it;
- Fax certificate from J. Gelbard which states that the Lonas Ltd. is the most recently holding of the Beverly Park Corporation;
- List of Authorized Signatories legalized by apostille per fax (original arrives per courier).

Telephone conversation with Dr. Konrad Bächinger dated 12.19.2001:

We will wait for the original authorized signatory list before we initiate the payment, which I also say to David Lowy. The other documents are all available; I learn that OMC is an effective trust corporation from Sabrina Venturi, at the Lugano branch, who has worked for several years with Morgan & Morgan.

Memorandum for the File

Courier dated 12.20.2001:

As arranged, we receive the original list of authorized signatories from OMC, certified by notary and apostillized. Herewith all required documents are in our possession in original form.

Telephone conversation with David Lowy dated 12.20.2001:

I certify the receipt of the documents and the execution of the transactions, which he authorizes for me once more.

[signature]
Dr. Erik Müller

Form 4564	Department of the Treasury Internal Revenue Service Information Document Request	Request Number 1
To: (Name of Taxpayer and Company, Division or Branch)	Subject: Form 1120 - 200506	
Beverly Park Corporation 10990 Wilshire Blvd, Suite 1600 Los Angeles, CA 90024	Submitted to: Beverly Park Corporation	
	Dates of Previous Requests: None	

Description of Documents Requested:

Background Information

1. A worldwide organization chart listing all related entities, including foreign and domestic, in existence in 2004 and 2005, where ownership of each entity is 5% or greater (directly and indirectly), including, but not limited to Cordera Holding (Sydney, Australia). This chart should include:
 - Entity name,
 - Entity address,
 - Entity type (i.e. partnership, sole proprietor, corporation, trust, joint venture, limited liability company, branches, etc.),
 - Percentage of ownership,
 - Date of formation,
 - Country of formation, and
 - Business activity.

This chart should also indicate names and address of individual shareholders or owners which own at least 5% (directly and indirectly) of these related entities.
2. Corporate By-Law for Beverly Park Corp ✓
3. Articles of Incorporation for Beverly Park Corp ✓
4. Corporate minutes from date of inception 3/25/97 to fiscal year ended 200706. ✓
5. Copies of Beverly Park's Corp's income tax return for 200406, 200606 and 200706. ✓
6. All loan agreements in existence in 200506 ✓
7. All bank statements, including but not limited to, checking and savings, from April 1, 2005 to July 31, 2006.
8. All brokerage statements, from April 1, 2005 to July 31, 2006. - none
9. Copies of resolution from Board of director naming the person authorized to draw checks on the bank account. - none

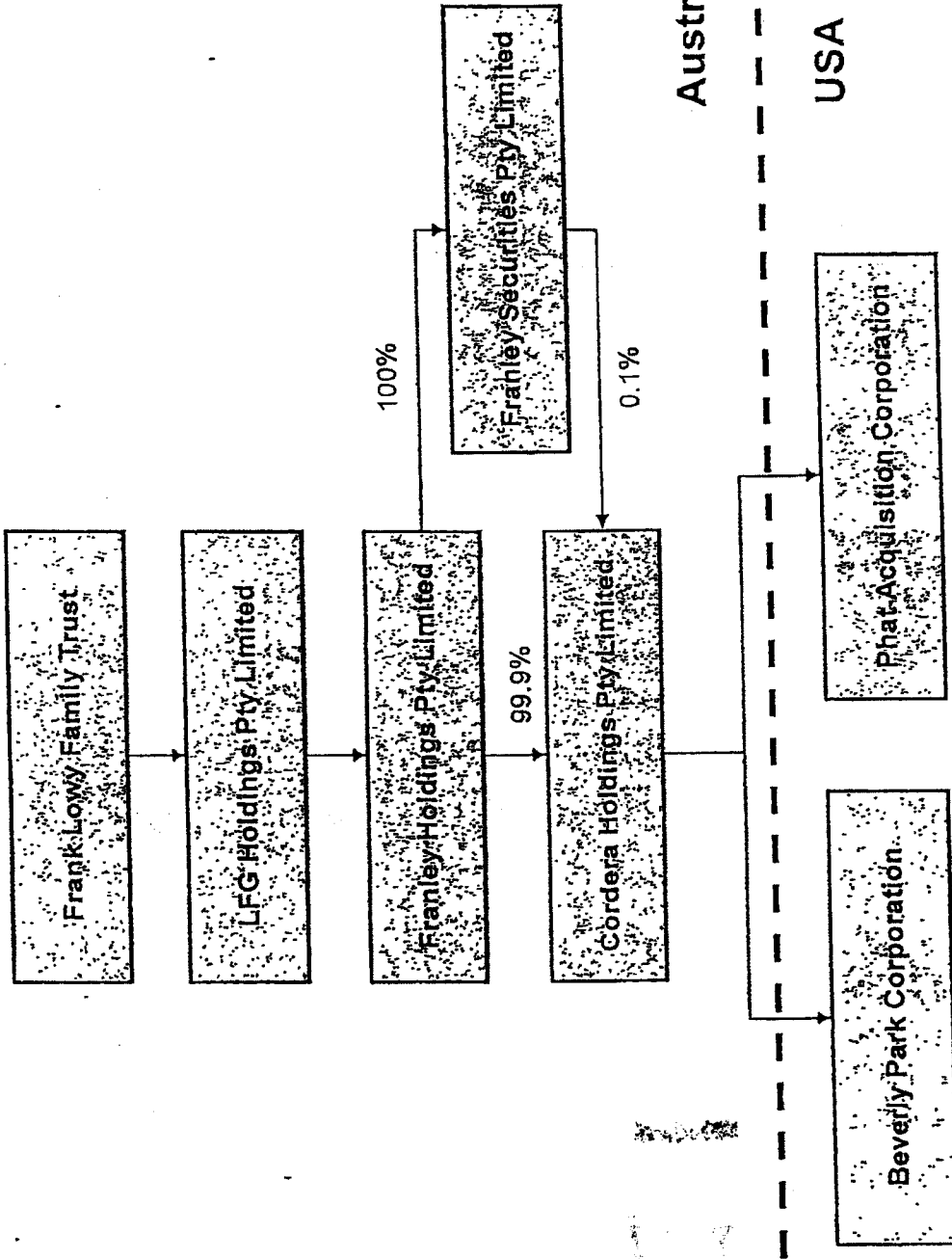
Please be advised that we may require additional information and documents as we determine necessary as the examination progresses.

Information Due By Nov. 26, 2007 At Next Appointment X Mail In

Redacted by the Permanent Subcommittee on Investigations

FROM	Name and Title of Requestor [Redacted]	Employee ID [Redacted]	11/1/2007
	Internal Revenue Agent		
	Office Location: [Redacted]	Phone: [Redacted]	
		Fax: [Redacted]	

Page 1



Australia

USA

K0008 - BPC

CORDERA HOLDINGS PTY LIMITED

(Incorporated in New South Wales)

A.C.N. 000 699 249

24th Floor

100 William Street

SYDNEY NSW 2011

Tel: 61 2 9358 7180

Fax: 61 2 9358 7015

21 March 1997

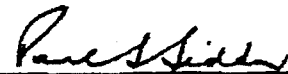
Mr Peter Lowy
President
Beverly Park Corporation
12th Floor
11601 Wilshire Boulevard
Los Angeles CA 90025
USA

By Fax: 1 310 478 4519

Dear Mr Lowy

Cordera Holdings Pty Limited hereby offers to subscribe for 11,489 shares of the authorised common shares par value \$0.01 each of Beverly Park Corporation for an issuance price of US\$1,000 per share. Please advise if acceptable, and we will wire funds for value March 25, 1997.

Very truly yours
CORDERA HOLDINGS PTY LIMITED

by: 
P S SEDDON
SECRETARY

P.1/1

MAR 21 '97 13:39 WESTFIELD DIRECTORS 612 93587015

LOWY-PSI-003714
CONFIDENTIAL

LIST OF OFFICERS/DIRECTORS

**NOTE: DISTRIBUTION OF THIS PAGE TO THE FOLLOWING ONLY:
RICHARD GREEN, PETER LOWY, IRV HEPNER, MARK STEFANEK, ROGER PORTER,
ARTHUR SCHRAMM**

Beverly Park Corporation

Officers

*Peter S. Lowy
Richard E. Green
Mark A. Stefanek
Leon Janks*

*President
Vice President
Treasurer and Secretary
Assistant Secretary*

Directors

*Peter S. Lowy
Richard E. Green
Arthur E. Schramm*

Executive Committee

None

IDR 22-1: Please have Peter Lowy, Director, complete the attached questionnaire regarding foreign bank accounts and foreign entities. Please have him sign the questionnaire and initial each page.

1. I was appointed President and a Director of Beverly Park Corporation (the "Company") on January 3, 1997.

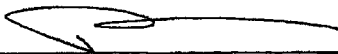
2. I have not been personally involved with the Company's day-to-day operations.

3. I do not have sufficient personal knowledge to complete the questionnaire attached to this IDR and have asked Leon Janks, who has been the Secretary of the Company since November 30, 2001, to inquire into the matters raised.

4. Mr. Janks has done so, and the response to IDR 23-1 contains all relevant information he is able to provide to the questions presented.

5. I have reviewed Mr. Janks's response to IDR 23-1 and have no reason to doubt the accuracy of any of the facts stated therein.

Dated: January 28, 2008



Peter S. Lowy

Permanent Subcommittee on Investigations

EXHIBIT #52

**LOWY-PSI-001975
CONFIDENTIAL**

IDR 23-1: Please have Leon Janks, Director, complete the attached questionnaire regarding foreign bank accounts and foreign entities. Please have him sign the questionnaire and initial each page.

Since October 1, 1998, my firm, Green, Hasson & Janks LLP, has handled the books and records for Beverly Park Corporation (the "Company"). I became the Assistant Secretary of the Company on February 22, 1999, and I became a Director and Vice President, Treasurer, and Secretary on November 30, 2001. For the period of time beginning October 1, 1998, through the present, I have no recollection of the Company or its subsidiaries having any legal or beneficial interest in, or of the Company, its subsidiaries, officers, employees, or agents having any direct or indirect signature, management, investment, or other authority over any foreign bank accounts, brokerage accounts, or mutual funds as described in Part I or Part II of the questionnaire attached to this IDR. Similarly, for the period of time beginning October 1, 1998, through the present, I have no recollection of the Company or its subsidiaries having any legal or beneficial interest in, or of the Company, its subsidiaries, officers, employees, or agents having any direct or indirect signature, management, investment, or other authority over any foreign entities, trusts, corporations, partnerships, or foundations as described in Part III or Part IV of the questionnaire attached to this IDR.

In December 2001, the Company granted a power of attorney to an Israeli lawyer, Mr. Joshua Gelbard of Gelbard, Amit, Wexler, who I understand was completing certain formalities concerning the wind-up of an overseas entity associated with the parent of the Company. I was not directly involved in any of the activities undertaken by Mr. Gelbard, but it is my understanding that the Company was not associated with the overseas entity and had no financial interest in the wind-up.

For the period of time between January 3, 1997, when the Company was incorporated, and September 30, 1998, I have reviewed the books and records of the Company that are in the care, custody, and control of Green, Hasson & Janks LLP. From that review, I have found no indication of the Company or its subsidiaries having any legal or beneficial interest in, or of the Company, its subsidiaries, officers, employees, or agents having any direct or indirect signature, management, investment, or other authority over any foreign bank accounts, brokerage accounts, or mutual funds as described in Part I or Part II of the questionnaire attached to this IDR. Similarly, based upon my review of the books and records of the Company for that period of time, I have found no indication of the Company or its subsidiaries having any legal or beneficial interest in, or of the Company, its subsidiaries, officers, employees, or agents having any direct or indirect signature, management, investment, or other authority over any foreign entities, trusts, corporations, partnerships, or foundations as described in Part III or Part IV of the questionnaire attached to this IDR.

Leon Janks



Dated: January 28, 2008

LOWY-PSI-001976
CONFIDENTIAL

IDR 1-2

Please indicate who owns Frank Lowy Family Trust and % of ownership.

The Frank Lowy Family Trusts described in the organization chart provided on November 26, 2007, is a reference to the Australian discretionary trusts of Frank Lowy, which together own all of the interests in LFG Holdings Pty Limited. Each has its own tax identification number provided by the Australian Taxation Office. Each of the family discretionary trusts was established more than 20 years ago, and provides for a class of potential beneficiaries who may benefit at the discretion of the trustee. No person has a fixed or other absolute interest, or percentage ownership, in the trust assets.

The trusts were each established under Australian law and are recognized in Australia as discretionary trusts, with no fixed owners. The trustee of each of the discretionary family trusts is an Australian corporation.

Please indicate whether Beverly Park Corporation and [REDACTED] Corporation owns any entities.

Beverly Park Corporation (the "Company") did not and does not own any entities. [REDACTED] [REDACTED], prior to its liquidation, did own stock in each of the following entities:

[REDACTED]
[REDACTED]

**Redacted
by
Permanent Subcommittee
on Investigations**



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Department of State: Division of Corporations

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Entity Details

THIS IS NOT A STATEMENT OF GOOD STANDING

File Number: 2282071 **Incorporation Date / Formation Date:** 12/17/1991 (mm/dd/yyyy)
Entity Name: BEVERLY PARK CORP.
Entity Kind: CORPORATION **Entity Type:** GENERAL
Residency: DOMESTIC **State:** DE

REGISTERED AGENT INFORMATION

Name: THE CORPORATION TRUST COMPANY
Address: CORPORATION TRUST CENTER 1209 ORANGE STREET
City: WILMINGTON **County:** NEW CASTLE
State: DE **Postal Code:** 19801
Phone: (302)658-7581

Additional Information is available for a fee. You can retrieve Status for a fee of \$10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of \$20.00.

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Permanent Subcommittee on Investigations

EXHIBIT #53



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Department of State: Division of Corporations

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Entity Details

THIS IS NOT A STATEMENT OF GOOD STANDING

File Number: 2702491 **Incorporation Date / Formation Date:** 01/03/1997 (mm/dd/yyyy)

Entity Name: BEVERLY PARK CORPORATION

Entity Kind: CORPORATION **Entity Type:** GENERAL

Residency: DOMESTIC **State:** DE

REGISTERED AGENT INFORMATION

Name: THE CORPORATION TRUST COMPANY

Address: CORPORATION TRUST CENTER 1209 ORANGE STREET

City: WILMINGTON **County:** NEW CASTLE

State: DE **Postal Code:** 19801

Phone: (302)658-7581

Additional Information is available for a fee. You can retrieve Status for a fee of \$10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of \$20.00.

Would you like Status Status, Tax & History Information

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Aktenvermerk

1/3

Thema **MAVERICK FOUNDATION**

Verfasser(in) / Tel. Christina Meusburger

Datum 27. März 2001

Zur Erledigung Dagmar Gächter

Zur Kenntnisnahme Dr. Pius Schlachter

Mit Pius besprochen.
ll 28.3.01

Zeit und Ort der Besprechung

Freitag, 23 März 2001, 10:00 bis 15:30 Uhr, LGT Bank in Liechtenstein AG, Vaduz

Anwesende

Harvey Greenfield (Erstbegünstigter der Maverick Foundation)
Steven David Greenfield (Zweitbegünstigter und Instruktionsberechtigter der Maverick Foundation)

Dr. Henry Leimer (HL)
Gerhard Walch (GW)
S.D. Prinz Philip von und zu Liechtenstein (teilweise)
Christina Meusburger

BESPRECHUNGSPUNKTE

1. Allgemeines

Die Maverick Foundation wurde im Januar 1992 gegründet. Derzeit befinden sich in der Maverick Foundation rund USD 2.2 Mio. Weiters hält die Maverick Foundation zwei BVI Companies. Beide wurden im Januar 1992 mit dem Zweck gegründet, die Vermögenswerte in die Maverick Foundation einzuschleusen. Anschliessend sollten beide BVI Companies geschlossen werden, was bis heute nicht passiert ist.

Neben der Maverick Foundation verfügt der Kunde über einen Trust mit der Bank of Bermuda in Hong Kong. In diesem Trust befinden sich Vermögenswerte im Ausmass von rund USD 30 Mio. Der Kunde als Erstbegünstigter und seine Kinder die Zweitbegünstigte der Maverick Foundation sind, sind US Passport Holders und leben zum Teil in New York. Die Begünstigtenregelung für den Trust, den der Kunde mit der Bank of Bermuda hält, dürften ähnlich gelagert sein wie in der Maverick Foundation. Die Bank of Bermuda hat gegenüber dem Kunden signalisiert, dass sie die Geschäftsbeziehung mit ihm als US-Persons beenden möchte. Aufgrund dieser Umstände ist der Kunde nun auf der Suche nach einem Safe Heaven für sein Offshore Assets. Neben den bankable As

gesellschaften gehalten, die

Permanent Subcommittee on Investigations

EXHIBIT #54

operativ tätig sind. Es ist jedoch beabsichtigt, diese Gesellschaften demnächst zu schliessen.

Es folgt eine lange Diskussion über den Bankplatz Liechtenstein, das Bankgeheimnis sowie die Sicherheit und Stabilität, die Liechtenstein als Bankplatz und souveräner Staat seinen Kunden gewährleisten kann. Von Seiten der Bank und insbesondere von HL wird grosser Interesse signalisiert, die 30 Mio USD entgegenzunehmen. Die Investitionsseite scheint nicht vollständig abgeklärt zu sein. Es wird gegenüber dem Kunden zwar klargestellt, dass er als US-Person nicht direkt in US-Securities investieren kann. Die Möglichkeit in Fonds zu investieren, wird jedoch nicht ausgeschlossen. Meines Wissens gibt es eine Entscheidung der Generaldirektion der LGT Bank in Liechtenstein AG, nach der LGT-in house Fonds US-Persons nicht angeboten werden. Damit bliebe die Möglichkeit in andere Offshore Fonds zu investieren, wobei diese grossteils für US-Persons nicht zugänglich sind.

2. Struktur

Die Maverick Foundation wurde seinerzeit als Stiftung mit Mandatsvertrag gegründet. Ich zeige die Nachteile, die der Mandatsvertrag für den Kunden bewirken kann auf. Der Kunde kann meiner Argumentation folgen und ist schliesslich der Meinung, dass wir diesen Mandatsvertrag auflösen müssten, wobei ich auch auf die mit der Auflösung des Mandatsvertrages verbundenen höheren Kosten für die Stiftung aufmerksam mache. Die beiden BVI-Gesellschaften sollen bis auf weiteres erhalten bleiben. Möglicherweise können sie wieder zur Einschleusung von Vermögenswerten in die Maverick Foundation Verwendung finden.

3. Vermögensstatus und Belegexemplare

Der Kunde zeichnet den Vermögensstatus per 31.12.1999 und 31.12.2000 ab. Weigert sich jedoch verschiedene Belegexemplare abzuzeichnen, da diese ja ohnehin durch die Abzeichnung der Vermögensstati erledigt seien. Ich gebe zu bedenken, dass wir aufgrund des Mandatsvertrages nur seine Weisungen ausführen und er uns dies durch seine Unterschrift auf den Belegexemplaren zu dokumentieren habe. Dennoch unterzeichnet der Kunde die Belegexemplare nicht.

4. Weiteres Vorgehen

Der Instruktionsberechtigte wird Ende April in Hong Kong sein. Ich biete an, dass ich ihn bei dieser Gelegenheit, da ich ja voraussichtlich Ende April ebenfalls in Hong Kong sein werde, treffen kann. Bis dann will sich der Instruktionsberechtigte entscheiden, ob und in welcher Form eine Übertragung des derzeit im Trust befindlichen Vermögens in die Maverick Foundation vor sich gehen soll. Als Alternativen habe ich folgendes aufgezeigt:

- Ausschüttung der Vermögenswerte aus dem Trust und anschliessende Widmung an die Maverick Foundation (unter Zwischenschaltung der BVI Companies)
- Übernahme des Trusts durch LGT Trust Management Ltd. als neuer Trustee

5. Schlussbemerkung

Die Kunden sind sehr vorsichtig und bestrebt den Trust mit der Bank of Bermuda unter Hinterlassung so weniger Spuren wie möglich aufzulösen. Auch von anderen Institutionen wurde ihnen signalisiert, dass US-Persons nicht die Kunden sind, die man sich in Offshore-Business wünscht.

Für mich war dieses Meeting ein anschauliches Beispiel dafür, dass Treuhandgeschäfte, wenn sie von Vertretern der Bankseite eingefädelt und gemanaged werden völlig nebensächlich betrachtet werden. Dieser Eindruck entstand vor allem dadurch, dass HL die Frage der Auflösung des Mandatsvertrages wörtlich als "Peanuts" bezeichnete, wobei ich der Meinung bin, dass diese Frage noch vor der Annahme zusätzlicher Vermögenswerte durch den Stiftungsrat zu lösen ist.



Christina Meusburger

Memorandum for the Record

Subject **MAVERICK FOUNDATION**
Author Christina Meusburger (handwriting: discussed with (illegible), initial, March 3, 2001)
Date March 27, 2001
For execution Dagmar Gächter
Noted by Dr. Pius Schlachter (initial)

Time and Place of Meeting

Friday, March 23, 2001, 10:00 a.m. to 3:30 p.m., LGT Bank at Liechtenstein corporation, Vaduz

Attendees

Harvey Greenfield (sole beneficiary of the Maverick Foundation)
Steven David Greenfield (second beneficiary and holder of power of attorney to give instructions of the
Maverick Foundation)

Dr. Henry Leimer (HL)
Gerhard Walch (GW)
S.D. Prinz Philip von und zu Liechtenstein (partial attendance)
Christina Meusburger

TOPICS FOR DISCUSSION

1. Preface

The Maverick Foundation was established in January 1992. There are currently U.S.\$ 2.2 million in the Maverick Foundation. In addition, the Maverick Foundation holds two BVI companies. Both were established in January 1992 with the purpose of channeling the assets into the Maverick Foundation. Afterwards, both BVI companies were to be closed, which has not happened to date.

In addition to the Maverick Foundation, the client has a Trust with the Bank of Bermuda in Hong Kong. This Trust has assets in the magnitude of around U.S. \$ 30 million. **The client as sole beneficiary, and his children as secondary beneficiaries of the Maverick Foundation, hold U.S. passports and live partially in New York.** The beneficiary rules for the Trust, which the client has with the Bank of Bermuda, are likely stored similarly to how they are stored in the Maverick Foundation. The Bank of Bermuda has indicated to the client that it would like to end the business relationship with him as a U.S. citizen. Due to these circumstances, the client is now on the search for a safe haven for his offshore assets. Next to the bankable assets, this Trust also still holds operating companies. It is, however, planned, to close these companies in the near future.

There follows a long discussion about the banking location Liechtenstein, the banking privacy law as well as the security and stability, that Liechtenstein, as a banking location and sovereign nation, can guarantee its clients. The Bank, and especially HL, indicate strong interest in receiving the U.S.\$30 million. Investment issues do not seem to be clarified completely. It is explained to the client that as a U.S. citizen he cannot invest in U.S. securities directly, but the possibility of investing in funds is not ruled out. To my knowledge, there is a decision by the directorate-general of the LGT Bank at Liechtenstein, Inc., according to which LGT in-house funds are not

offered to U.S. citizens. Thus would remain the possibility to invest in other offshore funds, though these are largely not open to U.S. citizens.

2. Structure

The Maverick Foundation was established as a foundation with a contract of engagement. I present the disadvantages that this engagement contract can have for the client. The client is able to follow my arguments, and is ultimately of the opinion that we should dissolve this engagement contract, whereby I also draw attention to the increased costs for the foundation that will be associated with the dissolution of the contract. The two BVI companies are to continue to exist until further notice. Possibly, they could be used again to channel assets into the Maverick Foundation.

3. Asset Status and File Copies

The client signs off on the asset status of December 31, 1999 and December 31, 2000. He refuses, however, to sign off on various file copies, with the reasoning that they are already taken care of anyway through his signing off on the asset statuses. I point out that due to the engagement contract, we merely carry out his instructions, and that he needs to document this for us with his signature on the file copies. Nevertheless, the client does not sign the file copies.

4. Future Actions

The person who holds the power of attorney to give instructions will be in Hong Kong at the end of April. I offer to meet him there, since I expect to be in Hong Kong at the end of April myself. By then, the person who holds the power of attorney to give instructions intends to decide if, and in which form, a transfer of the current Trust assets to the Maverick Foundation should take place. I presented the following alternatives:

- Disbursement of the assets from the Trust and subsequent dedication to the Maverick Foundation (under interposition of the BVI companies)
- Takeover of the Trust through LGT Trust Management Ltd. as new trustee

5. Conclusion

The clients are very careful and eager to dissolve the Trust with the Bank of Bermuda leaving behind as few traces as possible. The clients received indications from other institutions as well that U.S. citizens are not those clients that one wishes for in offshore business.

For me, this meeting was an illustrative example of how trust business dealings, when initiated and managed by bank representatives, are seen as completely tangential. This impression was created especially by the fact that HL described the question of the dissolution of the engagement contract literally as "peanuts," whereas I am of the opinion that this question should be resolved by the foundation's board of trustees before accepting any additional assets.

(signature)
Christina Meusburger



Maverick Foundation
9490 Vaduz

Vaduz, January 1, 2002
HLE / BHK / 09:32:16

1/1
E

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Summary

as of 31.12.2001

acc. overview no. accounts/portfolios	cur.	amount	curr.rate	amount in USD
AA USD ACCOUNT	USD	194.22		194.22
00 SAFE CUSTODY ACCOUNT	incl.acc.interest USD (	0.00)		2,197,973.50
		T O T A L		2,198,167.72

Gründungsdatum: 22.01.1992 Status: Aktiv

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Verwaltungs- / Stiftungsräte

Profil Management Trust reg., Vad Zeichnungsrecht: Einzel
Feuerstein Nicola Dr., Vaduz Zeichnungsrecht: Kollektiv

Banken

LGT Bank in Liechtenstein AG, Vaduz AB: Leimer Henry / LGT ZR-Nr.: [REDACTED] Zlg-Kto: [REDACTED]

Diverses

Anlageberater: Leimer Henry / LGT HK,
Hauptgesellschaft: Maverick Foundation, Vaduz
Repräsentant: LGT Treuhand AG, Vaduz
Vermittler: LGT Investment Management, Hong Kon
Auftraggeber: Privater Auftraggeber

Fix-Honorare

Domizilhonorar	800.00	22.01.2003	LGT Treuhand AG, Vaduz
Kapitalsteuer	1'000.00	22.01.2003	Liechtensteinische Steuerverwaltung, Vaduz
Stiftungsrats honorar	3'000.00	22.01.2003	LGT Treuhand AG, Vaduz

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00 Fakturierbares Pauschalhonorar: 0.00

Zweck

Halten von 2 BVI Gesellschaften:
- CHIU FU (Far East) Limited
- TSF Company Limited

Beide Aktienzertifikate im Depot der Maverick Foundation

Besitznachweis, Verträge, Vollmachten

Vereinbarung betr. Erwerb Sondervermögen der BIL Vaduz vom 13.5.1993.

PM-Mandate der BIL Hong Kong betr. Verwaltung des BIL-Kontos am 7.2.1996
neu abgeschlossen
Mandatsverträge mit Chiu Fu und TSF

Instruktionsberechtigung f. Steven Greenfield

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

Pendenzen / Geschichte

- siehe auch Pendenzen bei TSF und Chiu Fu!
- Passkopien der beiden zweitbegünstigten Frauen fehlen
- vorhandene Passkopien Vater + Sohn abgelaufen
- Umwandlung in STOM/Unterlagen in den Pendenzen
- BEX/ZLG/Inv. Chiu Fu + TSF

Maverick Foundation , 9490 Vaduz

Assistant: Gächter, Dagmar
Date Established: 01.22.1992

Account Manager: Sprenger, Sonja
Status: Active

Client Nr.: [REDACTED]
Last Client Visit: 03.23.2001

Management Board / Board of Advisors

Profile Management Trust reg., Vad
Feuerstein, Nicola Dr., Vaduz

Signatory Rights: Single
Signatory Rights: Collective

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Banks

LGT Bank in Liechtenstein AG, Vaduz Investment advisor: Leimer, Henry/LGT
[REDACTED]

Ref-No.: [REDACTED] Account:

Miscellaneous

Investment Advisor: Leimer, Henry / LGT HK
Head Corporation: Maverick Foundation, Vaduz
Representative: LGT Trust Inc., Vaduz
Broker: LGT Investment Management, Hong Kong
Client: Private Client

Fixed Fees

Domicile fees	800.00	Jan. 22, 2003	LGT Trust Inc., Vaduz
Capital taxes	1,000.00	Jan. 22, 2003	Tax Authority of Liechtenstein, Vaduz
Board of Trustees fees	3,000.00	Jan. 22, 2003	LGT Trust, Inc., Vaduz

Flat Fees

Value of Assets per: 0.00 Due on: 0.00 Billable Flat Fee: 0.00

Purpose

Holding 2 BVI companies:

- CHIU FU (Far East) Limited
- TSF Company Limited

Both stock certificates in the depot of the Maverick Foundation.

Proof of Ownership, Contracts, Powers of Attorney

Agreement re. acquisition of special assets of the BIL Vaduz on May 13, 1993.

PM-mandates of BIL Hong Kong re. administration of the BIL account newly determined on February 7, 1996.
Contracts of engagement with Chiu Fu and TSF

Steven Greenfield is the holder of the power of attorney to give instructions.

Special Instructions (Administration, Accounting, By-Laws etc.)

Comments / History

- see also comments for TSF and Chiu Fu!
- passport copies of both secondary-beneficiary women missing
- existing passport copies of father + son expired
- Conversion in STOM/documents in the comments
- BEX/ZLG/Inv. Chiu Fu + TSF

Gründungsdatum: 24.01.1992 Status: Aktiv

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Verwaltungs- / Stiftungsräte

IPC Management Trust reg., Vaduz Zeichnungsrecht: Einzeln

Banken

Standard and Chartered Bank, Hong Kong AB: ZR-Nr.: [REDACTED]

Diverses

Hauptgesellschaft: Maverick Foundation, Vaduz
Repräsentant: HWR Services Limited, TORTOLA
Vermittler: LGT Investment Management, Hong Kon
Auftraggeber: Privater Auftraggeber

Fix-Honorare

VR-Honorar 3'000.00 24.01.2003 LGT Treuhand AG, Vaduz

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00 Fakturierbares Pauschalhonorar: 0.00

Zweck

Besitznachweis, Verträge, Vollmachten

- 100% Tochtergesellschaft der Maverick Foundation

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

Pendenzen / Geschichte

- Zweck der TSF? --> Kunde fragen
- Konto bei Standard Chartered Bank noch sinnvoll, da kein Geld?
- Scheckbuch der Standard Chartered bank

TSF Company Limited, Tortola/ B.V.I.

Client No.: [REDACTED]

Assistant: Gaechter Dagmar Account Manager: Sprenger Sonja

Last Client Visit:

Date Established: 01.24.1992 Status: Active

[REDACTED] = Redacted by the Permanent Subcommittee on Investigations

Management-/Board of Advisors

IPC Management Trust reg., Vaduz Signatory Rights: Individual

Banks

Standard Chartered Bank, Hong Kong Contact:

Routing No.: [REDACTED]

Miscellaneous

Main Corporation: Maverick Foundation, Vaduz
Representative: HWR Services Limited, TORTOLA
Broker: LGT Investment Management, Hong Kong
Client: Private Client

Fixed Fees

[VR]- Fee 3,000.00 01.24.2003 LGT Trust AG, Vaduz

Flat Fees

Value of Assets per: 0.00 due on: 0.00 Billable Flat Fee: 0.00

Purpose

Proof of Ownership, Contracts, Powers of Attorney

-100% Daughter Corporation of the Maverick Foundation

Special Instructions (Administration, Accounting, Bylaws etc.)

Comments/ History

- Aim of the TSF? → ask client
- Account with Standard Chartered Bank still wise, because no money?
- Checkbook of the Standard Chartered bank

Chiu Fu (Far East) Limited , Tortola / B.V.I.

SB: Gächter Dagmar

KB: Sprenger Sonja

Mand.Nr.: [REDACTED]

L. Kundenbesuch:

Gründungsdatum: 24.01.1992

Status: Aktiv

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Verwaltungs- / Stiftungsräte

IPC Management Trust reg., Vaduz Zeichnungsrecht: Einzeln

Banken

The Hongkong and Shanghai, Hong Kong

AB:

ZR-Nr.: [REDACTED]

Diverses

Hauptgesellschaft: Maverick Foundation, Vaduz
Repräsentant: HWR Services Limited, TORTOLA
Vermittler: LGT Investment Management, Hong Kong
Auftraggeber: Privater Auftraggeber

Fix-Honorare

VR-Honorar 3'000.00 24.01.2003 LGT Treuhand AG, Vaduz

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00
Fakturierbares Pauschalhonorar: 0.00

Zweck

Besitznachweis, Verträge, Vollmachten

- Tochtergesellschaft der MAVERICK FOUNDATION
- Agency Agreement mit Maverick Foundation

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

Pendenz / Geschichte

- Zweck der Chiu Fu? - ev. Bankkto. bei HSBC schliessen?
Zeichnungsrecht ändern/ bei nächstem Kundenbesuch wird HK die Instruktion des Kunden einholen, das Konto zu löschen, das seitens HSBC die Offenlegung des wirtschaftl. Begünstigten fordert (die Stiftung wird nicht anerkannt)
- Check-Buch im roten Akt
- Kontoauszüge bei HSBC einholen

Permanent Subcommittee on Investigations

EXHIBIT #58

PSI-USMSTR - 003205

Chiu Fu (Far East) Limited, Tortola/ B.V.I.

Client No.: [REDACTED]

Assistant: Gaechter Dagmar Account Manager: Sprenger Sonja

Last Client Visit:

Date Established: 01.24.1992 Status: Active

[REDACTED] = Redacted by the Permanent Subcommittee on Investigations

Management-/Board of Advisors

IPC Management Trust reg., Vaduz Signatory Rights: Individual

Banks

The Hongkong and Shanghai, Hong Kong Contact: Routing No.: [REDACTED] Account No.:

Miscellaneous

Main Corporation: Maverick Foundation, Vaduz
Representative: HWR Services Limited, TORTOLA
Broker: LGT Investment Management, Hong Kong
Client: Private Client

Fixed Fees

[VR]-Fee 3,000.00 01.24.2003 LGT Trust AG, Vaduz

Flat Fees

Value of Assets per: 0.00 due on: 0.00 Billable Flat Fee: 0.00

Purpose

Proof of Ownership, Contracts, Powers of Attorney

- Daughter corporation of the MAVERICK FOUNDATION
- Agency agreement with Maverick Foundation

Special Instructions (Administration, Accounting, Bylaws etc.)

Comments/ History

- Aim of the Chiu Fu? - ev. Bank account with HSBC closed?
Signatory right change/ with next client visit HK will obtain the instructions from the client to terminate the account, that requires the disclosure of the financial beneficiary on the part of HSBC (the foundation not approved)
- Checkbook in the red file
- Obtain account statements from HSBC



— = Redacted by the Permanent
Subcommittee on Investigations

Background Information/Profile – Existing Customers
(Legal entities/Companies)
(The German Version is binding)

Ref. CMU/dgc

Account/custody a/c no. [REDACTED]

Contracting partner / name MAVERICK FOUNDATION, Vaduz

Background Information/Profile

1. Contracting partner's details

1.1

- Non-operating company
 - Company with commercial basis
 - Foundation, trust, holding company, etc.

Principal purpose of company:
Investment of Assets

1.2

- Operating company
 - Manufacturing
 - Trading
 - Services
 - Holding company

Principal business activity of the company (including sector):

Range of products/services: _____
Principal markets and related sales (in CHF): _____

Own office premises: Yes No
Number of employees (approx.): _____

2. Commercial background/origin of assets

Origin of funds to be provided (earnings from commercial activity, inheritance, sale of participations, sale of property, etc.):

Earnings from commercial activity in the toy business. The client's sources toys from across Asia (but primarily China and Hong Kong) for distribution overseas.

3. Details of intended use

- Asset investment Business account
- Other purpose (please state): _____

4. Other information

4.1

Profession and business of commercial beneficiary/beneficiaries:
Businessman in the toy industry

4.2

Comments: _____

The contracting partner undertakes to notify the bank, on his own initiative, of any changes in writing.

4.3

Vaduz, 12. October 2001 MAVERICK Foundation

Place/Date

Permanent Subcommittee on Investigations
EXHIBIT #59

Signature **Profile Management**
Trust reg.

D. G... Dr. ...

Background Information/Profile
(Documentation of Existing Corporate Relationship(s) to 1.January.2001)

P-BG

Clients, Domicile TSF Company Ltd., BVI

1. Description of Entity

- Company with commercial basis
 Foundation, trust, holding company, etc.

Year Founded/Purchased: 1992

1.1 Primary Business

Asset Management, however currently no asset worth

1.2 Details of intended use of Assets:

currently no asset worth/ follow up regulation

2. Commercial background/origin of assets incl. detailed origin of funds to be provided (earnings from commercial activity, inheritance, sale of participations, sale of property, etc.):

Earnings from business activity/ business in the toy industry. sale of products in China/Hong Kong and export overseas.

3. Country Risk Category

- 1 2 3

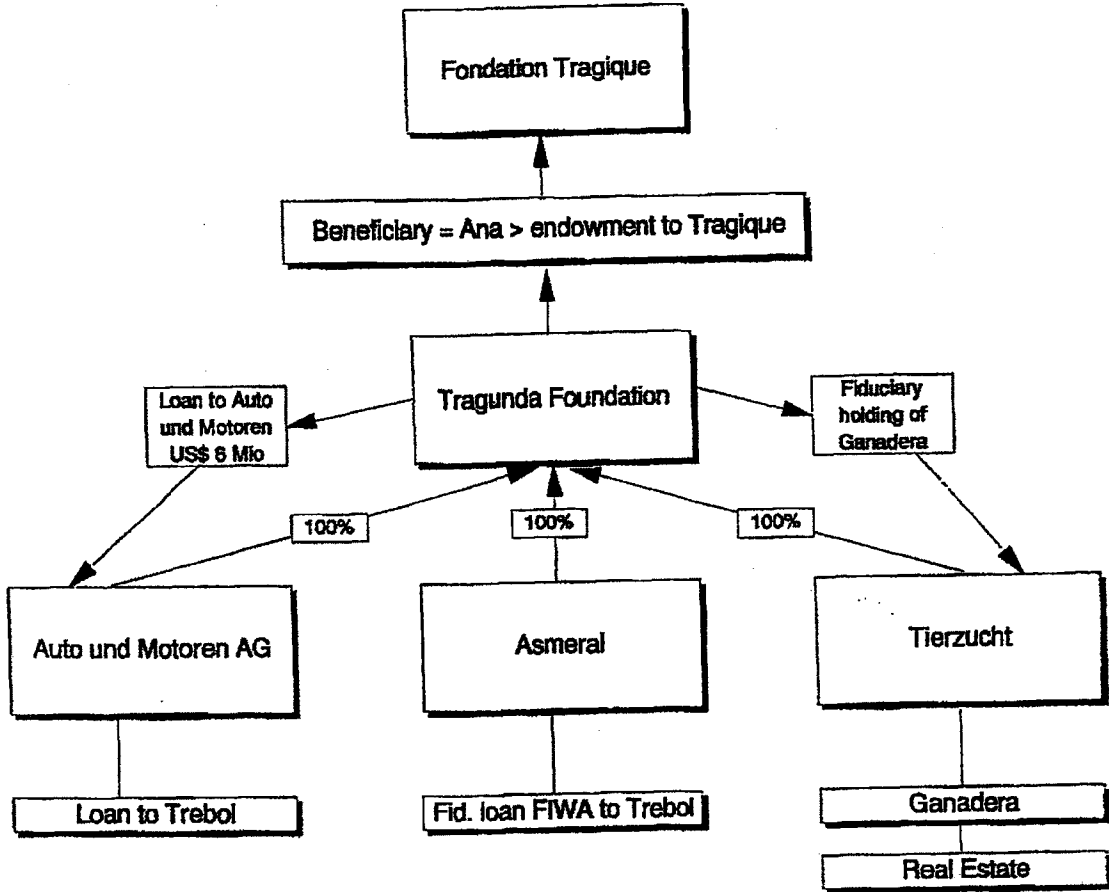
Vaduz 12.20.2001

Place/Date

[SIGNED]

Signature – Client Advisor

- Power of Attorney per Separate Document
 This document replaces the previous version, dated:





Hintergrundinformationen/Profil

Formular für bestehende Geschäftsbeziehungen vor dem 1. Januar 2001

P-BG

Rechtsträger, Sitz Fondation Tragique, Vaduz



- Gesellschaft mit kommerziellem Hintergrund
- Stiftung, Trust, Holding, usw.

Gründungs-/Übernahmejahr: 1979

1.1 Gewöhnliche Geschäftstätigkeit

Holdingfunktion, Asset Protection

Verwaltung des eigenen Vermögens

Ausschüttung an Begünstigte gemäss Beistatut

1.2 Verwendungszweck der Vermögenswerte

Vermögensanlage



Nachfolgemandat

Zwecks Schutz vor Gläubiger, welche in Puerto Rico gegen die Familie prozessierten, wurden die bereits in der Tragunda Foundation gehaltenen Vermögenswerte in die Fondation Tragique übertragen. Es handelt sich um Gesellschaften, die bereits durch die LGT betreut werden (Auto und Motoren AG in Liquidation, Tierzucht Investierungs-Anstalt).



- 1
- 2
- 3

Vaduz, 18. Dezember 2001
Ort, Datum

Unterschrift des Kundenberaters

- Bevollmächtigte gemäss separatem Formular
- Dieses Formular ersetzt das Formular vorn:

Permanent Subcommittee on Investigations
EXHIBIT #62

Tragique 14971091
PSI-USMSTR -008711

Background Information/Profile
(Documentation of Existing Corporate Relationship(s) to 1.January.2001)

P-BG

Clients, Domicile Tragunda Foundation, Vaduz

1. Description of Entity

- Company with commercial basis
 Foundation, trust, holding company, etc.

Year Founded/Purchased: 1986

1.1 Primary Business

Holding Function

Management of own assets, disbursements to beneficiaries in accordance with
by-laws

1.2 Details of intended use of Assets:

Asset Investment

2. Commercial background/origin of assets incl. detailed origin of funds to be provided (earnings from commercial activity, inheritance, sale of participations, sale of property, etc.):

Disbursements from shares, which already represent Mandates looked after by LGT
(Auto and Motors AG, Asmeral Investments Establishment, Animal Husbandry
Investment Establishment, Vaduz)

3. Country Risk Category

- 1 2 3

Vaduz 3 December 2001
Place/Date

[SIGNED]
Signature – Client Advisor

- Power of Attorney per Separate Document
 This document replaces the previous version, dated:



[Redacted by the Permanent Subcommittee on Investigations]

Hintergrundinformationen/Profil – Bestehende Kunden
(Juristische Personen/Gesellschaften)

Ref. LTV/MP/ci

Konto-/Depot-Nr. [Redacted]

Vertragspartner/Name Auto und Motoren AG, in Liquidation, Vaduz

Hintergrundinformationen/Profil

1. Informationen zum Vertragspartner

- ^{1.1}
 Nicht-Tätige Gesellschaft
 Gesellschaft mit kommerziellem Hintergrund
 Stiftung, Trust, Holding, usw.

erfasst	verifiziert
Vis.: <u>[Signature]</u>	Vis.:

Hauptzweck der Gesellschaft:
An- und Verkauf von Volvo-Automobilen

- ^{1.2}
 Tätige Gesellschaft
 Fabrikationsbetrieb Handelsgesellschaft Dienstleistungsbetrieb Holdinggesellschaft

Hauptgeschäftstätigkeit der Gesellschaft (inkl. Branche):

Produkte/Dienstleistungspalette: _____

Hauptmärkte und deren Umsätze (in CHF)

Eigene Büroräumlichkeiten: Ja Nein

Anzahl Mitarbeiter ca.): _____

2. Wirtschaftlicher Hintergrund/Herkunft der Vermögenswerte

Herkunft der einzubringenden Mittel (Erträge aus geschäftlicher Tätigkeit, Erbschaft, Verkauf von Beteiligungen, Liegenschaftsverkauf usw.):

Gewinnspanne aus der Geschäftstätigkeit

3. Informationen zum Verwendungszweck

- Vermögensanlage Geschäftskonto
 Sonstiger Zweck (bitte nennen): _____

4. Sonstige Angaben

^{4.1} Beruf und Geschäftstätigkeit der wirtschaftlich berechtigten Person/Personen:

Privatier Wirkare, die Import + Export von Autos betreiben
(Volvo + Subaru) via Importeur gemacht hat. Heute ist sie
75 mit ihrem Ehemann pensioniert

Bemerkungen:

Die Gesellschaft hat keine kommerzielle Tätigkeit mehr. Sie wird in absehbarer Zeit gelöscht.

13.5.02 [Signature]

Der Vertragspartner verpflichtet sich, Änderungen von sich aus schriftlich der Bank mitzuteilen.

^{4.3} Vaduz 3. Oktober 2001

Auto und Motoren AG, in Liquidation

Ort/Datum

Unterschrift [Signature]

Permanent Subcommittee on Investigations
EXHIBIT #63

Kontrolliert [Signature]
KYC Team
PSI-USMSTR - 008729

Copy

**Background Information/Profile- Existing Customer
(Legal entities/Companies)**

Ref. LTV/MP/ci

Account/custody a/c no. [redacted]

[redacted] = Redacted by the Permanent
Subcommittee on Investigations

Contracting partner / Name Auto and Motoren [Motors] Corp., in liquidation, Vaduz

Background Information/Profile

1. Contracting partner's details

1.1

- X Non-operating company
 - Company with commercial basis
 - X Foundation, trust, holding company, etc.

composed	verified
Sig.: <u>[signed]</u>	Sig.: _____

Principal purpose of company:

Purchase and sale of Volvo automobiles

1.2

- Operating company
 - Manufacturing Trading Services Holding Company

Principal business activity of the company (including sector):

Range of products/services:

Principal markets and related sales (in CHF):

Own office premises: Yes No

Number of employees (approx.): _____

2. Commercial background/origin of assets

Origin of funds to be provided (earnings from commercial activity, inheritance, sale of participations, sale of property, etc.):

Profit margin from professional activity

3. Details of intended use

- Asset investment Business account
- Other purpose (please state): _____

4. Other information

4.1

Profession and business of commercial beneficiary/beneficiaries:

Person of independent means; [hand-written] Widow who conducted the import and export of automobiles (Volvo and Subaru) with her husband. She is now retired. 05.13.2002

[initialed]

4.2

Comments:

The corporation does not conduct commercial activity anymore. It will be dissolved in the foreseeable future.

The contracting partner undertakes to notify the bank, on his own initiative, of any changes in writing.

4.3

Vaduz / 10.03.2001

Place/Date

Auto and Motors Corp., in liquidation

Signature

[signed]

Inspected [initialed]
KYC Team

Asmeral Investment Anstalt , 9490 Vaduz

SB: Prete Rosa

KB: Meier Peter

Mand.Nr.: [REDACTED]

L. Kundenbesuch: 26.05.1997

Gründungsdatum: 02.07.1986

Status: Gelöscht

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Verwaltungs- / Stiftungsräte

Peter Meier, Eschen

Zeichnungsrecht: Einzel

LIQU.

VR

Banken

LGT Bank in Liechtenstein AG, Vaduz

AB:

ZR-Nr.: [REDACTED] Zlg-Kto: [REDACTED]

Diverses

Aktien / Zessionen: Dossier / Gesellschaftsakt,

Repräsentant: LGT Treuhand AG, Vaduz

Auftraggeber: Privater Auftraggeber

Fix-Honorare

Domizilhonorar	800.00	01.07.2000	LGT Treuhand AG, Vaduz
Kapitalsteuer	1'000.00	01.07.2000	Liechtensteinische Steuerverwaltung, Vaduz
VR-Honorar	3'000.00	01.07.2000	LGT Treuhand AG, Vaduz

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00 Fakturierbares Pauschalhonorar: 0.00

Zweck

Besitznachweis, Verträge, Vollmachten

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

Pendenzen / Geschichte

→ 95053

Permanent Subcommittee on Investigations

EXHIBIT #64

PSI-USMSTR - 000966

Asmeral Investment Anstalt [Institution], 9490 Vaduz
Assistant: Prete Rosa Account Manager: Meier, Peter

Client-No.: [REDACTED]
Last Client Visit: May 26, 1997

Date Established: July 2, 1986 Status: Dissolved

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Management Board / Board of Advisors

Peter Meier, Eschen Signatory Rights: Individual LIQU. Management Board

Banks:

LGT Bank in Liechtenstein AG, Vaduz Investment advisor: Ref. No.: [REDACTED] Account: [REDACTED]

Miscellaneous:

Stocks / Transfers: Dossier / company file
Representative: LGT Treuhand AG [LGT Trust, Inc.], Vaduz
Client: Private client

Fixed Fees:

Domicile fee	800.00	July 1, 2000	LGT Treuhand AG, Vaduz
Capital Tax:	1,000.00	July 1, 2000	Liechtensteinische Steuerverwaltung, Vaduz [Tax Authority of Liechtenstein]
Management Board fee	3,000.00	July 1, 2000	LGT Treuhand AG, Vaduz

Flat Fees:

0.00 Due on:
Value of assets as of: Billable Flat fee: 0.00

Purpose

Proof of Ownership, Contracts, Powers of Attorney

Special Instructions (Administration, Accounting, Bylaws, etc.)

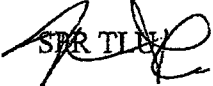
Comments / History

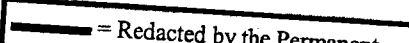
[in handwriting:] → 95053







Aktenvermerk

1/2

Thema **Foundation Tragique**
Verfasser(in) / Tel. **Peter Meier**
Datum **11. September 2001 /**
Zur Erledigung **Rosa Prete**
Zur Kenntnisnahme 

 = Redacted by the Permanent
Subcommittee on Investigations

Ricardo Gonzales war zusammen mit seiner Mutter Conchita, seiner Schwester  und seiner Gattin  beim Zwischenhalt von Madrid nach Moskau in Zürich, wo wir uns im Hotel Splügen zu dieser Besprechung der Pendenzen trafen.

 unterfertigt den Vergütungsauftrag und den Auftrag zur Löschung ihres Privatkontos  bei der LGT.

Ich übergebe an Conchita den Betrag von US\$ 10.000.--, der Barbezugsbeleg zu Lasten Tragique wird abgezeichnet.


Conchita unterfertigt den Vermögensstatus der Tragique 2000.

Ich diskutiere die Vermögensanlage der Tragique und bespreche die Anlagevorschläge der LGT, von C. Wehinger vorbereitet. Conchita unterzeichnet den Auftrag, die Gelder, inkl. \$ 550000.- welche von Auto und Motoren zu übertragen sind, wie folgt anzulegen: \$ 1 Mio. in Cash = Festgelder und den Rest in LGT Strategy Class Funds 5 Jahre!

Nachdem die Probleme in Puerto Rico nun erledigt sind und eine Steueruntersuchung nicht mehr zu vermuten ist, besprechen wir die Situation im Beistatut der Tragique. Diesbezüglich unterzeichnet Conchita als Protektorin einen Auftrag, das Beistatut so zu ändern, dass sie als Erstbegünstigte aufscheint und nach ihrem Tode die Kinder - die jetzigen Erstbegünstigten - als Zweitbegünstigte zu gleichen Teilen.

Der Vermögensstatus 2000 der Tragunda Foundation wird unterfertigt.

Conchita unterzeichnet als betroffene Begünstigte den Auftrag, die Tragunda Foundation zu löschen und den Liquidationserlös - insbesondere das Treuhandverhältnis Ganadera bei Tierzucht Investierungs Anstalt - auf die Foundation Tragique zu übertragen.

Die Tierzucht Investierungs Anstalt hält nach wie vor die spanische Gesellschaft Ganadera, auf welche die Immobilien eingetragen sind. Derzeit ist das Geschäft mit der Vermietung der Liegenschaft für Hochzeiten ein voller Erfolg. Nächsten Monat findet die Hochzeit eines Schweizer Paares statt!!!! Auch während der Woche finden Firmen Events statt. Letztes Jahr war die Abrechnung Kos  betragen p.a. ca. \$ 150.000.--. In diesem Jah

Permanent Subcommittee on Investigations

EXHIBIT #65

PSI-USMSTR - 008704



eine klare Berechnung der Rendite feststellen. Die Immobilie ist immer noch zum Verkauf, der Verhandlungspreis ist um die US\$ 25 Mio. (ESP 3 Mia.).

Die Auto und Motoren kann gelöscht werden. Der Betrag von ca. \$ 550.000.-- ist umgehend auf die Tragique zu übertragen, der Liquidationserlös nach Ablauf der 6 Monate. Ein entsprechender Auftrag wird unterfertigt. Die Probleme in Puerto Rico sind erledigt. Die Trebol kommt wieder in die Gewinnzone. Allerdings wird es noch einige Jahre dauern bis die Verlustvorträge abgebaut sind. In diesem Zusammenhang fällt auch das Problem der FIWA, welche noch ein Aktienpaket von ca. 3% hält. Dieses sollte nun übertragen werden, aber es dürfen keine "schlafenden Hunde" geweckt werden. Ich habe vorgeschlagen, dass die FIWA an die TREBOL einen Brief schreibt, dass sie die Beteiligung verkaufen wollen und der Trebol Realty ein Vorkaufsrecht - first choice - einräumen. Derzeit ist der effektive Wert noch nicht so hoch, so dass ein Verkauf in Höhe von ca. \$ 2 - 300.000.-- möglich wäre. Die vertragliche Vereinbarung ist zu berücksichtigen bzw. gegenseitig aufzuheben. Der Brief von FIWA darf nicht von Peter Meier unterzeichnet werden. Der Brief sollte nach dem 22.9. geschrieben werden. Grund ist der Abbau der Investments in USA.

Ich erkläre die Situation in FL und lasse in diesem Zusammenhang das Formular über die wirtschaftlich berechtigten Personen abzeichnen und bestätigen, dass die Adressen stimmen. Conchita ist als weitere Begünstigte aufzulisten.

Ich habe die Herrschaften darüber informiert, dass ich die LGT verlassen werde. Sie bedauern dies natürlich sehr. Um meinen Nachfolger vorzustellen., bietet sich ev. die Möglichkeit am 19. - 22. September in Madrid!! Ricardo wird mich diesbezüglich aber noch anrufen.

[logo]

LGT Bank in Liechtenstein
A Member of Liechtenstein Global Trust

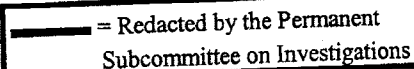
LGT Treuhand
Aktiengesellschaft
Städtle 28
FL-9490 Vaduz
Principality of Liechtenstein
VAT-Nr. 50119

Telephone +423 235 27 27
Fax +423 235 27 15
Internet www.lgt.com/lgttreuhand
Email lgttrust@lgt.com

Memorandum for the File

1/2

Concerned Parties **Foundation Tragique**



 = Redacted by the Permanent
Subcommittee on Investigations



Author / Tel. Peter Meier

Date 09.11.2001

For Follow-Up Rosa Prete

To the Attention of SPR TLU [initialed]

Ricardo Gonzales was with his mother Conchita, his sister  and his wife  on a stopover in Zürich between Madrid and Moscow, where we met in the Hotel Splügen for a meeting concerning pending issues.

 signs the authorized payment order and the mandate for the cancellation of her private account  LGT.

I deliver the amount of US\$ 10,000.-- to Conchita; the cash withdrawal receipt, to be debited to the Foundation Tragique, is initialed.

Conchita signs the Status of Assets of the Foundation Tragique 2000.

I discuss the investment of Tragique's assets and discuss the investment advice of the LGT, prepared by C. Wehinger. Conchita signs the mandate; the monies, including \$550,000.-- which are to be transferred from the Auto and Motors Foundation, are to be invested as follows: \$1 million in cash = fixed term deposits, and the rest in LGT Strategy Class Funds 5 years!

Now that the problems in Puerto Rico are resolved and a tax investigation is no longer to be presumed, we discuss the situation concerning the bylaws of the Foundation Tragique. In these regards, Conchita, as protector, signs an order to change the bylaws so that she appears as primary beneficiary, and that after her death the children - who are the current primary beneficiaries - appear as secondary beneficiaries with equal proportions.

The Status of Assets 2000 of the Tragunda Foundation is signed.

As the concerned beneficiary, Conchita signs the order to dissolve the Tragunda Foundation and to transfer the proceeds from liquidation - especially the trust Ganadera with the Tierzucht Investierungs [Animal Husbandry Investment] Foundation - to the Foundation Tragique.

The Animal Husbandry Investment Foundation still holds the Spanish establishment Ganadera, under which the properties are registered. Currently, the operation of renting the property for weddings is a complete success. Next month the wedding of a Swiss couple is taking place!!!! Also, corporate events take place during the week. Last year, the accounting of the costs and revenues balanced out evenly. The costs come to the annual amount of approximately \$150,000.--. This year, the property is almost completely booked. Because of this, a clear calculation of the returns can be made.

Memorandum for the File

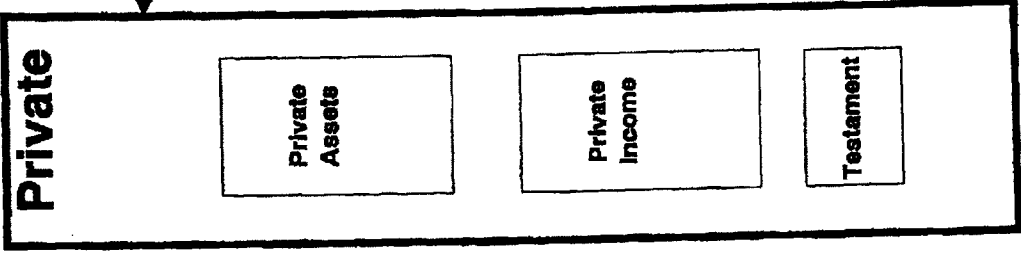
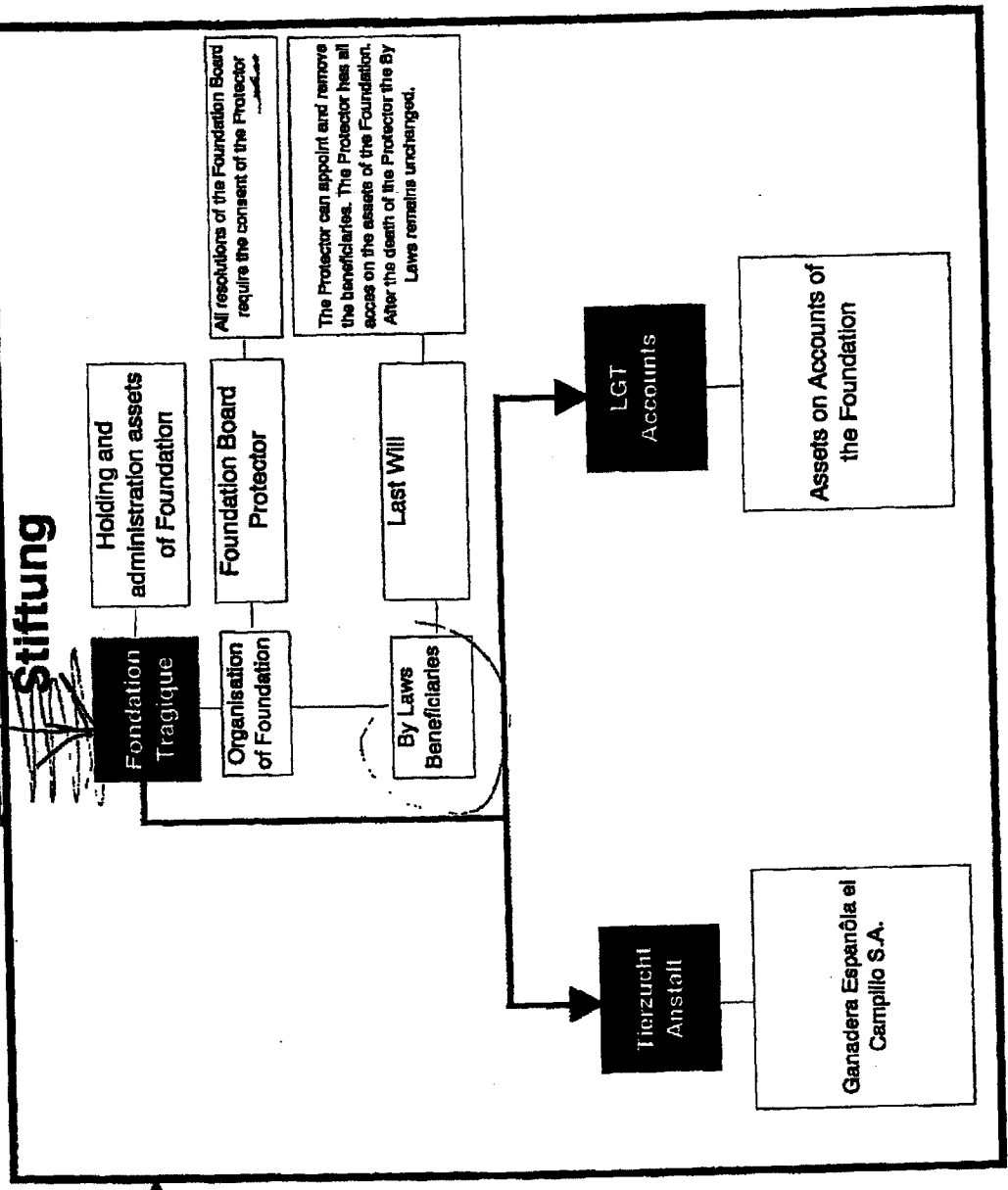
The property is still up for sale; the negotiation price is around US\$ 25 million (ESP 3 billion).

The Auto and Motors Foundation can be dissolved. The amount of approximately \$550,000.-- is immediately to be transferred to the Foundation Tragique, the proceeds from liquidation after the course of six months. A corresponding mandate is signed. The problems in Puerto Rico are resolved. The Trebol is going into the black again. However, it will still take some years before the accumulated deficit is eliminated. The problem with the FIWA also falls in this context; FIWA still holds a block of shares of approximately 3%. This should be transferred, but we must "let sleeping dogs lie." I have suggested that the FIWA write a letter to the TREBOL, saying that it would like to sell the shares and grant the Trebol Realty a first choice purchase option. Currently, the effective value is still high enough so that a sale of the amount of approximately \$2 - 300,000.-- would be possible. The contractual agreement is to be taken into consideration and respectively to be annulled. The letter from FIWA may not be signed by Peter Meier. The letter should be written after 09.22. The reason for this is the reduction of the investments in the USA.

I explain the situation in Liechtenstein, and in this context I have the form about the persons entitled to financial benefit signed and confirm that the addresses are correct. Conchita is to be added as another beneficiary.

I have informed the clients that I will leave the LGT. Naturally, they regret this very much. The possibility may present itself to introduce my successor from 09.19 to 09.22 in Madrid!! However, Ricardo must still call me in this regard.

[signed]





LGT Treuhand
A Member of Liechtenstein Global Trust

LGT Treuhand
Aktiengesellschaft
Städtle 28
FL-9490 Vaduz
Fürstentum Liechtenstein

Telefon +423 235 27 27
Telefax +423 235 27 15
Internet www.lgt.com/lgttreuhand
E-Mail lgttrust@lgt.com
MWSt-Nr. 50119

Hintergrundinformationen/Profil

P-BG

Formular für bestehende Geschäftsbeziehungen vor dem 1. Januar 2001

Rechtsträger, Sitz Fondation Tragique, Vaduz

Informationen zum Kunden

- Gesellschaft mit kommerziellem Hintergrund
 Stiftung, Trust, Holding, usw.

Gründungs-/Übernahmehjahr: 1979

1.1 Gewöhnliche Geschäftstätigkeit

Holdingfunktion, Asset Protection

Verwaltung des eigenen Vermögens

Ausschüttung an Begünstigte gemäss Beistatut

1.2 Verwendungszweck der Vermögenswerte

Vermögensanlage

Zusätzliche Hintergrundinformationen über den Kunden und sein Unternehmen, die nicht in den vorstehenden Angaben zum Ausdruck kommen

Nachfolgemandat

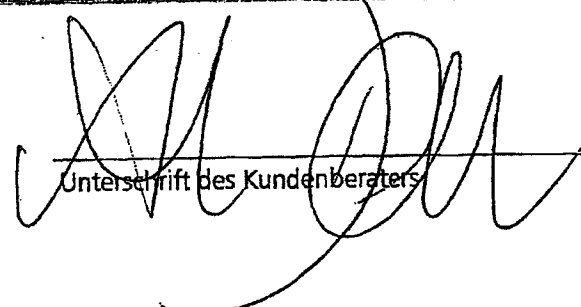
Zwecks Schutz vor Gläubiger, welche in Puerto Rico gegen die Familie prozessierten, wurden die bereits in der Tragunda Foundation gehaltenen Vermögenswerte in die Fondation Tragique übertragen. Es handelt sich um Gesellschaften, die bereits durch die LGT betreut werden (Auto und Motoren AG in Liquidation, Tierzucht Investierungs-Anstalt).

Landesrisikoprüfung

- 1 2 3

Vaduz, 18. Dezember 2001

Ort, Datum


Unterschrift des Kundenberaters

- Bevollmächtigte gemäss separatem Formular
 Dieses Formular ersetzt das Formular vom:

Permanent Subcommittee on Investigations
EXHIBIT #67

PSI-USMSTR - 008711

Background Information/Profile
(Documentation of Existing Corporate Relationship(s) to 1.January.2001)

P-BG

Clients, Domicile Fondation Tragique, Vaduz

1. Description of Entity

- Company with commercial basis
 Foundation, trust, holding company, etc.

Year Founded/Purchased: 1979

1.1 Primary Business

Holding function, Asset Protection

Management of own Assets

Disbursements to Beneficiaries according to By-laws

1.2 Details of intended use of Assets:

Investment of assets

2. Commercial background/origin of assets incl. detailed origin of funds to be provided (earnings from commercial activity, inheritance, sale of participations, sale of property, etc.):

Successor Mandate

For the purpose of protection from creditors, who are litigating the family in Puerto Rico, the assets already being held by the Tragunda Foundation were transferred to the Fondation Tragique. This concerns companies, that were already being overseen by the LGT (Auto and Motors AG in Liquidation, Tierzucht Investierungs-Anstalt [Animal Husbandry Investment Establishment])

3. Country Risk Category

- 1 2 3

Vaduz 18 December 2001
Place/Date

[SIGNED]
Signature – Client Advisor

- Power of Attorney per Separate Document
 This document replaces the previous version, dated:



— = Redacted by the Permanent
Subcommittee on Investigations

Hintergrundinformationen/Profil – Bestehende Kunden
(Juristische Personen/Gesellschaften)

Ref. _____

Konto-/Depot-Nr. _____

Vertragspartner/Name FWA AG, Vaduz

Hintergrundinformationen/Profil

1. Informationen zum Vertragspartner

- ^{1.1}
- Nichttätige Gesellschaft
- Gesellschaft mit kommerziellem Hintergrund
 - Stiftung, Trust, Holding, usw.

Hauptzweck der Gesellschaft: _____

- ^{1.2}
- Tätige Gesellschaft
- Fabrikationsbetrieb
 - Handelsgesellschaft
 - Dienstleistungsbetrieb
 - Holdinggesellschaft

Hauptgeschäftstätigkeit der Gesellschaft (inkl. Branche): _____

Halten von Beteiligungen

Produkte/Dienstleistungspalette: _____

Hauptmärkte und deren Umsätze (in CHF): _____

Eigene Büroräumlichkeiten: Ja Nein

Anzahl Mitarbeiter ca.: _____

2. Wirtschaftlicher Hintergrund/Herkunft der Vermögenswerte

Herkunft der einzubringenden Mittel (Erträge aus geschäftlicher Tätigkeit, Erbschaft, Verkauf von Beteiligungen, Liegenschaftsverkauf usw.): _____

3. Informationen zum Verwendungszweck

- Vermögensanlage
- Geschäftskonto
- Sonstiger Zweck (bitte nennen): _____

4. Sonstige Angaben

^{4.1}
Beruf und Geschäftstätigkeit der wirtschaftlich berechtigten Person/Personen: _____

^{4.2}
Bemerkungen:

LGT – Gruppengesellschaft

Der Vertragspartner verpflichtet sich, Änderungen von sich aus schriftlich der Bank mitzuteilen.

^{4.3}
Vaduz, 10.12.2001

Ort/Datum

Permanent Subcommittee on Investigations

EXHIBIT #68

PSI-USMSTR-000954

**Background Information / Profile – Existing / Clients
Judicial persons / Companies**

**_____ = Redacted by the Permanent
Subcommittee on Investigations**

Account No. / Depository No. _____

Ref. _____

Contractual Partner / Name FIWA AG [FIWA, Inc.], Vaduz

1. Background Information / Profile

1. Information on the Contractual Partner

1.1.

- Non-active company
 - Company with commercial background
 - Foundation, trust, holding company, etc.

Principal purpose of company:

1.2.

- Active company
 - Manufacturing business
 - Trading business
 - Service business
 - Holding company

Principal business activity of company (incl. sector):

_____ Holding of shares _____

_____ Products / Range of Services _____ Main markets and their sales volume (in Swiss francs)

Own office space: yes no Number of employees (roughly): _____

2. Commercial Background / Origin of Assets

Origin of funds to be paid in (earnings from business activity, inheritance, sale of shares, sale of real estate, etc.):

3. Information on Intended Usage

- Asset investment
- Business account
- Other purpose (please state): _____

4. Other Information

4.1. Occupation and business activity of economic beneficiary / beneficiaries:

4.2. Comments:
LGT - group company

The contractual partner commits himself to notify the bank of any changes in writing of his own accord.

4.3. Vaduz, Dec. 10, 2001
Place / Date

[signed] _____ [signed] _____
Signature

Richard M. Chong

From: Rick [REDACTED]
Sent: Tuesday, January 02, 2007 12:00 AM
To: 'Chalet@hk.super.net'
Subject: RE: Apex Assets
Attachments: Apex Asset approved expenses - Dec 2006.pdf

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

-----Original Message-----

From: Chalet@hk.super.net [mailto:Chalet@hk.super.net]
Sent: Wednesday, December 27, 2006 8:55 PM
To: Richard Chong
Subject: Apex Assets

Dear Rick,

I hope you had a good Christmas.

Please find enclosed some invoices for Apex Assets from KCS. If you agree with them, could you kindly sign them and fax them over to us for settlement. We have sufficient funds on Apex to cover them.

Let me take this opportunity to wish you all the very best for 2007.

Thanks & best regards,
Silvan

--
No virus found in this incoming message.
Checked by AVG Free Edition.

Version: 7.5.432 / Virus Database: 268.15.28/605 - Release Date: 12/27/2006 12:21 PM

--
No virus found in this outgoing message.
Checked by AVG Free Edition.

Version: 7.5.432 / Virus Database: 268.16.2/613 - Release Date: 1/1/2007 2:50 PM

Permanent Subcommittee on Investigations

EXHIBIT #70

CH-PSI-00001

Richard M. Chong

From: Rick [REDACTED]
Sent: Wednesday, February 14, 2007 6:38 PM
To: 'Chalet@hk.super.net'
Subject: RE: Delivery for 32.1

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Will do. Rick

From: Chalet@hk.super.net [mailto:Chalet@hk.super.net]
Sent: Wednesday, February 14, 2007 6:16 PM
To: Rick
Subject: Re: Delivery for 32.1

Dear Rick,

I'm sorry, I've just been informed by our relevant department that they cannot deliver the goods to 32.1. The instruction was incomplete and did not correctly identify the final recipient. We will have to return them.

Can you ask your sender to ship them to Apex instead? This would also be better from a safety point of view.

Thanks & best regards,
Silvan

— Original Message —

From: Rick
To: Chalet@hk.super.net
Sent: Tuesday, February 13, 2007 10:56 PM
Subject: RE: Delivery for 32.1

Yes. Expecting it. Thanks. Rick

—
No virus found in this incoming message.
Checked by AVG Free Edition.
Version: 7.5.441 / Virus Database: 268.17.37/682 - Release Date: 2/12/2007 1:23 PM

—
No virus found in this outgoing message.
Checked by AVG Free Edition.
Version: 7.5.441 / Virus Database: 268.17.37/682 - Release Date: 2/12/2007 1:23 PM

—
No virus found in this incoming message.
Checked by AVG Free Edition.
Version: 7.5.441 / Virus Database: 268.17.39/686 - Release Date: 2/14/2007 7:54 AM

RICHARD M. CHONG

1 March 2007

Mr. Henri Leimer
Mr. Silvan Colani
Representative
LGT
3 Exchange Square
11th Floor
Central, Hong Kong
Fax no : 852-2868-0059

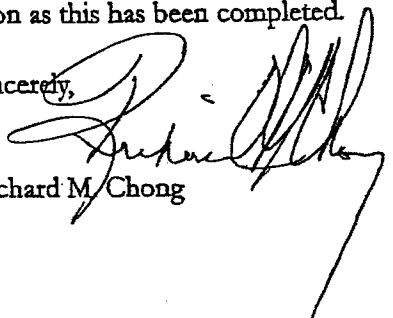
— = Redacted by the Permanent
Subcommittee on Investigations

Dear Henri & Silvan,

Please take this memo as instruction to wire US\$63,303 (sixty three thousand three hundred and three United States dollars only) from the account number [REDACTED] to account number [REDACTED] immediately.

The transfer can begin as soon as possible. Please email me or fax me at 415-[REDACTED] as soon as this has been completed.

Sincerely,


Richard M. Chong

ACME
EVIDENCE

176 JORDAN AVENUE • SAN FRANCISCO, CA • 94118
PHONE: 415-982-4910 • FAX: 415-840-0487

CH-PSI-00066

Richard M. Chong

From: Rick [REDACTED]
Sent: Thursday, March 01, 2007 5:49 PM
To: 'Chalet@hk.super.net'
Subject: RE: delivery

Faxed to you today.

Rick

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

From: Chalet@hk.super.net [mailto:Chalet@hk.super.net]
Sent: Wednesday, February 28, 2007 3:42 AM
To: Richard Chong
Subject: delivery

Dear Rick,

We have received your delivery of 63,303 units to Apex. If you wish to move them to M or R, please fax us a brief instruction letter with your signature.

Thanks & best regards,
Silvan

—
No virus found in this incoming message.
Checked by AVG Free Edition.
Version: 7.5.446 / Virus Database: 268.18.4/703 - Release Date: 2/26/2007 2:56 PM

—
No virus found in this outgoing message.
Checked by AVG Free Edition.
Version: 7.5.446 / Virus Database: 268.18.5/707 - Release Date: 3/1/2007 2:43 PM

Richard M. Chong

From: Chalet@hk.super.net
Sent: Wednesday, April 18, 2007 10:06 PM
To: Rick
Subject: Fw: Apex Assets Limited
Attachments: Schedule K-1.pdf

Dear Rick

Enclosed for your information.

Regards,
Silvan

—Original Message—

From: Gloria Ma (KCS Ltd) [mailto:gloria.ma@kcs.com]
Sent: Thursday, April 19, 2007 10:46 AM
To: Colani, Silvan
Cc: Chris Ho (KCS Ltd)
Subject: Apex Assets Limited

Dear Silvan

I have received the Schedule K-1 (Form 1065) from Sycamore Venture Capital, LP for your attention.

<<Schedule K-1.pdf>>

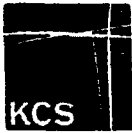
Regards
Gloria Ma

Gloria Ma
Associate Director

KCS Limited
8th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Direct line +852 3589 8822
Direct Fax +852 3589 8522
General Line +852 3589 8899
gloria.ma@kcs.com
www.kcs.com

—
No virus found in this incoming message.



Since 1946

KCS Limited
8th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Tel +852 3589 8899
Fax +852 3589 8555
www.kcs.com

Apex Assets Limited
c/o LGT Bank in Liechtenstein AG
Representative Office Hong Kong
Suite 4203, Two Exchange Square
8 Connaught Place
Central, Hong Kong
Attr: Mr Silvan Colani

Our ref [REDACTED]

Fee note [REDACTED]

Date 27/4/2007

[REDACTED] = Redacted by the Permanent Subcommittee on Investigations

Time spent in liaising with Computershare – Australia regarding the procedures of share transfer and relaying same to the party concerned.

Arranging for the standard transfer form regarding the transfer of the shares of Arasor International Ltd to be signed by the director of the Company and forwarding the signed form to LGT Bank in Liechtenstein AG, Representative Office in Hong Kong, for action.

Updating the Company's record.

Fee for the above

HK\$2,200

Disbursements:
Telephone

2

Total

HK\$2,202

PAYMENT METHOD

Direct payment
Send crossed cheque made payable to "KCS Limited" to 8th Floor, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong together with the remittance advice below.

Direct transfer through bank accounts
Instruct your bank to remit funds by telegraphic transfer to either of our following bank accounts:

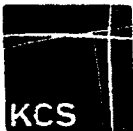
Bank Standard Chartered Bank (Hong Kong) Limited
Shop 16, G/F & Lower G/F, New World Tower, Central, Hong Kong
Account name KCS Limited

HK\$ current a/c [REDACTED]
US\$ savings a/c [REDACTED]
Swift code [REDACTED]

Fees are payable on presentation.
KCS Limited is incorporated in the British Virgin Islands with limited liability.

When making remittance to these accounts please indicate clearly whom the funds are from and our fee note number(s) to enable us to identify them.

- Hong Kong • Singapore • Shanghai • Beijing • Shenzhen • Jakarta



Since 1946

KCS Limited
8th Floor, Gloucester Tower, The Landmark
15 Queen's Road Central, Hong Kong

Tel +852 3589 8899
Fax +852 3589 8555
www.kcs.com

REMITTANCE ADVICE

Our ref [REDACTED]

Client Apex Assets Limited

Fee note number [REDACTED]

Date 27/4/2007

Amount HK\$2,202

Richard M. Chong

From: Chalet@hk.super.net
Sent: Wednesday, March 21, 2007 11:34 PM
To: Rick
Subject: Re: Apex Assets

Hi Rick,

Gloria has confirmed the holding and is checking how we can transfer the shares into the account of Apex where it can be traded.

I will revert as soon as we know more.

Regards,
Silvan

— Original Message —

From: Rick
To: Silvan Colani
Sent: Tuesday, March 20, 2007 6:23 AM
Subject: Apex Assets

Silvan,

I believe that Apex Assets should be holding 214,145 shares of Arasor Intl which is now listed on the Australia stock exchange (symbol : ARR). I believe that these shares are registered and therefore eligible for trading. Can you check with the administrators of Apex Assets to find out about the procedures and costs of beginning to sell these shares?

Thanks,
Rick

—
No virus found in this outgoing message.

Checked by AVG Free Edition.

Version: 7.5.446 / Virus Database: 268.18.14/727 - Release Date: 3/19/2007 11:49 AM

—
No virus found in this incoming message.

Checked by AVG Free Edition.

Version: 7.5.446 / Virus Database: 268.18.16/729 - Release Date: 3/21/2007 7:52 AM

RICHARD M. CHONG

7 March 2006

Mr. Silvan Colani
Representative
LGT
3 Exchange Square
11th Floor
Central, Hong Kong
Fax no : 852-2868-0059

— = Redacted by the Permanent
Subcommittee on Investigations

Dear Henri,

Please take this memo as instructions to transfer US\$60,000 (sixty thousand United States dollars only) from the "M" account to Apex Assets and subsequently to the following recipient as soon as possible :

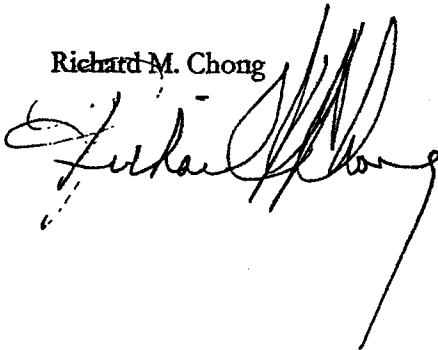
Dynamic Travel Service, Inc.
821 Sacramento Street
San Francisco, CA 94108

Dynamic Travel Service Inc
Bank of America
Chinatown Branch San Francisco
Acct # [REDACTED]
Routing Number [REDACTED]

This is payment for travel expenses to be incurred by Apex. Please email me or fax me at 415-[REDACTED] as soon as this has been completed.

Sincerely,

Richard M. Chong



176 JORDAN AVENUE • SAN FRANCISCO, CA • 94118
PHONE: 415-982-4910 • FAX: 415-840-0487

CH-PSI-00059

LGT Treuhand AG
28 Städtle
FL-9490 Vaduz
Liechtenstein

[Redacted] = Redacted by the Permanent
Subcommittee on Investigations

Dear Sirs,

Re: account [Redacted] / ref. [Redacted]

Please take this letter as your authority to transfer USD 37,500.-- from the above account as follows:

Beneficiary's bank: LGT Bank in Liechtenstein, Vaduz
Beneficiary: Apex Assets Ltd.
Account no.: [Redacted] / ref. [Redacted]

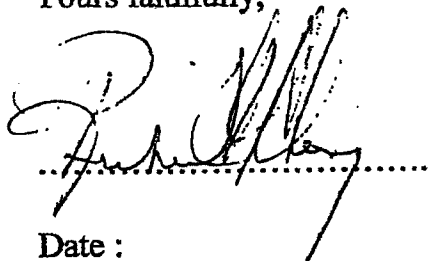
Thereafter, please transfer the funds as follows:

U.S. Trust Company of New York
New York, New York
ABA# [Redacted]
For the account of Sycamore Venture Capital, L.P.
Account# [Redacted]
Reference: Apex Assets

SVC Capital call

Thank you for your attention to this matter.

Yours faithfully,


.....
Date :

Richard M. Chong

From: Chalet@hk.super.net
Sent: Wednesday, February 20, 2008 9:45 PM
To: Richard Chong
Subject: Update

Dear Rick,

There is some important news that you should be aware of. Please have a look at www.lgt.com

Sonja is currently in Hong Kong. If you wish to discuss, please give me a call.

Best regards,
Silvan

Permanent Subcommittee on Investigations

EXHIBIT #71

CH-PSI-00035

Richard M. Chong

From: Richard Chong [REDACTED]
Sent: Thursday, February 21, 2008 7:12 AM
To: 'Chalet@hk.super.net'
Subject: RE: Update

— = Redacted by the Permanent
Subcommittee on Investigations

Silvan,

Is this disclosure possibly affecting me?

Rick

1 GRIFFITH & THORNBURGH, LLP
ATTORNEYS AND COUNSELORS
2 8 EAST FIGUEROA STREET, SUITE 300
POST OFFICE BOX 9
3 SANTA BARBARA, CA 93102-0009
TELEPHONE: 805-965-5131
TELECOPIER: 805-965-6751

4
5
6 SUPERIOR COURT OF THE STATE OF CALIFORNIA
7
8 IN AND FOR THE COUNTY OF SANTA BARBARA
9 ANACAPA DIVISION

10 STEPHANIE MISKIN) CASE NO. 01111516
11)
11 Plaintiff) DECLARATION OF MICHAEL MISKIN
12) IN SUPPORT OF MOTION TO QUASH
12 vs.) SERVICE OF SUMMONS AND DISMISS
13) ACTION
13)
14 MICHAEL MISKIN, an individual;)
14 BELMONT ASSETS LTD., a Guernsey)
15 Trust; and ALL PERSONS CLAIMING)
15 AN INTEREST IN THE PROPERTY)
16 NAMES AS DOES 1 through 25, incl.)
16)
17 Defendants)
17)
18)

19
20 I, MICHAEL MISKIN, declare:

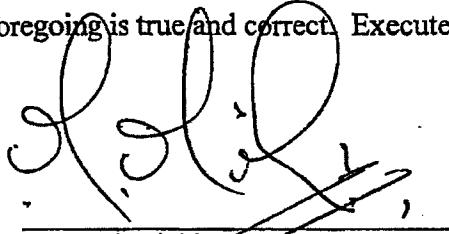
- 21 1. I am a citizen of the United Kingdom. I am a legal resident of Bermuda.
22 2. I have not been present in the United States, or in the State of California, at any time in
23 calendar year 2003.
24 3. I have visited Santa Barbara in the past on a tourist visa permitting me to stay for only
25 90 days in the United States at any one time.
26 4. I do not now, nor have I ever, owned the property in Santa Barbara commonly known
27 as 68 Seaview Drive. I understand that the property is owned by Belmont Assets Ltd. Although
28 I have in the past acted as an advisor and consultant to Belmont Assets Ltd. I do not now, nor
have I ever owned any interest in that entity.

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5. I believe that Belmont Assets Ltd. is owned by the Bonnymede Trust which was established in Guernsey. That is an irrevocable trust. The sole beneficiary is "The Royal Masonic Benevolent Institution", a charitable institution for the benefit of poor and distressed free masons. I was not the settlor of the Bonnymede Trust, nor to the best of my knowledge have I ever been either a trustee or a beneficiary of the Bonnymede Trust.

6. I never told Stephanie Miskin that I would acquire 68 Seaview Drive through my personal trust headquartered in Guernsey, or that I would be the beneficial owner of the property. Although Stephanie helped plan renovations to the property, these were undertaken with the permission of Belmont Assets, Ltd and ultimately paid for by Belmont Assets, Ltd.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 1, 2003 in Jalisco, Mexico.



Michael Miskin

GRIFFITH & THORNBURGH, LLP
ATTORNEYS AND COUNSELORS
8 EAST FIGUEROA STREET, SUITE 300
POST OFFICE BOX 9
SANTA BARBARA, CA 93102-0009
TELEPHONE: 805-965-5131
TELECOPIER: 805-965-6751

John R. Rydell II, 62606

ATTORNEYS FOR: Defendant, Michael Miskin

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SANTA BARBARA
ANACAPA DIVISION**

STEPHANIE MISKIN
Plaintiff

vs.

MICHAEL MISKIN, an individual;
BELMONT ASSETS LTD., a Guernsey
Trust; and ALL PERSONS CLAIMING
AN INTEREST IN THE PROPERTY
NAMES AS DOES 1 through 25, incl.

Defendants

CASE NO. 01111516

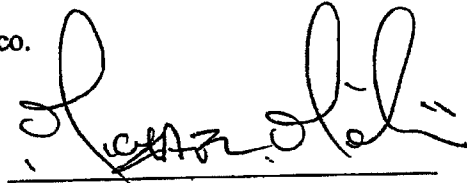
DECLARATION OF MICHAEL MISKIN

I, MICHAEL MISKIN, declare:

1. I am a citizen of the United Kingdom. I am a legal resident of Bermuda.
2. I make this declaration as part of a special appearance challenging the jurisdiction of this court.
3. I have not been present in the United States, or in the State of California, at any time in calendar year 2003. Although I have visited Santa Barbara in past years, I have stayed for less than 90 days and have never been a resident. On occasion, when I have stayed in the Seaview property, my name has been put on the mailbox. I understood that my name was removed on my departure, or shortly thereafter.
4. I thought that my prior declaration made it abundantly clear that I have never owned the property at 68 Seaview Drive in Santa Barbara.

5. I understand that Stephanie Miskin's counsel has stated that there is no reason for me to be a party to this case provided that I "disavow any claim to the real property." Based on the understanding that the court will quash the summons and dismiss me as a party with prejudice, I hereby disavow any claim to 68 Seaview Drive, Santa Barbara, California.

I declare under penalty of perjury that the foregoing is true and correct. Executed on September 4, 2003 in Sanisco, Mexico.



Michael Miskin

FILED
SUPERIOR COURT of CALIFORNIA
COUNTY OF SANTA BARBARA

APR - 4 2003

GARY M. BLAIR, EXEC. OFFICER

By Jeff Hite, Deputy Clerk

1 JUDITH ILENE BLOOM, SBN 65236
2 LESLIE R. HOROWITZ, SBN 97630
3 JAMES E. DANIELS II, SBN 205814
4 CLARK & TREVITHICK
5 A Professional Law Corporation
6 800 Wilshire Boulevard, Twelfth Floor
7 Los Angeles, California 90017
8 Telephone: (213) 629-5700
9 Facsimile: (213) 624-9441

6 Attorneys for Plaintiff Stephanie Miskin

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SANTA BARBARA

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11 STEPHANIE MISKIN,
12 Plaintiff,

13 v.

14 MICHAEL MISKIN, an individual;
15 BELMONT ASSETS LTD., a Guernsey Trust;
16 and ALL PERSONS CLAIMING AN
17 INTEREST NAMED AS DOES 1 through 25,
18 inclusive,

17 Defendants.

CASE NO. 01111516

Assigned to Hon. Thomas P. Anderle

DECLARATION OF STEPHANIE AVRIL
MISKIN IN OPPOSITION TO MOTION
TO EXPUNGE LIS PENDENS

Hearing: 4-15-03
Dept: 3
Time: 9:00 a.m.

Filed: 1-31-03

21 Stephanie Avril Miskin declares as follows:

22 1. I am the plaintiff in this action. I have personal knowledge of the facts stated here
23 in and if called as a witness I am competent to testify thereto.

24 2. I married defendant Michael Miskin on June 21, 1964 in England. We have been
25 married at all times since then. I filed a petition for divorce with the High Court of Justice Family
26 Division in London, England on January 13, 2003. My petition was assigned case number
27 FD03D00289.

28 ///

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Permanent Subcommittee on Investigations

EXHIBIT #73

1 3. Michael Miskin was in London in May and June, 2002 during which time he stayed
2 at my house, the address of which is Belmont, [REDACTED] I have a personal
3 computer at my home with e-mail capability. Michael used my computer for e-mail
4 communications when he was in London. Attached hereto collectively as Exhibit "A" are various
5 communications I was able to retrieve from the hard drive of the computer. I did not create any of
6 these communications and they were clearly sent to and from Michael during his stay in London
7 last year.

8 4. When Defendant and I married in June 1964, we purchased together our first home
9 which was an apartment in Belmont Court, Whetstone, London, N20. When we sold that
10 apartment and moved to my current home in 1969 Defendant suggested that we gave our new
11 home the name of "Belmont". In 1991 or thereabouts Defendant rented an apartment for his
12 occupation in Santa Barbara. Although I cannot remember its precise address, I do recall that it
13 was within a complex of apartments known either as Montecito Shores or Bonnymead. I do not
14 know if he was still living there when the Bonnymead Trust was formed in 1994.

15 5. Between 1994 and 1997 Defendant repeatedly expressed his desire to purchase a
16 permanent home in the United States. Together we viewed a number of properties and in late
17 1997 we jointly selected a beachfront condominium at 68 Seaview Drive in Montecito, Santa
18 Barbara. That is the property that is the subject of this action. The purchase price was about
19 \$700,000 although the apartment was in poor condition. Defendant told me he was buying the
20 condominium through his personal trust based in Guernsey of which he was the beneficial owner.
21 I agreed to and did supervise extensive renovations at the condominium. After returning to
22 London in June, 1998 for our younger son's announcement of his engagement and subsequent
23 wedding, I returned to Montecito for New Year's 1999. Defendant told me that once I saw how
24 splendid the condomium looked after the renovations, I might want to stay. While the condomium
25 did look wonderful, I found it necessary to return to London as our marital situation was causing
26 me great distress

27 6. I have read the supporting declaration of David Anfossi dated 6 March 2003. I am
28 interested that Mr Anfossi should make a declaration of this nature as he is a personal friend of

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1 Defendant and is a significant link between the Defendant and Bermuda. In recent years both
2 Defendant and I have been entertained to dinner with Mr Anfossi and his wife both in London and
3 in Bermuda. I should explain that perhaps ten years ago Defendant and I were granted Bermudan
4 residency by obtaining a residential address and depositing a substantial sum of money with, I
5 believe, the Bank of Bermuda. The advantage of Bermudan residency to Defendant is that it
6 provided him with a means to enter the United States without being obliged to go through any
7 registration process. Defendant explained to me that all he needed to do was to have with him, at
8 any time when he entered the United States, a return flight to Bermuda. Once his entry had been
9 secured, it was simply a matter, so the Defendant told me, of cancelling the return ticket to
10 Bermuda and securing a refund. This arrangement had the added advantage to Defendant that by
11 virtue of his entry into the United States not being registered, his presence did not come to the
12 attention of any of the US authorities and particularly the Internal Revenue Service. To minimize
13 the risk of his presence as a "permanent resident" becoming known to the IRS, Defendant was
14 scrupulous to ensure that he did not own any real estate, motor vehicle or indeed even hold bank
15 accounts in his own name. This was achieved through the employment of nominee accounts and
16 trust companies.

17 7. In our most recent meeting with David Anfossi in London in June 2002, a topic
18 during dinner conversation was Defendant's dissatisfaction with the service which he was
19 receiving from his Guernsey trustees. I specifically recall Mr Anfossi assuring Defendant that the
20 service which would be supplied to him by the Bermudan trustees would be very much to his
21 satisfaction.

22 8. Defendant claims to have obtained citizenship of Bermuda although I do not know
23 if he still claims British citizenship.

24 I declare under penalty of perjury under the laws of the State of California that the
25 foregoing is true and correct.

26 Date: April 1 2003

27 S. Miskin

28 Stephanie Avril Miskin

COPY

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6 Attorneys for Plaintiff Stephanie Miskin

FILED
SANTA BARBARA
SUPERIOR COURT

AUG 29 2003

GARY M. BLAIR, EXEC. OFFICER
By Kristi L. Russell
KRISTI L. RUSSELL, Deputy Clerk

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SANTA BARBARA

11 STEPHANIE MISKIN,
12 Plaintiff,

13 v.

14 MICHAEL MISKIN, an individual;
15 BELMONT ASSETS
16 and ALL PERSONS
INTEREST NAME
inclusive,

17 Defen

CASE NO. 01111516
Assigned to Hon. Thomas P. Anderle

OPPOSITION TO MOTION TO QUASH;
OBJECTIONS TO EVIDENCE;
REQUEST FOR JUDICIAL NOTICE;
DECLARATION OF JUDITH ILENE

: January 31, 2003

m.

12a.
73

22 Defendant Mi the complaint because he
23 claims there is no per suggests that he makes no claim
24 to the real property, but carefully stops short of giving a plain statement that eschews any claim to
25 the real property. As the materials submitted in support of the application to serve defendant
26 Miskin by publication shows, he has a significant presence in Santa Barbara, lives and receives
27 mail in Santa Barbara, and it would not be unfair to compel him to respond to the complaint. Of
28 course, if he will provide a plain statement that he makes no claim to the real property, he can be

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1 dismissed from the case and avoid the expense and trouble of providing a defense.

2 By way of update, plaintiff reports that the court in England with jurisdiction over the
3 dissolution of marriage has entered an order confirming that plaintiff has full ownership and
4 control of Bonnymead Trust, the sole owner of defendant Belmont. It enjoins defendant Miskin as
5 well as David Anfossi and Douglas Tufts from interfering with her ownership and control. She is
6 in the process of obtaining new management in place of the Anfossi entities. Once that has been
7 completed and defendant Miskin disavows any claim to the real property and questions relating to
8 the purported post-lis pendens deed of trust are resolved, this litigation can be ended.

9 Interestingly, former management of Belmont has discharged counsel and purports to have
10 Belmont appear in proper person. An entity like Belmont must appear through counsel, but new
11 management will either appoint new counsel or the case will simply be dismissed since plaintiff
12 now owns Belmont. A copy of the English order is attached to the Request for Judicial Notice.

13 Defendant's citation of case law that the burden of proof rests with the plaintiff
14 (accounting for all of the citation of legal authority in the motion) is not meaningful if in fact
15 defendant is a resident of California. Moreover, once plaintiff shows the existence of minimum
16 contacts with California, the burden shifts back to defendant to show that the exercise of
17 jurisdiction over him is unfair, *Integral Dev. Corp. v. Weissenbach*, 99 Cal. App. 4th 576 (2002);
18 *Bridgestone Corp. v. Superior Court*, 99 Cal. App. 4th 767 (2002).

19
20 2.

21 **PLAINTIFF HAS ESTABLISHED GENERAL JURISDICTION OVER DEFENDANT**

22 Defendant's initial claim, that he is a nonresident, has not been established. As the papers
23 provided in support of the application for an order to serve by publication showed, defendant has
24 been living in Santa Barbara for a number of years. His name is on the mailbox of the real
25 property subject of the complaint and his neighbors and the guard at the condominium know him
26 to live there. He had a regular relationship with the adult art center. His website has been full of
27 pictures of Santa Barbara where he brags of his involvement with CHP charities. The fact that he
28 is now visiting Costa Rica or Mexico (where he signed his declaration) does not change his actual

1 residence. His divorce in England was precipitated by his meretricious relationship with
2 California resident Joanna Middleton of Santa Barbara.

3 Defendant is a resident of Santa Barbara and as such, is subject to the general jurisdiction
4 of the courts in California.

5 "The first and most important basis for jurisdiction of the person of an individual
6 is presence within the boundaries of the state. This is true of any person voluntarily
7 within the state, whether he is a permanent resident or a temporary visitor; his
8 presence gives the state power over him." 2 WITKIN, CALIFORNIA
9 PROCEDURE 665 (4th ed. 1996) citing RESTATEMENT SECOND CONFLICT
10 OF LAWS § 28.

11 The Judicial Council Report explained what residence means:

12 "Residence is the place where the individual has an abode or where he has settled
13 down to live for a period of time, but not necessarily with an intention of making a
14 home there as to create a domicil [sic]" Code of Civil Procedure § 410.10 Judicial
15 Council Comment (Residence).

16 The Miskin declaration is carefully vague as to where he was living and when. His
17 characterization of his presence in Santa Barbara for so many years as "visiting" is disingenuous at
18 best. There are undoubtedly financial advantages, particularly under applicable tax laws, for
19 maintaining a Bermuda residence and moving from country to country. But the plain facts show
20 that Miskin has been living in Santa Barbara for many years. The fact that investigators were
21 unable to find him to serve him personally only means he put more effort than most into hiding.
22 That does not mean he was not living in California and is not subject to California's power.

23 The law provides that residence alone (residence short of formal domicile) is sufficient to
24 establish jurisdiction. *Id.* at 676. Residence does not require proof of intent, *id.* The factors to
25 consider include (1) amount of time defendant spends in the state; (2) nature of his place of abode
26 in the state; (3) defendant's attitude toward the state; and (4) what defendant does in the state.
27 JUDICIAL COUNCIL 1969 REPORT 73; SECOND RESTATEMENT CONFLICT OF LAWS
28 §30 comment a.

Defendant has failed to provide details as to item (1). But the declarations previously
submitted show that defendant Miskin has lived in Santa Barbara for a number of years. He
receives mail in Santa Barbara and has his name posted on the mailbox at the real property at issue
in the case. Neighbors and condominium guards know him as a resident. He is well-known at the

1 art center where he throws pots. His website shows pictures of Santa Barbara and he donates
2 proceeds from local art shows to CHP charities. He lived with the plaintiff in Santa Barbara
3 despite maintaining a Bermuda "residence" for tax avoidance.

4 The nature of defendant's place of abode is the real property condominium purchased at
5 about \$700,000 in an exclusive Montecito development. It is not a motel or other pay-by-the-day
6 temporary lodging.

7 Defendant's attitude toward the state is difficult to determine and there is nothing in his
8 declaration to enlighten the court.

9 What defendant does in California is to live, enjoy his retirement, engage in an engrossing
10 ceramics hobby, and control his remaining business affairs.

11 As a California resident, served (by publication) in California, defendant Miskin is subject
12 to the power of this court and should be held to answer, in the absence of an unambiguous
13 disavowal of any claim to the real property.

14
15 3.

16 **THE COURT HAS SPECIFIC JURISDICTION OVER DEFENDANT**

17 Even if defendant were not a California resident, his activities in California relating to the
18 real property where he lives justifies the assertion of jurisdiction over him in matters relating to
19 that real property. By acting as the owner of the real property and by maintaining control over the
20 real property, he has purposefully availed himself of the benefits of living and owning property in
21 California and should be held to answer here when there is an adverse claim to the real property.
22 It is fair that he be called to answer in California as to his claims to ownership of the real property
23 which is located here and where he has lived for many years. His last minute decision to spend
24 time in Costa Rica does not change the fairness of having him appear in California and prove what
25 claim he may have to the real property. If he makes no claim, he can say so and avoid the
26 litigation.

27 The ownership or use of property within a state is a basis for jurisdiction against an
28 individual, Code of Civil Procedure §410.10 Judicial Council Comment (Ownership, Use or

1 Possession of Thing in State).

2 "A state has power to exercise judicial jurisdiction over an individual who has
3 owned, used or possessed an immovable thing in the state with respect to any cause
4 of action arising from the thing while it was owned, used or possessed by the
5 defendant." *Id.*

6 The Comment cites the RESTATEMENT for the proposition that an "immovable thing"
7 includes real property and its improvements, *id. citing* RESTATEMENT SECOND §38,
8 Comments a and c. Since the claim arises from competing claims to real property in Santa
9 Barbara and to which plaintiff alleges defendant makes a claim, jurisdiction is entirely proper.

10 The case law has expanded the scope of what constitutes purposeful availment and what is
11 fair. For example, in *Cornelison v. Chaney*, 16 Cal. 3d 143 (1976), the court approved the exercise
12 of jurisdiction over a nonresident trucker for an accident in Nevada while defendant was en route
13 to California. Even in *Seagate Tech. v. A.J. Kogyo Co., Ltd.*, 219 Cal. App. 3d 696 (1990), a
14 foreign national corporate CEO was found to have sufficient contacts with California because as
15 CEO he caused the corporation to make a guaranty (written in Japanese) that was breached that
16 caused the financial collapse of the trading partner. He never visited California and had nothing to
17 do with the transaction other than authorize the guaranty letter.

18 Defendant has not provided the court with sufficient information as to his whereabouts and
19 where he claims he has lived all these years. He cannot move for dismissal without explaining
20 why the detailed information previously provided to the court is wrong. Surely he has the
21 information easily available from the court file. In addition, defendant Belmont, who itself had no
22 need for the information, subpoenaed the files of the investigators used by plaintiff. Plaintiff
23 raised no privilege or other objection and the files were duly delivered to Belmont who asked for
24 them only for the use of Miskin. Since there was nothing to challenge in the work done by the
25 investigators, Miskin includes no specific challenge to the declaration provided in support of the
26 application to serve by publication.

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4.

CONCLUSION

Defendant is subject to the jurisdiction of this court. He is a long-time resident of Santa Barbara and the suit involves defendant's rights, if any, to real property within the County where he has lived for many years. There is nothing unfair about compelling defendant either to disavow any claim to the real property or to present his claims here and now.

DATED: August 28, 2003

Respectfully submitted,

CLARK & TREVITHICK

By: 

Judith Ilene Bloom

Attorneys for Plaintiff Stephanie Miskin



LGT Treuhand
A Member of Liechtenstein Global Trust

LGT Treuhand
Aktiengesellschaft
Städtle 18-22
FL-9490 Vaduz
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Aktenvermerk

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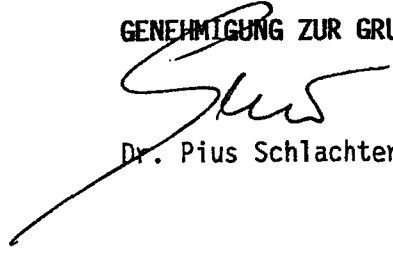
Thema **Neugründung Michel Mistin**

Verfasser(in) / Tel. Peter Meier

GENEHMIGUNG ZUR GRUENDUNG:

Datum 30. Juni 1998

Zur Erledigung Daniela Gstöhl


Dr. Pius Schlachter

Zur Kenntnisnahme Dr. Schlachter

Herr Alois Beck (LGT) bittet mich, Herrn Mistin in Santa Barbara CA (USA) anzurufen, da dieser einige Informationen über eine Stiftung oder einen Trust in FL erfahren möchte.

Herr Mistin hat seinen registrierten Wohnsitz in Bermuda. In den USA ist er „Visitor“ und lebt die meiste Zeit in Santa Barbara. Als Resident of Bermuda kann er unlimitiert in USA ein und aus reisen.

Vor ca. einigen Jahren hat er durch den Verkauf seiner Gesellschaft über die Kreditbank in Belgien einen grösseren Gewinn gemacht. Damals lebte er noch in England, als Non Resident. Aus steuerlichen Gründen (ich habe das System nicht verstanden) haben ihm die Buchhalter Tuch & Ross empfohlen, jährlich das Guthaben für die Dauer, dass Netto £ 25.000.-- an Zinsen gutgeschrieben werden, auf das Konto seiner Frau zu buchen. Das Konto wurde von ihm eröffnet und er hatte auch die Unterschrift (ist sich aber nicht mehr ganz sicher). Vor 8 Jahren kam es zu Streit mit seiner Frau und seit dem lebt er getrennt von ihr. Im Verdross hat er England verlassen und dabei die Bank beauftragt, das Geld an die UBS in Genf zu überweisen. Da wurde festgestellt, dass der Betrag noch auf dem Konto seiner Frau lag. Die Bank hatte seinen Auftrag, nach Gutschrift der Zinsen das Kapital wieder auf sein Konto zu übertragen nicht ausgeführt. Seine Frau hatte Kenntnis von diesen steuerlichen Transaktionen und auch vom nicht ausgeführten Auftrag. Sie benutzte die Gelegenheit und hat Herrn Mistin angeklagt, ihr das Geld gestohlen und das Land fluchtartig verlassen zu haben!!! Daraufhin hat er das Geld von Genf auf die FL Landesbank überweisen lassen. Nachdem aber die Genfer Bank den englischen Anwälten Auskunft erteilten (!!!!!) hat er das Geld in Bar von der Landesbank zur BIL gebracht - das war vor 8 Jahren. Die Klage wurde mittlerweile von seiner Frau zurückgezogen.

Seine Frau ist aber immer noch auf das Geld scharf und möchte sich deshalb nicht scheiden lassen. Der ältere Sohn, selbst im Geschäft sehr erfolgreich, hält eher zur Mutter und der jüngere eher zu ihm, pflegt aber auch guten Kontakt zur Mutter. Damit seine Frau nie Kenntnis von der Stiftung erhält, sollen die Beträge an seinen jüngeren Sohn „anonym“ ausgezahlt werden. Der ältere hat selbst etliche Millionen und soll deshalb von der Stiftung nicht begünstigt werden.

Permanent Subcommittee on Investigations

EXHIBIT #74

PSI-USMSTR - 006663



Aktenvermerk

2/2

Das Vermögen, derzeit ca. 10 Mio. CHF wurde „schwarz“ erwirtschaftet und war immer vom offiziellen getrennt, er rechnet also nicht mit Problemen wegen Pflichtteilsverletzung!!

Ich habe mit ihm vereinbart, dass er uns per Fax drei Namensvorschläge sendet. Wir senden ihm die vorbereiteten STOM Unterlagen per DHL morgen 1. Juli 1998 an folgende Adresse:

Michael Mistin

68 Seaview Drive
Montecato CA 93108
USA

Falls alle Namensvorschläge besetzt sind, senden wir die Unterlagen ohne Namen.

[logo] LGT Trust

A Member of Liechtenstein Global Trust LGT Trust Tel. 41-75-235 27 27
Corporation Fax 41-75-235 27 15
Städtle 18-22 Telex 88 92 27 bilt
FL-9490 Vaduz E-mail lgtrust@lgtt.li
Fürstentum Liechtenstein 100653,2664 CompuServe

Memorandum for the Record 1 / 2

Subject **New Establishment Michel Misten**

Author Peter Meier (Stamp) **APPROVAL FOR ESTABLISHMENT**

Date June 30, 1998 (signature)

For action Daniela Gstöhl Dr. Pius Schlachter

Cc Dr. Schlachter (initialed)

Mr. Alois Beck (LGT) asks me to call Mr. Mistin in Santa Barbara, CA (USA), because Mr. Mistin would like to have some information about a foundation or a trust in FL.

Mr. Mistin's registered place of residence is in Bermuda. In the U.S., he is a "visitor" and lives most of the time in Santa Barbara. As a resident of Bermuda, he has unrestricted entry and exit to and from the U.S.

About a few years ago, he made a rather large profit from the sale of his company through the Credit Bank in Belgium. Back then he still lived in England, as a non-resident. For tax reasons (I did not understand how that works), the accounting firm Tuch & Ross recommended that he deposit annually the positive balance, for the time period in which £25,000.00 net gets credited in interest, into the account of his wife. The account was opened, and he had the signature as well (but he's not completely sure anymore). Eight years ago, he and his wife came to a clash, and since then he has been separated from her. Chagrined, he left England, and instructed the bank to transfer the money to UBS in Geneva. That is when it was noticed that the amount is still in his wife's account. The bank had not carried out his instruction to transfer the principal back to his account after the interest was credited. His wife was aware of these tax-related transactions, as well as of the fact that the bank had not carried out her husband's instructions. She took advantage of this opportunity and charged Mr. Mistin with having stolen the money from her and having hastily fled the country!!! Thereupon he had the money transferred from Geneva to the FL Landesbank. But after the Geneva bank disclosed information to the English attorneys (!!!!) he brought the money from to the BIL in cash - that was 8 years ago. In the meantime, the charge has been withdrawn by his wife.

His wife is still keen on the money, however, and hence does not want to get divorced. The older son, very successful in business himself, is more on his mother's side; the younger son is more on his father's, but maintains good relations with the mother as well. In order to make sure that his wife never finds out about the foundation, the amounts are to be paid to his son "anonymously." The older son has several million himself and will for this reason not benefit from the foundation.

[logo] LGT Trust

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The assets, currently around 10 million Swiss francs, were earned "under the table" and were always separate from the official, so he is not expecting to encounter problems related to the breach of the disclosure [rules].

We agreed that he will fax us three name suggestions. We will send him the prepared STOM [foundation w/o a mandate] documents via DHL tomorrow, July 1, 1998 to the following address:

Michael Mistin
68 Seaview Drive
Montecato CA 93108
USA

If all suggested names are already taken, we will send the documents without a name.

(signature or initial)

Michael Miskin
PO Box 5872 Santa Barbara CA 93150 USA

July 28thth 2000
My Ref: MM/MM/PM3

To: Micronesia Foundation
Vaduz, Liechtenstein.

Letter of Wishes

Dear Sirs,

The following is my latest letter of wishes and intentions with respect to the assets of Micronesia Foundation, without binding you to any commitments whatsoever towards myself nor influencing in any way the administration of the foundation. It is rather my attention to detail, my general intent and directives on how assets of the foundation can be best Administered and distributed to the advantage of the beneficiaries. If I should alter my opinion, I will inform you thereof in good time. However should circumstances arise whereby the carrying out of the intent expressed below, or in any later letter, should appear unreasonable, then you should desist from the realisation of such intent.

With consideration of the above, I declare: -

Primary, secondary and tertiary beneficiaries may hereinafter be referred to and are classified by quantum. No monies or assets are to be distributed by the foundation to any beneficiaries until after my demise. In the absence of direction for whatever reason, the cash assets of the foundation are to be invested as previously, in Sterling or US Dollar deposits on one to three month time deposits with prime triple "A" banks only. Following any capital distribution as specified herein, only the yield shall be distributed among the beneficiaries. Should the total sum of the yield to be distributed be greater or lesser than the sums specified below, then the amount allocated to each beneficiary should be treated as a percentage of the whole and thereby increased or decreased on a pro-rata basis. Any real property that may be an asset of the foundation should be liquidated at the discretion of the board of the foundation, having taken reliable advice from two reputable firms of Chartered Surveyors or Realtors, wherever this may apply. All monies that may derive from real estate liquidation must be applied to the cash assets of the foundation.

1st. Primary beneficiary, Stephanie Avril Miskin of "Belmont", [REDACTED]
[REDACTED] She shall receive the sum of Sixty
Thousand pounds per annum with the first payment being made within thirty days of my
demise. She shall not have any rights of inspection and must, for the safety of the
foundation and its very existence, be kept totally at arms length. Her legacy shall no
longer be paid, in the event that she either decease, re-marry, live with a person as a
common law spouse or is considered to be living as such at the discretion of the board of
the foundation, or she takes any threatening action against the foundation, or it's servants,
agents, representatives or any of the other beneficiaries, for the purpose of challenging
the foundation. On her demise, her legacy will pass to [REDACTED] hereinafter
mentioned, in addition to any existing legacy he may have from the foundation at that
time.

Page....2

2nd Primary Beneficiary, [REDACTED]

[REDACTED] shall receive the sum of one Hundred Thousand Pounds per annum. In the unlikely event that he should not survive, his legacy shall be passed to his wife ([REDACTED]) of the same address, provided that they are still husband and wife at the time of his demise and thereafter in any event to his daughter [REDACTED].

[REDACTED] shall be allowed to be able to have full access to the affairs of the foundation in my stead, immediately following my demise and not before. He shall be allowed to revise only his subsequent letters of wishes and intentions and only after the specific wishes contained herein have been properly executed.

Secondary beneficiary, [REDACTED]

[REDACTED] will receive, upon my demise and before my son [REDACTED] is given this letter of wishes, the sum of one hundred thousand dollars.

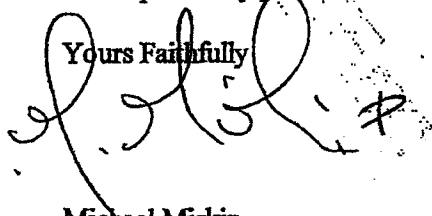
The following tertiary beneficiaries, who like any secondary beneficiaries, have no rights, will receive the sums mentioned immediately upon my demise.

[REDACTED]
will each receive a "One Time" amount in the sum of twenty Thousand Dollars.

The foundation board shall advise beneficiaries to treat sums due to them with the utmost caution in respect of local taxes. The board shall seek out and advise, the best possible way for beneficiaries to receive monies either by debit card or by loan or any other suitable method that should seek to avoid such local taxes. Leaving principle sums allotted to each beneficiary in a company or foundation in Liechtenstein should be recommended. Any beneficiary who takes legal action against the foundation will be automatically excluded from being a beneficiary.

This replaces my previous letter in its absolute entirety.

Yours Faithfully



Michael Miskin



for Peter Herber
owner.

Michael Miskin
Ceramics

Santa Barbara, CA.

(805) 565-5672

Gründungsdatum: 17.09.1998 Status: Aktiv

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Verwaltungs- / Stiftungsräte

Profile Management Trust reg., Vad Zeichnungsrecht: Einzel
Telser Marcel, Triesen Zeichnungsrecht: Kollektiv koll. zu zweien

Banken

LGT Bank in Liechtenstein AG, Vaduz AB: Beck Alois Tel. 1753 ZR-Nr.: [REDACTED] Zlg-Kto: [REDACTED]

Diverses

Anlageberater: Beck Alois,
Repräsentant: LGT Treuhand AG, Vaduz
Auftraggeber: Privater Auftraggeber

Fix-Honorare

Kapitalsteuer 1'000.00 17.09.2002 Liechtensteinische Steuerverwaltung, Vaduz

Pauschal-Honorare

Minimalhonorar	5'500.00	fällig am:	17.09.2002	
Vermögensabh. Hon.	0.00 -	2'500'000.00	0.3750 %	
Vermögensabh. Hon.	2'500'000.01 -	5'000'000.00	0.2500 %	
Vermögensabh. Hon.	5'000'000.01 -	99'999'999'999.0	0.2000 %	
Vermögenswert per:	30.06.2001	9'764'163.00		Fakturierbares Pauschalhonorar: 25'153.00

Zweck

Besitznachweis, Verträge, Vollmachten

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

WICHTIG:

Der wirtschaftlich Berechtigte hat seinen WOHNSITZ IN BERMUDA und nicht in der USA. Er bezahlt also keine Steuern in der USA !!!!!

Pendenzen / Geschichte

"Appointment of a Protector and his authority to act" in der Stellmappe zur Unterschrift vom Kunden und danach erlassen.

Widmungserklärungen in der Stellmappe müssen noch von Dr. Pius Schlachter unterzeichnet werden.

Gemäss Absprache mit MP ist entgegen den Beistatuten, keine BUC zu führen. Den Kunden beim nächsten Besuch darauf aufmerksam machen und die BST entsprechend ändern.

SR wechseln?

By laws rechtsgültig erlassen? Wo abgelegt?

Passkopie fehlt

Terminvereinbarung für Kundenbesuch dringend

Pendenzen in Stellmappe

— = Redacted by the Permanent Subcommittee on Investigations

Management Board / Board of Advisors

Profile Management Trust reg., Vad Signatory Rights: Individual Individual
Telser, Marcel, Triesen Signatory Rights: Collective Collective for two

Banks

LGT Bank in Liechtenstein Corp., Vaduz Investment advisor: Beck, Alois Tel. 1753 Ref. No.: [redacted] Account: [redacted]

Miscellaneous

Investment Advisor: Beck, Alois
Representative: LGT Treuhand AG [LGT Trust Corp.], Vaduz
Client: Private Client

Fixed Fees

Capital Taxes: 1,000.00 Sept. 17, 2002 Liechtensteinische Steuerverwaltung, Vaduz
[Tax Authority of Liechtenstein]

Flat Fees

Minimum fee 5,500.00 due on: Sept. 17, 2002
Asset-related fees 0.00 - 2,500,000.00 0.3750%
Asset-related fees 2,500,000.01 - 5,000,000.00 0.2500%
Asset-related fee 5,000,000.01 - 99,999,999,999.00 0.2000%
Value of Assets as of: June 30, 2001 9,764,163.00 Billable Flat Fee: 25,153.00

Purpose

Proof of Ownership, Contracts, Powers of Attorney

Special Instructions (Administration, Accounting, By-laws, etc.)

IMPORTANT:

The financial beneficiary has his PLACE OF RESIDENCE IN BERMUDA and not in the U.S. Hence, he pays no taxes in the U.S. !!!!!

Comments/History

"Appointment of a Protector and his authority to act" in the stand-up folder for client's signature, and subsequent authorization.

Dedication declarations in the stand-up folder still need to be signed by Dr. Pius Schlachter.

According to consultation with MP, contrary to the by-laws, no accounting is to be done. Alert the client to this during his next visit, and change the by-laws accordingly.

Board of trustee change?

By-laws legally enacted? Filed where?

Passport copy is missing

Date for client visit urgently needed

Comments in the stand-up folder



LGT Bank in Liechtenstein
A Member of Liechtenstein Global Trust

LGT Bank in Liechtenstein Aktiengesellschaft
Herrengasse 12 Telefon 075 235 11 22
FL-9490 Vaduz Telefax 075 235 15 22

Barbezug dgs 2649

GBP-Konto
GBP 3.671.814.00 (gem. Tel. Mit J. Bühler)
3.650.314.- Franko

Vaduz, 21.10.1998 / 08.11

A U.S. 2 A.M. J. N. B.
FRONT

Mr. Michael Miskin

= Redacted by the Permanent Subcommittee on Investigations

Septä Barbara-Cd 93108

Kontokorrent GBP
GBP ACCOUNT

PFUND STERLING

GBP 3.550.314,00

WIR BELASTEN IHR KONTO MIT VALUTA 21.10.1998
per Saldo

GBP 3.650.314,00

UNTERSCHRIFT 0012 0005 01 01 DI

Michael Miskin
Michael Miskin

LGT Bank in Liechtenstein
Aktiengesellschaft
Noser Helene

KA 5196 0196 40T 00

Permanent Subcommittee on Investigations
EXHIBIT #77

PSI-USMSTR - 006656

MMMag. Thomas Lungkofler

Fax

Date February 27, 2002 / TLU

Pages 1 (incl. cover sheet)

Subject

From MMMag. Thomas Lungkofler

Telefax 00423 235 27 15

Telephone 00423 235 26 86

To Mr. Michael Miskin

Telefax 001 805 969 6141

Dear Mr. Miskin,

Thank you very much for your fax of February 23, 2002 and for the patience you had.

In the meantime I have spoken with an expert for structures of the area of G. It turned out that with respect to the tax situation in the US-area a re-domiciliation of the company to another jurisdiction would not be advisable and would additionally take a very long time. Therefore at least the company's seat has to remain in G. But it is possible to transfer the domicile of the trust as well as the representative office. In that case our suggestion would be to transfer the whole structure including the holding to a much more co-operative trust company as a representative office on the Isle of Man. This office being an office of high reputation would provide us with a nominee shareholder for the shares of the company and also will support us in taking over and administrating the company as new trust officers in direct co-operation with us.

The holding (trust) would be transferred with the help of the corresponding office mentioned above to our company. Then either we administer the trust under our law for the future as it is or we even change the trust into a discretionary one with the foundation being the beneficiary. Doing so, the great advantages of a discretionary structure could be used. So from outside nothing really changes but the aim to implement the existing structure into the foundation would be reached as well as a better service could be provided to the client.

It would also be possible to transfer the ownership of the company from the trust directly to the foundation. Then the foundation would hold the company via the nominee shareholder provided by the corresponding office.

The remaining issue is to know if the trust settlement allows a transfer of the domicile. If not, the trust settlement has to be amended.

I would like to inform you that after you having decided to execute the transfer all the necessary details will be arranged by us. In case you have any further questions or comments, do not hesitate to contact me. I am looking forward to hearing from you and I would appreciate it if you could call me at your earliest convenience so that we can discuss some further details.

Yours sincerely


Thomas Lungkofler

Permanent Subcommittee on Investigations

EXHIBIT #78

PSI-USMSTR - 006657

Richard M. Chong

From: Chalet@hk.super.net
Sent: Thursday, February 21, 2008 7:41 PM
To: Richard Chong
Subject: Re: Update

Hi Rick,

Yes, I'm afraid we have to assume the possibility.

Silvan

— Original Message —

From: Richard Chong
To: Chalet@hk.super.net
Sent: Thursday, February 21, 2008 11:12 PM
Subject: RE: Update

Silvan,

Is this disclosure possibly affecting me?

Rick

Richard M. Chong

From: Chalet@hk.super.net
Sent: Thursday, February 21, 2008 8:16 PM
To: Richard Chong
Subject: Re: Update

Suggest you urgently seek local advice.

Worst case, we must assume that all files up to 2002 are out.

I'm very sorry. Sonja is here if you wish to discuss.

Silvan

Richard M. Chong

— = Redacted by the Permanent
Subcommittee on Investigations

From: Sprenger Sonja [sonja.sprenger@lgt.com]
Sent: Thursday, March 13, 2008 6:43 AM
To: [REDACTED]
Cc: Peter Xenia; Colani, Silvan
Subject: AW: Lawyer recommendation

Dear Richard

Following our yesterday's telephone conversation I have made enquires, and wish to inform you of the findings as follows:

After having consulted with Mr. Falk regarding conflict of interest issues we had put him on our list of counsels who we generally refer client issues to, because we appreciate the quality of his advice. Mr. Falk was of the clear opinion that his representation of you would not conflict with advice he has given LGT group companies in US tax matters beforehand. Mr. Falk's law firm has now reviewed the situation in detail and came to the conclusion that Mr. Falk's representation of you in this matter could raise potential conflicts. Mr. Falk's office apologises for any inconvenience this may have caused to you.

I also want to emphasize that it is your free decision whether you want to keep Mr. Falk as your representative. Otherwise please feel free to contact the other counsel recommended to you below.

Please do not hesitate to contact me if you need more information in this respect.

Best regards
Sonja

— Ursprüngliche Nachricht —
Von: Sprenger Sonja
Gesendet: Donnerstag, 13. März 2008 13:13
An: rchong@ [REDACTED]
Cc: Peter Xenia; Colani, Silvan
Betreff: Lawyer recommendation

Dear Richard

Following our telephone conversation, please find the name and contact details of a San Francisco based lawyer.

Heller Ehrman LLP
Brett R. Dick
333 Bush Street
San Francisco, CA 94104-2878
USA
Tel. +1 415 772 6394
Fax. +1 415 772 6268
E-Mail: brett.dick@hellerehrman.com

Please do not hesitate to contact me if you need more information in this respect.

Best regards
Sonja

LGT Treuhand AG
Städle 28

P.O. Box 683
FL-9490 Vaduz
Phone +423 235 27 27, Fax +423 235 27 15
Mail: lgt.trust@lgt.com
Web: <http://www.lgt.com>

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— = Redacted by the Permanent Subcommittee on Investigations

Verwaltungs- / Stiftungsräte

BTS Management Ltd., Tortola / B. Zeichnungsrecht: Einzel

Banken

Table with columns for Bank Name, AB (Account Holder), ZR-Nr. (Reference Number), and Zlg-Kto. (Account Number). Includes entries for LGT Bank in Liechtenstein AG, Vaduz.

Diverses

Anlageberater: Ritter Yvonne,
Aktien / Zessionen: Dossier / Gesellschaftsakt,
Repräsentant: Trident Trust Comp. (BVI) Ltd., Tortola, B

Fix-Honorare

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00 Fakturierbares Pauschalhonorar: 0.00

Zweck

Spezialgesellschaft (indirekte Tochter der LTV) für Portfoliotransfers für Vermögenswerte, welche in eine LTV-Struktur eingebracht werden.

Besitznachweis, Verträge, Vollmachten

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

Zuständige Personen bei der LTV sind MTE und SRE, bei der Banque du Gothard (BdG) Herr Germain Rubbini.

SEHR WICHTIG: LGT-BIL HAUPTNUMMER DARF NICHT FÜR TRANSAKTIONEN VERWENDET WERDEN; NUR FÜR UNTERSCHRIFTENREGELUNG ERÖFFNET.

Abwicklungsprozedere:

- 1. Es muss vorgängig eine Aufstellung der zu transferierenden Vermögenswerte sowie ein unterzeichneter und durch den KB visierter Vertrag vorliegen.
2. Für jeden Kunden wird ein unter einer Referenz ein Unterkonto bzw. Depot bei der BdG und bei der LGT
3. Geldtransfers sowie Titellieferungen an die BdG gehen z.G. SERA, Ref....
4. Sobald die Vermögenswerte bei der BIL gutgeschrieben sind, werden sie valutagerecht auf das Destinationskonto (siehe Vertrag) übertragen...

Permanent Subcommittee on Investigations EXHIBIT #79

Agio/Disagio verrechnet PSI-USMSTR - 006553

Gründungsdatum: 15.12.1997

Status: Aktiv

werden
darf ("spesenfrei").

5. Ueberträge auf die BdG sind immer z.G. der Sera Financial unter Angabe der Referenz z.Hd. Hr. Germain Rubbini zu tätigen.

Das Aktienzertifikat befindet sich im Depot der BTS Management Ltd. bei der LGT Bank in Liechtenstein AG, Vaduz (seit 9.4.1999).

Pendenzen / Geschichte

Pendenzen sind auf den jeweiligen Uebersichtslisten (im jeweiligen physischen Akt) ersichtlich.

<Alternate Translation, bullet #2, PSI-USMSTR-6553>

2. For each customer, a sub-account or deposit facility is opened under a reference at BdG and at LGT-BIL We must communicate each sub-account to Horst Bartsch ("reference"); the LGT-BIL account is to be opened as "usual" (according to model).

Sera Financial Corporation Road Town, Tortola / B.V.I.

SB: Bösch Wolfgang

KB: Bösch Wolfgang

Establishment date: Dec 15, 1997

Status: Active

Mand.No.: TH -68062

L. customer visit:

(*free of charge*).

5. Balances to BdG are always to be transferred in favor of Sera Financial with specification of the reference addressed to Mr. Germain Rubbini.

The share certificate is held in the depository account of BTS Management Ltd. at LGT Bank in Liechtenstein AG, Vaduz (since Apr 9, 1999)

Tasks / history

Tasks can be seen in the respective overview lists (in each physical act).



LGT Treuhand
A Member of Liechtenstein Global Trust

LGT Treuhand
Aktiengesellschaft
Städtle 18+22
FL-9490 Vaduz
Fürstentum Liechtenstein
MWST-Nr. 50119

Telefon +423 235 27 27
Telefax +423 235 27 15
Internet
www.lgt.com/lgttreuhand
E-Mail lgttrust@lgt.com

Aktenvermerk

1/2

Thema	NEUGRÜNDUNG
Verfasser(in) / Tel.	Christina Meusburger
Datum	2. November 2000 / cho
Zur Erledigung	Rahel Kieber-Fuchs, Corina Hohl, Gruppe Support
Zur Kenntnisnahme	Dr. Pius Schlachter

— = Redacted by the Permanent
Subcommittee on Investigations

1. Allgemeines

Der Neukunde [REDACTED] besucht uns am 20. Oktober 2000. Der Kontakt zu [REDACTED] kam über Vermittlung eines langjährigen Kunden der LGT Treuhand, [REDACTED] zustande. [REDACTED] ist US-Passport-Holder und wohnt in [REDACTED]. [REDACTED] möchte seine bei der UBS Zürich liegenden Vermögenswerte, zumindest teilweise, in einen Trust einbringen. Die Bankbeziehung zur [REDACTED] unterhält [REDACTED] seit ca. 3 Jahren.

2. Sorgfaltspflicht

[REDACTED] übermittelt eine umfangreiche Dokumentation aus der die Herkunft seiner Vermögenswerte erklärbar ist.

**Redacted
by
Permanent Subcommittee
on Investigations**

In Anbetracht der verfügbaren Informationen bestehen keine Bedenken gegen die Entgegennahme der Vermögenswerte.

PSI-USMSTR - 007696

Aktenvermerk

2/2

3. Lösungsansatz

Ich erläutere eingehend Stiftung und Trust, wobei sich [REDACTED] schliesslich für einen liechtensteinischen Trust entscheidet. In diesen Trust wird [REDACTED] jene Vermögenswerte einbringen, die derzeit bei der UBS Zürich liegen und nicht in US-Securities investiert sind. Insgesamt handelt es sich dabei um ein Volumen von ca. 1.2 Mio USD.

Der Trust soll ein Konto bei der LGT Bank in Liechtenstein eröffnen. Auf dieses Konto soll der Übertrag des Vermögens stattfinden. Um die Spur von der UBS Zürich zum liechtensteinischen Trust abzuschneiden, empfehle ich die Zwischenschaltung einer Single Purpose Company. [REDACTED] scheint ein sehr vorsichtiger Mensch zu sein und ist auch in Anbetracht der relativ hohen Gebühren im Verhältnis zu den einzubringenden Vermögenswerten (CHF 10'000.-) damit einverstanden.

4. US-Person

[REDACTED] unterzeichnet den von Baker McKenzie entworfenen Indemnification Letter.

5. Details zum Trust

Weiters unterzeichnet [REDACTED] folgende Unterlagen:

- Auftrag an die LGT Trust Management Limited einen Trust zu errichten mit Gründungshonorar CHF 5'000.-- und jährlichem Honorar von 0.4% der Assets under Trust
- Declaration of Due Diligence
- Power of Attorney zu Gunsten von [REDACTED] ist Instruktionberechtigt des Trusts
- Letter of Wishes - solange [REDACTED] lebt, soll er am Trustgut begünstigt sein. Nach seinem Ableben soll sein Testament, das sich bei [REDACTED] befindet, Grundlage für die Begünstigung sein.

6. Antrag an die Geschäftsleitung

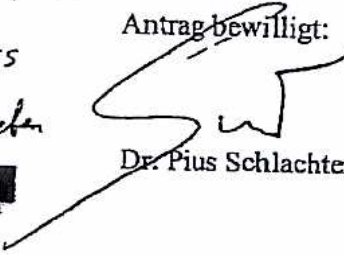
Ich ersuche die Geschäftsleitung um Genehmigung zur Gründung des beschriebenen Trusts.

1) Bankstatements UBS 21.12.99+98

2) Seriosität der Letteire muss sich aus den Unterlagen ergeben

3) Freistellungsverklärung [REDACTED] für US-Flener

Antrag bewilligt:


Dr. Pius Schlachter

15.11.00

[company logo] LGT Trust LGT Trust Telephone + 423 235 27 27
A member of Liechtenstein Global Trust Corporation Telefax + 423 235 27 15
Staedtle 18+22 Internet
Fl-9490 Vaduz www.lgt.com/lgttreuhand
Fuerstentum Liechtenstein Email lgttrust@lgt.com
MWST-Nr. 50119

— = Redacted by the Permanent
Subcommittee on Investigations

Memorandum for the record 1/2

~~Subject New Registration~~

Sender/Tel. Christina Meusburger

Date 2.November 2000/ cho

To: Rahel Kieber-Fuchs, Corina Hohl, Group Support

CC: Dr. Pius Schlachter [initialed]

1. General

The new client, [REDACTED], visits us on 20 October 2000. The contact with [REDACTED] was facilitated by a long time client of LGT Trust, [REDACTED] is a US passport holder and lives in [REDACTED]. [REDACTED] wishes to place his assets, currently with UBS Zurich, at least partially, in a trust fund in the [REDACTED]'s has had a banking relationship to UBS Zurich for approximately three years.

2. Liabilities

[REDACTED] hands over extensive documentation from which the origin of his assets can be traced.

**Redacted
by
Permanent Subcommittee
on Investigations**

In consideration of the available information, there remain no concerns against the acceptance of the assets.

3. Solutions

I explain in detail foundation and trust, whereby [redacted] decides on a Liechtenstein-based trust. [redacted] will transfer all the assets currently held in the UBS Zurich and that are not invested in US securities, to this trust. Collectively, this amounts to approximately 1.2 million US dollars.

The trust shall open an account in the LGT Bank in Liechtenstein. The transfer of assets should take place using this account. To cover up the tracks from UBS Zurich to the trust in Liechtenstein, I recommend an intermediary Single Purpose Company. [redacted] appears to be a very careful individual and seems to also be in agreement to the relatively high fees (CHF 10,000) related to the incoming assets.

4. US-Persons

[redacted] undersigns Indemnification Letter drafted by Baker McKenzie.

5. Details of the Trust

Furthermore, [redacted] undersigns the following records:

- Request to LGT Trust Management Limited to establish a trust with foundation fees of CHF 5,000.-- and annual fees of 0.4% of the Assets under Trust
- Declaration of due diligence
- Power of Attorney in support of [redacted] is individual holding power of attorney to give instructions of the trust.
- Letter of Wishes – as long as [redacted] is alive, he shall be beneficiary of the trust. After his passing, his will, which [redacted] has, shall serve as the foundation for the nomination of beneficiaries.

6. Request to the General Management

I seek out approval of the general management to acceptance of the establishment of the aforementioned trust.

Contract agreed:

[handwriting/notes:]

1. Bankstatements UBS 12.31.99 + 98
2. [unable to decipher]
3. [unable to decipher]

[signature]

Dr. Pius Schlachter

Document Properties	
---------------------	--

Feststellung des wirtschaftlich Berechtigten


Betreff: Überweisung/Einzahlung/Scheckeinreichung/Wertschriftenübertrag
in Höhe von ca. USD 1'200'000.--
zu Gunsten Konto Nr.
lautend auf... Sera Financial Corporation, B.V.I.
Rubrik (falls gegeben)...
bei Banque du Gothard, Succursale de Luxembourg
Datum der Transaktion... bis spätestens 31.12.2000

Der/die Unterzeichnete, BTS Management Limited, Tortola, als Direktor der Gesellschaft
Sera Financial Corporation, Tortola, B.V.I.

erklärt hiermit:

- dass folgende Person(en) an der obengenannten Transaktion wirtschaftlich
berechtigt ist/sind:
Name/Vorname:
Geburtsdatum/-ort:
wohnhaft in: USA
- dass die eingebrachten Werte rechtmässigen Ursprungs sind und weder aus
Drogen - oder Waffenhandel stammen noch aus anderen Verbrechen oder
Vergehen.

Der/Die Unterzeichnete nimmt davon Kenntnis, dass die Bank den Behörden gegenüber
zum Zeugnis und zur Auskunft verpflichtet ist, soweit Bestimmungen der luxemburgischen
Gesetzgebung dies vorsehen.

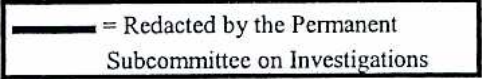
BTS MANAGEMENT LTD.


Ort und Datum: Vaduz, 31.10.00/soh
NFE
Unterschrift

2

Anlage: Kopie Ausweispapier des/der wirtschaftlich Berechtigten

Gotthard Bank
Luxemburg Branch Office
6, Avenue Maire-Therese
L-2131 Luxemburg

 = Redacted by the Permanent
Subcommittee on Investigations


Statement of Beneficiary

Subject: ~~e-transfer / deposit / check / transfer of securities~~

In the amount of: approx. USD 1,200,000

To account nr. 

Account holder: Sera Financial Corporation, B.V.I.

Rubric (if appl.) 


Bank du Gotthard, Succursale de Luxemburg

Date of Transaction no later than 12/31/2000

The undersigned, BTS Management Limited, Tortola, as Managing Director of the company Sera Financial Corporation, Tortola, B.V.I

Hereby declares:

that the following beneficiary(ies) is/are entitled to the above-referenced transaction:

Last name / First name: 

DOB: 

Resident in:  USA

that the assets in question are of rightful origin and do not stem from illegal drug or weapons trade or other criminal activities.

The undersigned understands that the bank is obligated to provide the competent authorities with information upon request in so far as provided by Luxemburg legislation.

Place / Date: Vaduz, 10/31/00 / soh BTS Management LTD

NFE

Signature

Attachment: copy of beneficiary's personal ID

Jaffra Development Inc. --> gelöscht am 23.07.2001 , Tort

SB: Bösch Wolfgang

KB: Bösch Wolfgang

Mand.Nr.: [REDACTED]

L. Kundenbesuch:

Gründungsdatum: 16.05.2000

Status: Gelöscht

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Verwaltungs- / Stiftungsräte

BTS Management Ltd., Tortola / B. Zeichnungsrecht: Kollektiv

Banken

LGT Bank in Liechtenstein AG, Vaduz

AB: Ritter Yvonne

ZR-Nr.: [REDACTED] Zlg-Kto:

Diverses

Anlageberater: Ritter Yvonne,
Aktien / Zessionen: Dossier / Gesellschaftsakt,
Repräsentant: Morgan & Morgan Trust, British Virgin Isl

Fix-Honorare

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00 Fakturierbares Pauschalhonorar: 0.00

Zweck

Single Purpose Gesellschaft

Besitznachweis, Verträge, Vollmachten

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

Pendenzen / Geschichte

Permanent Subcommittee on Investigations

EXHIBIT #80

PSI-USMSTR - 007934

Jaffra Development Inc. > cancelled on 07.23.2001, Tort

Assistant: Bösch, Wolfgang

Account Manager: Bösch, Wolfgang

Client Number: [REDACTED]

Last Client Visit:

Date Established: 05.16.2000

Status: Cancelled

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Management / Board of Advisors

BTS Management Ltd., Tortola / B.

Signatory Rights: Collective

Banks

LGT Bank in Liechtenstein Corp., Vaduz

Contact: Ritter, Yvonne

Ref. No.: [REDACTED]

Account:

Miscellaneous

Investment Advisor:

Ritter, Yvonne

Shares / Transfers:

Dossier / Corporation File

Representative:

Morgan & Morgan Trust, British Virgin Islands

Fixed Fees

Flat Fees

Value of Assets per: 0.00 due on: 0.00 Billable Flat Fee: 0.00

Purpose

single purpose corporation

Proof of Ownership, Contracts, Powers of Attorney

Special Instructions (Administration, Accounting, Bylaws, etc.)

Comments/History

Vereinbarung

— = Redacted by the Permanent
Subcommittee on Investigations


als Auftraggeber

und

JAFFRA DEVELOPMENT INC., Road Town, Tortola, B.V.I.

als Auftragnehmerin

Präambel

Die Auftragnehmerin ist eine indirekte Tochtergesellschaft der LGT Treuhand Aktiengesellschaft, Städtle 18, FL-9490 Vaduz, welche ihrerseits eine 100%ige Tochtergesellschaft der LGT Bank in Liechtenstein AG, Vaduz, ist.

Einzigiger Verwaltungsrat der Auftragnehmerin ist die BTS Management Ltd., Tortola, B.V.I.


Die Auftragnehmerin verpflichtet sich, keine, ausser die in nachfolgender Ziffer 2 in Verbindung mit Ziffer 3 erwähnte Transaktion über die JAFFRA DEVELOPMENT INC., B.V.I., zu tätigen und diese Gesellschaft keinem Dritten zur Verfügung zu stellen. Die Auftragnehmerin verpflichtet sich, für die vorliegende Transaktionen ein separates Konto bei der LGT Bank in Liechtenstein AG, Vaduz, zu eröffnen und nach Abschluss der Transaktionen, spätestens am 1. Januar 2001, diese Gesellschaft zu liquidieren.

Auftrag

1. Der Auftraggeber ermächtigt und beauftragt die Auftragnehmerin wie folgt und die Auftragnehmerin nimmt diesen Auftrag an.
2. Der Auftraggeber wird auf Konto Nr. 0166153 der Auftragnehmerin bei der LGT Bank in Liechtenstein AG, Herrengasse 12, FL-94590 Vaduz

**einen Betrag von ca. CHF 6 Mio
(Schweizer Franken sechs Millionen 0/00)**

in einer oder mehreren Tranchen nach telefonischem Voraviso an den Verwaltungsrat der Auftragnehmerin übertragen.

3. Die Auftragnehmerin wird - jeweils nach Erhalt einer Gutschrift - die gesamten Vermögenswerte oder die entsprechenden Vermögenswerte einer jeweiligen Tranche, abzüglich Kommissionen, Spesen (inkl. Kontrollöschungskosten) sowie Entschädigung, vom Konto Nr.  der Auf-

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tragnehmerin auf das Konto Nr. [REDACTED] lautend auf CHARIVARI STIFTUNG, Vaduz ("Empfänger"), bei der LGT Bank in Liechtenstein, in bar übertragen.

4. Die Auftragnehmerin garantiert, die kontoführende Bank entsprechend dem erteilten Auftrag weiter zu beauftragen.

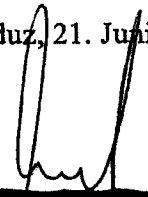
Im übrigen trifft die Auftragnehmerin keine wie immer geartete Haftung für die ordnungsgemässe Abwicklung der Übertragung, insbesondere übernimmt sie keine Garantie für die Abwicklung innerhalb bestimmter Fristen. Sämtliche aus der Abwicklung der Übertragung resultierenden Ansprüche hat der Auftraggeber direkt beim kontoführenden Institut geltend zu machen.

5. Für die Durchführung der gesamten Transaktion erhält die BTS Management Ltd. eine Pauschale von CHF 5'000.00, sowie zusätzlich Drittkosten, jeweils bewertet per Eingangstag auf dem Konto der Auftragnehmerin. Die Gründungs- sowie Liquidationskosten für die JAFFRA DEVELOPMENT INC. sind in dieser Entschädigung inbegriffen.

Diese Entschädigung ist auch geschuldet, wenn bis zum 31. Dezember 2000 keine Transaktion erfolgt. Diesfalls wird oben genannte Entschädigung am 1. Januar 2001 zur Zahlung fällig.

6. Änderungen und Ergänzungen dieser Vereinbarung bedürfen der Schriftform.
7. Dieses Vertragsverhältnis untersteht dem liechtensteinischen Recht. Für allfällige Streitigkeiten aus diesem Vertragsverhältnis vereinbaren alle Parteien die ausschliessliche Zuständigkeit des Fürstlich Liechtensteinischen Landgerichtes in Vaduz.
8. Der Unterfertigte bestätigt, dass er dieses Instrument nicht zur missbräuchlichen Inanspruchnahme des Bankgeheimnisses / Treuhändergeheimnisses verwenden wird und die Vermögenswerte nicht aus kriminellen Handlungen oder Unterlassungen herrühren.


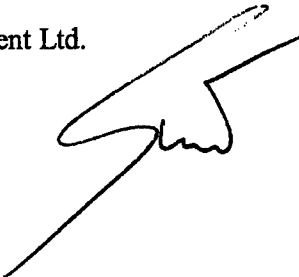
Vaduz, 21. Juni 2000


[REDACTED]

[REDACTED] = Redacted by the Permanent Subcommittee on Investigations

JAFFRA DEVELOPMENT INC., Auftragnehmerin

BTS Management Ltd.

PSI-USMSTR - 007936/

Agreement

[REDACTED]

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

as client

and

JAFFRA DEVELOPMENT INC., Road Town, Tortola, B.V.I.

as contractor

Preamble

The contractor is an indirect subsidiary of the LGT Trust Corporation, Städtle 18, FL-9490 Vaduz, which is for its part a 100% subsidiary of the LGT Bank in Liechtenstein Corp., Vaduz.

The sole entity of the administrative board of the contractor is BTS Management Ltd., Tortola, B.V.I.

The contractor undertakes that it will not effect any transaction through the JAFFRA DEVELOPMENT INC., B.V.I., except where mentioned in the following Item 2 in connection with Item 3, and that it will not place this corporation in the service of any third party. The contractor undertakes to open a separate account at the LGT Bank in Liechtenstein Corp., Vaduz, for the present transactions, and after completion of the transactions, at the latest by 01.01.2001, to liquidate this corporation.

Mandate

1. The client authorizes and instructs the contractor as follows and the contractor accepts this mandate.
2. The client will transfer to account no. [REDACTED] of the contractor at the LGT Bank in Liechtenstein Corp., Herrengasse 12, FL-94590 Vaduz

**an amount of approximately CHF 6 million
(six million 0/00 Swiss francs)**

in one or more installments after notice by telephone to the administrative board.

3. The contractor will, in each case after receipt of a credit voucher, transfer the total value of assets, or the corresponding total value of assets less commission, fees (including account cancellation costs) as well as compensation, from account no. [REDACTED] of the

contractor to the account no. [REDACTED] under the name of CHARIVARI FOUNDATION, Vaduz ("Recipient"), at the LGT Bank in Liechtenstein, in cash.

4. The contractor guarantees to re-commission the custodian bank corresponding to the mandate issued.

Incidentally, the contractor is not to be kept responsible in any way for the proper processing of the transfer, and it especially makes no guarantee to processing within a specified period of time. The contractor must make a claim with the custodian institution for all claims resulting from the processing of the transfer.

5. The BTS Management Ltd. receives a flat fee of CHF 5,000.00 for the completion of all transactions, as well as receiving additional outside costs, each of which is assessed on the day of deposit to the account of the contractor. The founding and liquidation costs for the JAFFRA DEVELOPMENT INC. are included in this compensation.

This compensation is still owed if no transaction occurs before 12.31.2000. In this case, the above-mentioned compensation is due for payment on 01.01.2001.

6. Changes and supplementation to this agreement must appear in writing.
7. This contract relation derives authority from the law of Liechtenstein. For possible disputes which arise from this contract relation, all parties agree to the exclusive jurisdiction of the royal district court of Liechtenstein in Vaduz.
8. The undersigned declares that he will not utilize this deed for improper usage of bank secrecy or trust secrecy, and that the values of assets do not originate from criminal activity or neglect.

Vaduz, 06.21.2000

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

[signature]
[REDACTED] Client

JAFFRA DEVELOPMENT INC., Contractor

BTS Management Ltd.

[signature] [signature]



Aktenvermerk

1/2

Thema	Luperla Foundation, Vaduz	<p><i>uk → spr</i> <i>zu Info</i> <i>(und Ablage?)</i></p> <p><i>nfe</i></p>
VerfasserIn/Abt./Tel.	Peter Widmer / R22 / 1296	
Datum	2. Mai 1997	
Zur Erledigung	Dr. P. Iob, LGT Treuhand Wilfried Ospelt E. Mattle	
Zur Kenntnisnahme	H. Nipp Dr. K. Bächinger	
Treffen mit:	- David Lowy - J.H. Gelbard	
Datum:	30. April 1997 im Hotel Savoy, Zürich	
LGT Bank:	P. Widmer	

1. Die Herren waren in Zürich um mit Sinitus Treuhand die Überträge der Vermögenswerte auf Luperla vorzubereiten. Ich bin mit Ihnen das Vorgehen nochmals durchgegangen:

- a) Ca. USD 54 Mio. (Saldi Crofton bei uns) gehen auf Konto Sewell bei uns (Auftrag kommt von Sinitus); anschliessend vergütet Sewell (Auftrag kommt von LGT T) den Betrag an Luperla. ✓
- b) Weitere rd. USD 3 Mio. werden durch Drittbankvergütung bei Sewell (Konto LGT) eingehen, welche ebenfalls auf Konto Luperla bei LGT zu vergüten sind (Auftrag LGT T). → Off 36 Mio. gen. K. Larica
- c) Crofton wird deren Konto bei Union Bank of Israel, Tel-Aviv schliessen lassen und Saldo (ca. USD 0.2 Mio.) auf Konto Sewell vergüten; Sewell zahlt auch diesen Betrag an Luperla bei LGT (Auftrag LGT T). ✓

Luperla soll dann USD 250'000.- auf deren Konto (durch LGT T bereits eröffnet) bei Union Bank of Israel vergüten. ✓

- d) Das Konto Sewell ist am 31.5.1997 zu saldieren und die Gesellschaft zu löschen. Auftrag durch LGT T. ✓

2. Die Belegexemplare "Regulations" und "Statutes" der Luperla Foundation habe ich von J. Gelbard gegenzeichnen lassen, diese liegen diesem AV für P. Iob bei.

Bezüglich der Stiftung ist somit alles i.O.

Permanent Subcommittee on Investigations

EXHIBIT #81



3. Bezüglich Anlagestrategie und Fees bleibt alles beim alten: Ertrag USD, All-in 70bp (siehe AV vom 23.1.1997).

Die neuen Investitionsvorschläge habe ich übergeben. Diese wurden geschätzt und als i.O. in Empfang genommen.

Nach Eingang der Gelder, voraussichtlich ab nächster Woche, resp. nach Anlaufen der Festgelder kann mit dem Anlageprozess begonnen werden, wobei ich nochmals festgehalten habe, dass es bis zur vollen Investition 1-2 Monate dauern kann.

4. Ich bitte die Geldflüsse mit E. Mattle zu koordinieren.

5. Nach Abschluss dieser Transaktionen sollen dann definitiv alle Unterlagen von "Crofton" und "Jelnav" vernichtet werden, soweit dies aus rechtlichen Gründen möglich ist. Ich bitte Dr. Iob um Bestätigung der Erledigung bis 30.6.1997.


P. Widmer

Beilage für Dr. Iob

Luperla is then to remunerate USD 250,000.00 to its account (already opened by LGT T) with Union Bank of Israel. ✓

d) The Sewell account is to be closed on May 31, 1997 and the company to be dissolved. Assignment through LGT T. ✓

[all ✓by hand]

2. I have had the file copies "Regulations" and "Statutes" of the Luperla Foundation countersigned by J. Gelbard; these are attached to this memo for P. Iob.

Regarding the foundation, everything is herewith in order.

3. Regarding investment strategy and fees everything remains the same: proceeds USD, all-in 70 bp (see memo of Jan. 23, 1997).

I have turned over the new investment suggestions. These were appreciated and received as in order.

After in payment of monies, probably starting next week, or after the fixed deposits run out, the investment process can be started, whereby I stated once more that it can take 1 – 2 months for full investment.

4. I request that the money flows be coordinated with **E. Mattle**.

5. After completion of these transactions, all documents from "Crofton" and "Jelnav" are definitely to be destroyed, insofar as this is legally possible. I ask Dr. Iob for confirmation of completion by June 30, 1997.

[signed]

P. Widmer

Enclosure for Dr. Iob
[not at hand for translation]

- 1/2 -

J. H. Gelbard

LGT Treuhand Aktiengesellschaft
att. Werner Orvati / Dr. Paolo Iob
Städtle 18
FL-9490 Vaduz

London, 12 March 1997

Formation of a Foundation by the name Luperla Foundation

Dear Sirs,

I kindly request you to set up the Luperla Foundation according to the following enclosed documents

- Formation Deed in English (Appendix A)
- Statutes of Foundation (Appendix B)
- Regulation of Foundation (Appendix C)

The payment of the capital in the amount of sFr. 30'000.- will be effected to the Foundation's account with LGT Bank in Liechtenstein AG, Vaduz.

As legal representative of the Foundation shall be appointed:

- LGT Treuhand Aktiengesellschaft

As Board Members of the Foundation with authority to sign any two jointly shall be appointed

- Dr. Konrad Bächinger, c/o LGT Bank in Liechtenstein
- Mr. Hans-Werner Ritter, Eichgasse 4a, FL-9490 Vaduz
- Mr. Peter Widmer, c/o LGT Bank in Liechtenstein AG, Vaduz
- Mr. Werner Orvati, c/o LGT Treuhand AG, Vaduz

Signatories on the account of the Foundation with LGT Bank in Liechtenstein shall be

- the Members of the Foundation Board according to their right to represent
- LGT Treuhand, singly

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The Foundation is to enter into a Management Agreement with LGT Bank in Liechtenstein AG, Vaduz as set out in Appendix D.

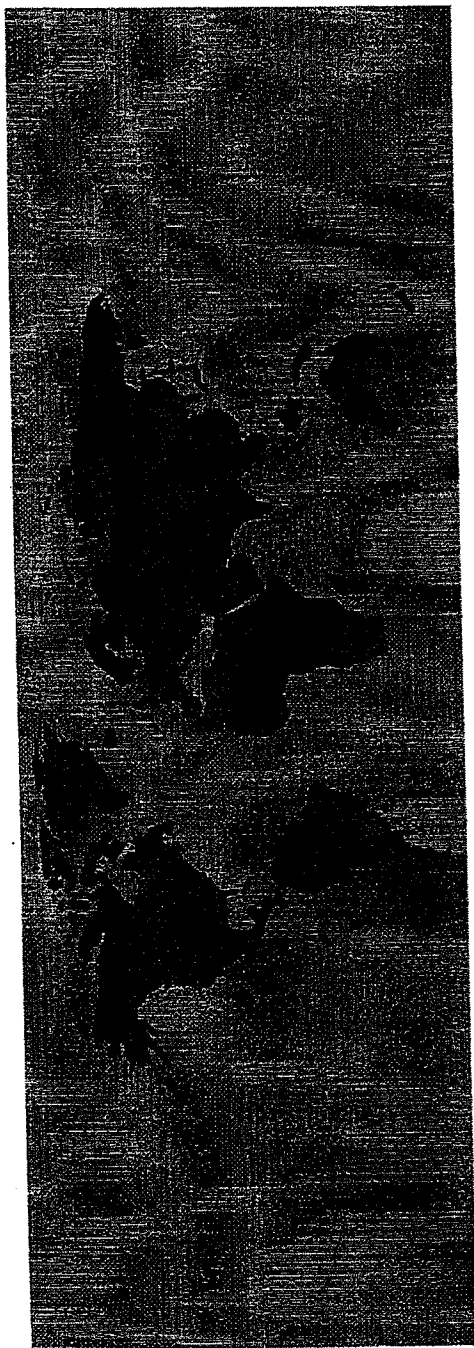
I agree that an annual all-in-fee of 0.7 % of the average Foundations' assets shall be debited to the Foundation in accordance with the above referred Management Agreement. This fee includes

- the management of the Foundation's assets
- the formation and administration of the Foundation and its bank accounts
- the formation and administration of a transfer company (with legal situs in the British Virgin Islands) and its bank accounts
- the annual tax and registration payments for the Foundation and the transfer company in Liechtenstein and the British Virgin Islands

I also have taken note of the fact that LGT Treuhand AG and LGT Bank in Liechtenstein AG accepts liability for any damage suffered by ourselves and or the Foundation and its Beneficiaries due to any breach of duty of the members of the Foundation Board delegated by LGT Treuhand AG and LGT Bank in Liechtenstein AG.

Yours sincerely,

J.H. Gelband



QUALIFIED INTERMEDIARY (QI)

STEP Event 2001 / September 14/15, 2001:

Presentation by Brigitte Arnold

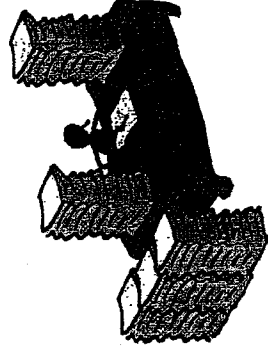
LGT Bank in Liechtenstein Aktiengesellschaft, Vaduz



LGT Bank in Liechtenstein
A Member of Liechtenstein Global Trust

QUALIFIED INTERMEDIARY (QI)

NEW US WITHHOLDING TAX REGULATIONS FROM THE BANKING PERSPECTIVE



New US Withholding Tax Regulations

- ◆ Withholding tax on interests and dividends on US securities
- ◆ Effective date - January 1, 2001
- ◆ Major Impacts
 - Documentation
 - Withholding
 - Reporting
 - Allocation
- ◆ Increased responsibilities for foreign intermediaries (QI vs. NQI)



Disadvantages of being a NQI

- ◆ Extensive documentation requirements:
 - Full disclosure of beneficial owner to the IRS.
Form W-8BEN or Form W-9 required for each account
- ◆ Full withholding of 30% on dividends and interests in case of non-disclosure
- ◆ Comprehensive reporting requirements
 - NQI must report taxable income for each underlying beneficial owner
 - Penalty of 20% of income in case of failure
- ◆ NQI liable for additional tax, interest and penalties

Becoming a QI is a must

- ◆ Relief from beneficial owner disclosure requirements
- ◆ Use of local KYC documentation is acceptable; not required to pass W-8 documentation on to withholding agent or IRS
- ◆ Documentation remains with the QI
- ◆ QI files income reports by „reporting pools“. No need for reporting by individual beneficial owners
- ◆ Simplified withholding and reporting requirements vs. a NQI



Qualification as QI (general)

- ◆ Approved Country Know-Your-Customer Rules
- ◆ Agreement with IRS
- ◆ Auditing of procedure (no requirement to divulge identity of account holders to IRS)

US Accounts

◆ Generally QIs and NQIs must pass Forms W-9 up to the US paying agent (full disclosure of names of US customers)

→ Backup withholding tax of 31% (*) on all dividends, interest payments and sales proceeds in case of non-disclosure

(*) progressively reduced to 28% during the next 5 years

QI Status of LGT Bank Vaduz

- ◆ Approval of Liechtenstein's KYCR by the IRS as per 28.02.2001
- ◆ Internal decision as per 01.03.2001 to become QI
- ◆ Application for QI status submitted to IRS as per 07.03.2001
- ◆ LGT Bank Vaduz permitted to act as a QI beginning 01.01.2001 (retroactive)

Documentation Benefits for LGT

- ◆ Client confidentiality maintained
- ◆ KYC available
- ◆ Documentation transition rules available
- ◆ Relief for simple and grantor trusts available
- ◆ → All QI benefits available



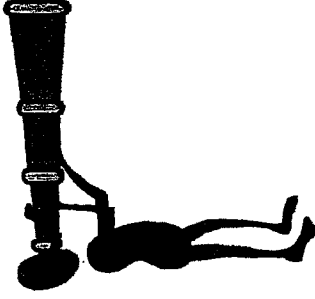
Simple and Grantor Trusts (FL Foundations etc.)

- ◆ LGT as QI bank avoids having to report underlying beneficial owners to IRS if
 - LGT as QI obtains documentation
 - LGT as QI additionally identifies beneficial owners (passport etc.)
- otherwise
- ◆ Full disclosure of underlying beneficial owners to IRS (QI and NQI)



Conclusion

The application of the QI Rules from the banking perspective; was it worth it?



Yes, because there is

No Banking or Security in the QI Rules





Impact of new US withholding tax regulations on non-US entities

1. Qualification of non-US entities under the US regulations

For the qualification of non-US entities, it has to be determined whether the entity itself can be regarded as the beneficial owner of the assets it holds, whether it is considered to be a US or a non-US person and whether it is a corporation (company) or a trust for tax purposes.

1.1. Beneficial ownership in general

US federal income tax law defines the beneficial owner as the person who, according to US tax law, is the owner of the relevant income for tax purposes and who beneficially owns the income. In general, a person is treated as the owner of the income, and thus as the beneficial owner, to the extent it is required under US tax principles to include the amount paid in gross income on a tax return. A person, who receives income as a nominee, asset manager or agent for another person or who has to be considered as a mere structure, can thus not be considered the beneficial owner under US tax principles.

1.2. US or non-US entity

Basically, an entity (corporation, company, partnership or other business entity) is regarded as being a non-US entity, if it is incorporated or created outside the territory of the United States.

Trusts (and foundations or similar vehicles without a commercial purpose) are regarded as being US trusts if a US court is able to exercise supervision over the administration of the trust (the so-called court test) and a US person has the authority to control all substantial decisions of the trust (the so-called control test). Both tests must be met at the same time in order for a trust to be qualified as a US person.

1.3. Business entity or trust

It is of importance for the classification of non-US entities, whether they were founded to pursue a commercial business activity (business entity) or not (trust).

1.3.1. Business entities

A business entity is a non-US business entity if the type of legal structure to which it belongs appears on the list of „per se corporations“ (see the appendix) published by the US authorities. This list contains an overview of countries with specified legal entities, e.g. the Swiss and Luxembourg AG, the UK Public Limited Company etc.

Or, if they do not appear on the „per se corporations“ list, non-US business entities can be classified according to the „check the box rules“:

- If, under local law, none of the shareholders/owners/members have unlimited personal liability for the debts of or claims against the entity (i.e. all these persons bear only limited liability), then the entity automatically and without having to make any special declaration will be classified as a corporation for US income tax purposes. It also has the option under the check the box rules to explicitly elect to be treated as a partnership, e.g. as a transparent "flow through" entity. To do so, it must file a Form 8832 with the US tax authorities.

- If, under local law, any or only one shareholder/owner/member has unlimited liability for the debts of or claims against the entity, then the entity will basically be treated as a (transparent) partnership. Such an entity also has the possibility under the check the box rules to opt explicitly to be treated (if there is more than one member) as a corporation (by filing Form 8832) for US income tax purposes.
- The same rules apply to an entity which is owned by a sole owner. If this person does not bear unlimited liability, the entity will basically be treated as a corporation (unless an explicit election to the contrary has been made). In contrast, if the person does bear unlimited liability, the entity will be disregarded unless it has explicitly elected to be treated as a corporation (by filing Form 8832).

The above classification rules apply irrespective of whether the shareholders/owners/members are US persons or non-US persons.

US tax legislation contains special rules concerning Controlled Foreign Corporations, Personal Holding Companies, Passive Foreign Investment Companies etc., which cannot be dealt with within the scope of these explanations.

1.3.2. Trusts

According to US law, a trust exists if it was created by a will or by an inter vivos declaration whereby trustees take title to property for the purpose of protecting or conserving it for the beneficiaries. The persons who created such a trust might also be the beneficiaries. Generally speaking, a trust exists according to US law if the arrangement is to vest in trustees responsibility for the protection and conservation of beneficiaries who cannot share in the discharge of this responsibility. Trustees and beneficiaries do not therefore form a joint enterprise for the conduct of business, i.e. they do not form a business entity.

Trusts are further divided into grantor trusts, simple trusts and complex trusts.

a. Grantor trusts

The following trusts are grantor trusts according to US tax law if the grantor, the person who settled or funded the trust, is still alive:

- Any non-US trust established by a US person (citizen, resident alien) for the benefit or potential benefit of a US person. Normally, any non-US trust so established will be considered for the benefit of US persons, except if any such benefit to US persons is explicitly prohibited.
- Any non-US trust established by a non-US person, if such person within five years after establishing the trust becomes a US person (citizen, resident alien). This will lead to the trust being treated as if established by a US person.
- Any non-US trust established by a non-US person, if the trust is revocable.
- Any non-US trust established by a non-US person, whereby only the settlor or the settlor's spouse may benefit from distributions from the trust during the lifetime of the settlor.
- Any non-US trust established by a non-US person prior to September 19, 1995 and which is a "grandfathered" grantor trust according to US tax law.

b. Simple trusts

If a trust does not fulfil the criteria of a grantor trust, it is regarded as a simple trust, if it is required

- under the governing documents to distribute all the trust's income annually on a current basis to the beneficiaries, and
- the trust is not allowed to distribute or accumulate income or gains for charitable purposes, and
- the trust does not in fact distribute any capital or accumulated income in excess of current income.

c. Complex trusts

Trusts, which are neither grantor trusts nor simple trusts, are regarded as complex trusts.

d. Non-US foundations (e.g. Liechtensteiner foundations and similar entities)

Foundations and similar vehicles, which normally cannot be formed to pursue commercial objectives but have as their main objective the preservation of family wealth, will be treated as trusts under US tax principles. The basic rules described above for trusts are therefore applicable. The same could apply to similar entities (e.g. Liechtenstein trust enterprises (Trust Reg.), trusts and establishments). On the other hand, if such an entity does pursue commercial business purposes and activities, it should be classified in accordance with the check the box rules. Therefore, such entities always have to be examined to ascertain whether they are to be treated as transparent or non-transparent.

e. Trusts/foundations with underlying company

With these structures, the trust (or the foundation etc.) is not the entity which holds the investments but rather a business entity. This entity (and not the trust) is then the bank's regular client. The question of which structures are to be classified for tax purposes is determined according to the rules applying to business entities („per se corporations”, „check the box rules”).

2. Tax treatment of business entities and trusts under the withholding regulations

2.1. Business entity

Non-US business entities, which are either included on the list of „per se corporations“ or classified as corporations according to the „check the box rules”, are basically regarded as the beneficial owners of the securities and income which they hold. The restriction that a person, who receives income as a nominee, asset manager, or trustee or who serves purely as a conduit, is not recognized as the beneficial owner applies fully in this case.

In cases where the entity cannot be regarded as the beneficial owner, it is considered to be an intermediary for tax purposes.

2.2. Trusts

Grantor trusts and simple trusts are regarded as transparent entities for tax purposes. They are not recognized as being the beneficial owners of the assets they hold, but rather as intermediaries.

In contrast, complex trusts are regarded as beneficial owners.

3. Consequences of tax classification within the scope of the Qualified Intermediary regulations

In order for the banks with Qualified Intermediary (QI) status to meet the requirements of the QI Agreement they must be aware of the tax status of their custody account holders. An adequate approach to this problem is by asking the client to confirm his or her status either on a declaration statement or the official IRS forms provided for this purpose.

3.1. Entities which are recognised as beneficial owners

Non-US entities, which can be regarded as the beneficial owners of the assets they hold, are obligated to confirm these circumstances on the declaration of non-US status to be passed on to LGT Bank in Liechtenstein Aktiengesellschaft, Vaduz. This will enable LGT Bank in Liechtenstein Aktiengesellschaft, Vaduz, to treat the entity as a non-US person. The form with regard to non-US status will remain with the bank, i.e. neither the declaration nor the information it contains will be forwarded to the USA.

3.2. Entities which are regarded as intermediaries

3.2.1. General

If a non-US entity is not regarded as a beneficial owner but rather as an intermediary according to the US tax regulations, it is not entitled to submit a Form W-8BEN. It must inform LGT Bank in Liechtenstein Aktiengesellschaft, Vaduz, of its status on the Form W-8IMY and on the declaration regarding non-US status. The W-8BEN forms of the actual beneficial owners are to be attached to these forms. LGT Bank in Liechtenstein Aktiengesellschaft, Vaduz, is obligated to forward these forms to its US custodian, which will pass the information on to the US tax authorities (with the exception of the declaration regarding non-US status, which is kept solely at the bank).

LGT Bank in Liechtenstein Aktiengesellschaft, Vaduz, will only disclose the names of its custody account clients and the actual beneficial owners with the explicit consent of the custody account client concerned.

3.2.2. Special relief measures for grantor and simple trusts / Liechtenstein foundations and similar vehicles (which do not have US persons as the grantor or beneficiaries)

At the beginning of December 2000, the US tax authorities (IRS) issued supplementary regulations which provide a significant improvement with respect to non-US trusts and offshore foundations (e.g. Liechtenstein foundations), which are treated as equivalent to trusts according to US tax law, as well as to similar entities that are not themselves regarded as being the beneficial owners (i.e. grantor and simple trusts). A decisive point in this supplementary ruling is that in the case of these legal structures, the identity of the custody account client and the beneficial owner does not have to be disclosed to the US custodian and the US tax authorities if, in addition to the Forms W-8IMY for the trust (foundation) and W-8BEN for the beneficial owner (the grantor or beneficiary), the QI bank also receives from the beneficial owners those documents which identify them as the beneficial owners according to the valid know-your-customer rules.

Custody account clients of LGT Bank in Liechtenstein Aktiengesellschaft, Vaduz, can benefit directly from these relief measures. To do so, they must submit to LGT Bank in Liechtenstein Aktiengesellschaft, Vaduz, in addition to the declaration regarding non-US status, a legally signed Form W-8IMY for the trust concerned together with the Forms W-8BEN for the grantor and the beneficial owners, as well as a certified photocopy of the passports of these persons. Generally, the photocopies can be certified by a notary public, a court or another recognized certification authority. All the submitted forms (declaration regarding non-US status, W-8IMY, W-8BEN, photocopies of passports) will be kept exclusively at the bank and not forwarded to the US custodian or the US tax authorities.

In cases where US persons are involved as beneficial owners, these relief measures do not apply. In such instances, as was previously the case, the persons concerned must disclose their identity to the US tax authorities using Form W-9.

3.3. Responsibilities

The responsibility for the correct qualification of the entity as a beneficial owner or intermediary lies solely with the entity and/or with the persons which represent it. In cases of doubt, a tax expert should be consulted in view of the important consequences attached to an incorrect qualification as a beneficial owner (submission of a Form W-8IMY and disclosure of the beneficial owner on Form W-8BEN).



[Redacted] = Redacted by the Permanent Subcommittee on Investigations

Aktenvermerk

Thema **Neugründung LRAB Foundation, Vaduz (Weiterentwicklung)**

Verfasser(in) / Tel. **Mag. Hans-Jörg Gatt**

Datum **13. September 2002 / HJG**

Zur Erledigung **Barbara Gmeiner (BGI)**

Zur Genehmigung **Compliance / Geschäftsleitung / Teamleitung Sonja Sprenger**

LGT TREUHAND AG / STELLE COMPLIANCE

Eingangsdatum: 12/10/02

GEPRÜFT IM SINNE DER BESTEHENDEN RICHTLINIEN

Visum CO: [Signature]

Datum: 12/10/02

1. Privatkonto bei LGT BIL, Vaduz

Auf dem bestehenden Konto bei LGT BIL werden relativ grosse Summen transferiert. Aus diesem Grund hat Herr Skwaric Herrn Karl Frick von der Compliance zur Kundenbesprechung hinzugezogen. Die Beurteilung von Karl Frick liegt als Kopie bei.

2. Marc Rich

Marc Rich war Inhaber eines Firmengeflechts in CH welches vornehmlich im Warenhandel tätig war. Zeitweise waren über 1'500 Personen alleine in CH für ihn tätig und ein Umsatz von über USD 44.5 Mia. (2001, siehe Kopie) wurde erzielt. Er hat seine Anteile an Angestellte verkauft, welche die Firma unter dem Namen Glencore International weiterführen. Marc Rich ist eine umstrittene Person und teilweise in seinen Methoden sehr fragwürdig. Andererseits sieht man, dass in diesem Jahr auf dem Privatkonto des [Redacted] ausschliesslich Eingänge von Glencore waren und somit die Angaben der Kunden untermauert werden.

3. Einschätzung der Compliance LGT BIL

Der gute Eindruck den ich von den Kunden habe wird im beigelegten email auch von Karl Frick von der Bank bestätigt. Folgendes möchte ich aber anbringen. Die ausgehenden Transfers auf dem Privatkonto bei LGT BIL haben ein Volumen von ca. USD 1 Mio. / pro Jahr. Dies sind die Bürokosten, Frachtkosten und Zahlungen im Rahmen ihrer geschäftlichen Tätigkeit. Ein kleiner Teil der Zahlungen gehen aber in die USA und nach Panama und können als Schmiergeldzahlungen eingestuft werden. Glencore International hat sie als ihr grösster Partner in Ecuador ersucht, diese Zahlungen an Dritte weiterzugeben. Dieses System wurde erst 2002 errichtet und die Kunden sind damit sehr unglücklich. Früher wurden die Zahlungen von Glencore International direkt an besagte Personen geleistet. [Redacted] gibt an, dass er nochmals mit Glencore sprechen wird, aber gleichzeitig Angst hat, dass sie Glencore als Kunden verlieren könnten.

4. Panamagesellschaft

Ich habe mit den Kunden die Möglichkeit einer Panamagesellschaft als Kontoinhaber und „Durchgangskonto“ besprochen. Ich habe aber, in Absprache mit SPR, **abgelehnt**, dass wird als Direktoren einer solchen Gesellschaft agieren. Mein Eindruck ist, dass sich die Kunden ihrer Situation sehr bewusst sind, sie können auch das Risiko sehr gut abschätzen, können aber an der Situation momentan nichts ändern. Die Zahlungen sind jedenfalls mit Karl Frick besprochen und können auch weiterhin erfolgen.

[Signature]
Mag. Hans-Jörg Gatt

Permanent Subcommittee on Investigations
EXHIBIT #83

Note for File

Subject: **New Establishment of LRAB Foundation, Vaduz [STAMPED]**

Writer/ Tel.: **Mag. Hans-Joerg Gatt**

Date: **13 September 2002 / HJG**

For Execution: **Barbara Gmeiner (BGI)**

For Notice: **Compliance [INITIALED] / Executive [INITIALED] / Team Management Sonja Sprenger**

1. Private Account with LGT BIL, Vaduz

Relatively large sums will be transferred into the existing account with LGT BIL. For this reason, Mr. Skwaric has called on Mr. Karl Frick from Compliance for a client meeting. The assessment from Karl Frick is attached as a copy.

2. Marc Rich

Marc Rich was the proprietor of a network of firms in Switzerland which were primarily active in merchandising. At times, over 1,500 persons in Switzerland alone were employed by him and a turnover of over USD 44.5 billion (2001, see copy) was achieved. He sold his portion to an employee, who continued to run the business as a firm under the name Glencore International. Marc Rich is a controversial person and very questionable with his methods. On the other side, in this year, one can see that subsequent deposits from Glencore were made into the private account of the [REDACTED] and therefore confirm the information of the clients.

3. Evaluation of Compliance LGT BIL

The good impression which I have from the clients is also confirmed in the attached email from Karl Frick of the bank. I would like to add the following. The out-going transfers from the private account with LGT BIL have an amount of ca. USD 1 Million/per year. These are the office costs, carrying costs and payments in the realm of their commercial activity. A small portion of the payments go however to the USA and Panama and may be classified as bribes. Glencore International asked its largest partner in Ecuador to pass these payments on to third parties. This system was first established in 2002 and, for this reason, the clients are very unlucky. Previously, the payments from Glencore International were made directly to said persons [REDACTED] declares that he will speak with Glencore again, but is also afraid that they could lose Glencore as clients.

4. Panama Corporation

I have discussed the possibility of a Panama Corporation as account holder and "transit account" with the clients. I have however, in agreement with SPR, dismissed our acting as director of such a corporation. My impression is that the clients know their situation very well; they can also assess the risks very well, but cannot change any part of their situation at the moment. The payments are however discussed with Karl Frick and can occur further.

[SIGNED]
Mag. Hans-Joerg Gatt

Wealth Management and Business Banking
CLIENT ADVISOR'S GUIDELINES FOR IMPLEMENTATION AND MANAGEMENT OF
DISCRETIONARY ASSET MANAGEMENT RELATIONSHIP WITH U.S. CLIENTS

Introduction

As of January 2002, UBS has determined to serve its U.S. resident client base through their existing banking relationships, for clients with securities holdings ideally coupled with a discretionary asset management relationship. ~~In no cases, will UBS entertain relationships with securities-related communication from or to the United States.~~ Client Advisors have a significant role in implementing the discretionary asset management relationship and managing it for those clients that adopt it. They also must make sure that no securities-related communication from or to U.S. territory occurs. These guidelines set out the effect of adopting the discretionary asset management relationship, the process for implementing its adoption for clients and guidelines for managing the discretionary asset management relationship once it is adopted by the clients.

A. Effect of adopting the discretionary asset management relationship

Most importantly, UBS will have the duty to manage the client's discretionary account in accordance with the investment mandate selected by the client. However, because the client is granting UBS discretionary authority, UBS will make decisions concerning the trades in securities to be made in the discretionary account.

Under United States (US) tax regulations, trades in foreign (non-US) securities on behalf of a US person – effected by a UBS portfolio manager with discretion from a bank office of a non-US bank outside the territory of the US – will not be viewed as being done on US territory, and will therefore be considered to be effected outside of the US. Accordingly, such trades will not be subject to reporting under [the US Internal Revenue Service's (IRS) deemed sales rules or the QI Agreement, which UBS has entered into with the US IRS.

Under US securities regulations, trades effected in securities - by a UBS portfolio manager with discretion ~~from a bank office of a non-US bank outside the territory of the US – should not trigger registration requirements under the US laws governing brokers and investment advisers (provided, in the case of the law governing investment advisers, the guidelines set out below for the management of the discretionary asset management relationship are carefully followed).~~

B. Process for implementing the discretionary asset management relationship

In summary, (and subject to special treatment for some non-standard clients discussed below), US client relationships will be restructured into discretionary asset management contracts (i.e., PM mandates or managed fund portfolios), (1) through a letter (and in some cases, a phone call) to the client alerting the client that no securities orders will be accepted from them, (2) oral agreement (by telephone) by the client to the discretionary asset management relationship and (3) follow-up as soon as possible to obtain a contract that must be concluded and signed outside the US at the next possible meeting.

Immediate Action – As of 17 January 2002

- (1) Send letter to all PB and PCC clients (except APS/AFS and W-9 clients)
- (2) Cease to accept customer instructions from US territory
- (3) Ensure retained mail implemented for all PB and PCC clients
- (4) Prepare for call to PB and PCC clients by: (a) identifying active traders, (b) determining the appropriate investment mandate and whether there are any special instructions, (c) determining standard pricing for asset size and investment mandate
- (5) Start calling all PB and PCC clients that conduct active trading [visit key clients] to obtain the agreement of such clients to the discretionary asset management relationship: use attached Script, Questionnaire Answer and Note to File which includes the details that must be covered in obtaining the client's agreement to the discretionary relationship

Follow up Action

- (1) If client agrees, arrange and hold meeting with client outside of the U.S. for client to sign documents
- (2) If client does not agree, complete asset transfer instructions

Ongoing Action for non-active Clients

When a trading instruction is received from clients, follow step (4)(b) and (c) and (5) above under Immediate Action and take appropriate step under Follow up Action

APSAFS Clients

Such contracts (note: **not** the entire relationship) have to be terminated immediately

W-9 Clients

W-9 clients have been centralized into a specialized unit to ensure appropriate handling. Please refer to the following link:

<http://bw.ubs.com/page/0/36/0,1080,636-157251-1-0,00.shtml>

C. Guidelines for managing the discretionary asset management relationship once it is adopted

It is critical that no further instructions are received from PB and PCC clients while they are in the US. In addition, Client Advisers are not permitted to communicate advice or information about the client's securities portfolio while the client is in the US. Set out below are the kinds of communications that are not permitted and the kinds of communications that are permitted.

Communications that are not permitted

No marketing of advisory or brokerage services regarding securities –

- No direct mailings
- No telemarketing
- No e-mail or other electronic communications
- No seminars

No use of US mails, e-mail, courier delivery or facsimile regarding the client's securities portfolio –

- All account documentation must be executed outside of the US
- No account statements, confirmations, performance reports or any other communications

No use of telephone calls into the US regarding the client's securities portfolio –

- No calls to client regarding performance, securities purchased or sold or changes in the investment mandate for the client
- No responding to inquiries regarding any of the same if the client calls from the US

No discussion of or delivery of documents concerning the client's securities portfolio while on visits in the US with the client –

- No discussion of performance, securities purchased or sold or changes in the investment mandate for the client
- No delivery of documents regarding performance, securities purchased or sold or changes in the investment mandate for the client

Client Advisors may communicate with the clients regarding any aspect of the client's private banking relationship – except the securities portfolio – (in the case of PB clients) and banking (in the case of PCC clients) with UBS. These aspects could include information or discussion regarding, for example, the client's deposit account, non-securities holdings or loans. Communications regarding these aspects of the relationship can take place while the client is in the US through the telephone, mails, email, facsimile or while the Client Advisor is visiting in the US with the client.

Cross-Border Banking Activities into the United States (version November 2004)

1. Introduction; Regulated Activities in United States and Status of UBS Entities

The U.S. legal regulatory framework draws an important distinction between banking and securities activities:

Banking activities, most important cash and custody services, are governed by various federal and state laws and are regulated by various federal and state banking supervisors, including, in the case of UBS AG's branches, agencies, and bank depository subsidiaries, the Federal Reserve Board (the "Board"), the Office of the Comptroller of the Currency ("OCC"), the Federal Deposit Insurance Corporation ("FDIC") and the Connecticut, Illinois and Utah state banking departments.

Securities related activities (i.e., broker-dealer, investment advisor) are governed by various federal and state laws and are regulated by the Securities and Exchange Commission ("SEC") and state securities supervisors. Broker-dealers also are members of, and governed by, a self-regulatory organization ("SRO") known as the National Association of Securities Dealers ("NASD"). There is a separate regulator and regulatory scheme for providers of commodities services.

UBS AG has several U.S. branches and agencies and various non-banking subsidiaries all properly licensed, but these licenses do not encompass cross-border services provided to U.S. residents by UBS AG offices or affiliates outside of the United States. (Unless otherwise specified, all references herein to "UBS AG" refer to offices located, or employees based, outside of the United States).

2. Advertising & Events

Advertising: Some state laws prohibit banks without a banking license from that state from soliciting deposits from that state's residents. States also may prohibit non-licensed lenders from making certain loans to consumers in such states. Any entity outside of the United States that is not registered with the SEC (and, in the case of brokerage activities, with the NASD) may not advertise securities services or products in the United States. Therefore, UBS AG will not advertise and market for its services with material going beyond generic information relating to the image of UBS AG and its brand in the U.S.

Events. UBS AG may not organize, absent an opinion from Legal, events in the U.S.

3. Establishing Relationships with New Clients Resident in the United States

Securities services/products. UBS AG may not establish relationships for securities products or services with new clients resident in the United States with the use of U.S. jurisdictional means. Thus, it must ensure that it does not contact securities clients in the United States through telephone, mail, e-mail, advertising, the internet or personal visits.

Banking services/products. To avoid possible violations of state law and/or to avoid establishing and maintaining a place of business in the United States, UBS AG should ensure that:

- No marketing or advertising activity targeted to U.S. persons takes place in the United States;
- No solicitation of account opening takes place in the United States;
- No cold calling or prospecting into the United States takes place;

- No negotiating or concluding of contracts takes place in the United States;
- No carrying or transmitting of cash or other valuables of whatever nature out of the United States takes place; The same applies to actively organizing such transfers or attempting to circumvent this prohibition through other means.
- No routine certification of signatures, transmission of completed account documentation, or related administrative activity on behalf of UBS AG takes place;
- Employees do not carry on substantial activities at fixed location(s) while in the United States thereby establishing an office or maintaining a place of business.

Outside the United States. Soliciting and accepting banking business from U.S. residents while they are outside of the United States generally is not problematic.

4. Maintaining Relationships with Clients Resident in the United States

Securities services/products. UBS AG may not maintain relationships for securities services or products with clients resident in the United States, unless the relationship is conducted without the use of U.S. means (e.g., telephone, mail, e-mail, advertising, the internet or personal visits into the United States) and consistent with procedures UBS AG has established in this regard.

Banking services/products. If UBS AG obtains a U.S. resident client for banking services without violating the restrictions set forth in section 3 above, it may service the account:

- UBS AG may provide statements, account information and transaction confirmations to the client, provided it does so in accordance with the terms agreed by the client and in compliance with all applicable internal procedures.
- UBS AG may provide product and service information subject to the points mentioned in section 6 below.
- UBS AG may certify signatures, transmit account documentation and conduct related administrative activity for existing clients.

Under no circumstances will UBS AG be carrying or transporting cash and other valuables of whatever nature on behalf of clients into or out of the United States. The same applies to actively organizing such transfers or attempting to circumvent the prohibition.

When traveling cross-border, UBS AG employees always must remember that all clients of UBS AG expect us to take all necessary steps to safeguard confidentiality. Client advisors are referred to separate guidance on the protection of confidential information and other available resources that may assist.

5. Dealing with Financial Intermediaries and other Non-Private Clients Resident in the United States

Securities services/products. UBS AG may not deal with financial intermediaries or other non-private clients resident in the United States in matters relating to securities services and products, except for registered broker-dealers and U.S. licensed banks, provided that it does not directly or indirectly deal with the private and non-private clients of such broker-dealers and banks.

Banking services/products. UBS AG may accept referrals from financial intermediaries in the United States, provided that the financial intermediaries (i) do not work for UBS AG, (ii) do not actively market UBS AG services and products, and (iii) make referrals only to accommodate client requests. In dealing with such intermediaries, UBS AG must comply with the restrictions set forth in sections 3 and 4 above.

6. Product Offering

Securities products. All securities products offered to U.S. persons must be compliant with U.S. laws, which generally means that they must be registered with the SEC. The purchase of securities may be exempt from registration if certain conditions are met.

Lending products. It may be necessary to obtain a state license to offer lending products, depending on the purpose, amount, interest rate and borrower of the product. There is a reasonable argument that federal consumer protection laws do not apply to products offered by non-U.S. entities, but state consumer protection laws (e.g., anti-usury) may apply.

Research. UBS AG research may not be distributed to clients in the United States, except in very limited circumstances.

E-Banking. UBS AG has implemented specific restrictions for e-banking for U.S. customers.

Restrictions on Cross-Border Banking and Financial Services Activities

Country Paper USA¹
(Effective Date June, 1st, 2007)

Permanent Subcommittee on Investigations

EXHIBIT #86

¹ The terms "USA" or "United States" for the purposes of this paper also embraces all territories and dependencies of the United States, e.g., Puerto Rico.

1. Introduction

- 1.1 **Overview of U.S. Regulatory Framework:** The United States has a comprehensive legal framework concerning the regulation of banking and securities services that generally requires a financial institution that provides banking or securities services to persons in the United States to be licensed by an appropriate federal regulator and/or one or more U.S. state regulators. The U.S. legal regulatory framework distinguishes between *banking* and *securities* activities (and among particular securities activities, i.e., investment advice [including discretionary asset management], brokerage, and investment funds). As discussed below, in some cases the rules relating to securities services are more restrictive than the rules applicable to banking services.
- 1.2 **U.S. Presence of UBS Global WM&BB:** UBS AG has several U.S. offices and affiliates, each a "U.S. Licensed Office", that are licensed to provide banking services, securities services, or both in various U.S. states (such as UBS AG's branch offices in New York and UBS Financial Services Inc.). However, these licenses do not permit non-U.S. offices or affiliates of UBS AG to provide banking or securities services to U.S. residents.²
- 1.3 **Purpose of this Paper:** In addition to its U.S. Licensed Offices, UBS AG, through the employees of its non-U.S. offices and affiliates ("UBS Employees"), is interested in servicing U.S. residents, but only to the extent permitted by U.S. law. Failure to comply with U.S. rules and regulations may result in substantial civil, administrative and criminal sanctions against UBS AG and its employees and could have a substantial negative impact on UBS AG's reputation in the United States. Accordingly, all UBS non-U.S. offices and affiliates must conduct their business with U.S. residents in strict accordance with the rules and limitations set forth in this Country Paper.

This paper is intended for use by (i) any UBS Employee who has any contact with an existing or prospective client who is a resident of the United States, including but not limited to Traveling Officers, and (ii) any UBS Employee who has supervisory or compliance responsibilities with respect to such UBS Employees. All staff concerned must sign the certification mentioned in Section 2.1.3. to confirm compliance with this Country Paper.

- 1.4 **Definitions**
- 1.4.1 **UBS AG or UBS:** Unless stated otherwise, references to "UBS AG" or "UBS" refer to offices or affiliates of UBS AG located outside of the United States.
- 1.4.2 **UBS Employee:** Any employee or officer of a non-U.S. office or affiliate of UBS.
- 1.4.3 **Traveling Officer:** Any UBS Employee who travels to the United States and meets with a person resident in the United States who is either an existing or prospective client of UBS.

² UBS Swiss Financial Advisers AG ("UBS SFA"), a Swiss subsidiary of UBS AG registered with the U.S. Securities Exchange Commission ("SEC") as an investment adviser and with the Swiss Federal Banking Commission as a securities dealer is able to solicit U.S. resident prospects and service U.S. resident customers. As with U.S. Licensed Offices UBS SFA's licenses do not permit other non-U.S. offices or affiliates of UBS AG to provide banking or securities services to U.S. residents.

1.4.4 **Communication Concerning Securities Services or Products:** Any communication to facilitate, induce or attempt to induce a securities transaction or any communication concerning the advisability of purchasing or selling a specific security or securities in general.

1.5. **More Information:** Questions concerning this paper or the obligations and limitations discussed in this paper should be directed to:

Franz Zimmermann, Legal, Global WM&BB

Thomas Christen, US Competence Center, Global WM&BB

2. General Principles

- 2.1 **Travel to the United States:** UBS Employees may travel to the United States to meet with existing and prospective clients **so long as** all of the requirements and restrictions of this Country Paper are met.
- 2.1.1 Travels must be kept to a minimum.
- 2.1.2 Each Traveling Officer must be properly trained on the rules set forth in this Country Paper before traveling.
- 2.1.3 Each Traveling Officer must confirm compliance with the restrictions set forth in this Country Paper by signing a specific certification.
- 2.1.4 Before each trip to the United States, a Traveling Officer must obtain specific approval from his or her supervisor supported by submission of a travel plan listing those events the Traveling Officer intends to attend, and those existing and prospective clients the Traveling Officer intends to meet.
- 2.1.5 After returning from each trip to the United States, a Traveling Officer must report to his or her supervisor about all events attended and all existing and prospective clients visited, and to confirm that he or she complied with the provisions of this Country Paper.
- 2.2 **UBS Activities Outside of the United States:** The restrictions set forth in this Country Paper generally do not apply to communications or dealings between UBS and an existing or prospective client while that client is located outside of the United States.
-
- 2.3 **No Place of Business in the United States:** A UBS Employee may not engage in any activity that would result in UBS establishing a place of business in the United States.
- 2.3.1 A Traveling Officer must not carry on substantial activities at any fixed location in the United States thereby establishing an office or maintaining a place of business.
- 2.3.2 An existing or prospective client should not be able to predict or anticipate when or where a Traveling Officer will be in the United States without having made a specific appointment.
- 2.4 **No Communications Concerning Securities Services or Products via U.S. Jurisdictional Means**
- 2.4.1 A UBS Employee may not communicate concerning securities services or products with a person resident in the United States when such person is in the United States. This includes visits at a U.S. address and communications by mail, telephone, e-mail, facsimile, telex or otherwise to the United States.
- 2.4.2 A client relationship for a U.S. resident with securities holdings must either (i) be subject to a strictly enforced retained mail policy or (ii) have a correspondence address outside the United States.
- 2.4.3 Any client request to receive mail relating to a securities account at a U.S. address or otherwise receive information concerning securities services or products in the United States must be denied.

- 2.4.4 While in the United States a Traveling Officer must not discuss securities services or products with a client.
- 2.4.5 While in the United States, a Traveling Officer must not hand out to the client any document that relates to the client's securities holdings.
-
- 2.4.6 While in the United States, a Traveling Officer must not distribute to, collect from, or discuss with an existing or prospective client any contract, brochure or other document that relates to securities services or products
- 2.4.7 A UBS Employee, including a Traveling Officer, must respond to a U.S. resident client's inquiries concerning securities services or products that, if the client wishes to discuss these matters, he or she must do so when outside the United States.
- 2.5 **No Solicitations in the United States:** A UBS Employee must abstain from any activity that could be construed as soliciting securities or banking business from persons located in the United States. In this regard, the following general restrictions apply.
- 2.5.1 **Advertising:** UBS may not advertise UBS's banking and securities services in the United States other than with materials that provide generic information relating to the image of UBS and its brand in the United States. Such materials may not include information about any specific service or product offered by UBS and may not include references to banking, or securities products or services. Legal must approve an advertisement before it may be distributed in the United States.
- 2.5.2 **Events:** A Traveling Officer may only organize or participate in an event in the United States after receiving specific approval for that event from Legal. Any such event organized by UBS, its US-offices or affiliates, or third parties must be limited to discussing general information about UBS or banking services. Under no circumstances may a Traveling Officer solicit banking or securities business or discuss securities-related matters at such events
-
- 2.5.3 **Dealing with Financial Intermediaries in the United States:** Any contractual arrangement with a U.S. based Financial Intermediary must be approved in advance by Legal. UBS may not enter into any arrangements with other UBS-units or third parties (e.g. Finders, Financial Intermediaries wherever located) specifically designed to refer U.S. resident persons to UBS.
- 2.5.4 **Cold Calls:** A UBS Employee may not make cold calls to any person located in the United States.
- 2.5.5 **Distributing Account Opening Documents:**
- 2.5.5.1 No person may distribute contractual documentation relating to securities services or products to any person located in the United States.
- 2.5.5.2 No person may distribute account opening documents as described in section 4.3.1 below unless the document is expressly requested by a client or prospective client.
- 2.6 **Accepting or Facilitating Transfers of Assets**
- 2.6.1 A Traveling Officer must not transport cash, bills, checks, securities or any other valuables into, out of or within the United States on behalf of an existing or prospective client.
- 2.6.2 A Traveling Officer or other UBS Employee must not otherwise organize such transfers or take any other step to attempt to circumvent this prohibition through other means.

2.7 **Executing Contracts:** A Traveling Officer may not execute any contract on behalf of UBS while in the United States

2.8 **Emergencies:**

~~The Security Risk Control Hotline +41 44 234 24 24 is always available (24 hours a day) for emergency calls regarding any urgent matter.~~

2.9 **Adherence to Law:** A UBS Employee may not take any step that would assist any person to violate or evade any applicable law.

2.9.1 A UBS Employee must not give any advice to prospective or existing clients on how to evade taxes or circumvent any other relevant restrictions applicable to them.

2.10 **Adherence to Relevant UBS Directives and Procedures:** In addition to the limitations discussed above, all client relationships remain subject to all relevant regulations set-forth in more detail by pertinent directives, policies and procedures. In particular, client relationships are subject to:

2.10.1 Relevant AML/KYC and related requirements which apply to the respective booking center.

2.10.2 All investment profiling and similar requirements relating to the products and services the client wishes to receive.

2.11 **Product-Specific Issues**

2.11.1 **Securities products.** All persons offering securities to U.S. persons must comply with U.S. laws which generally means that the securities offered must be registered with the SEC. The purchase of securities may however be exempt from registration if certain conditions are met. Legal will direct the business either by issuing general guidance or on a case-by-case basis.

2.11.2 **Lending products.** It may be necessary to obtain a state license to offer lending products, depending on the purpose, amount, interest rate and borrower of the product. Legal will direct the business either by issuing general guidance or on a case-by-case basis.

2.11.3 **Research.** UBS research may not be distributed to clients in the United States, except in very limited circumstances. Approval must be obtained from Legal before distributing any UBS research to a U.S. resident.

2.11.4 **E-Banking.** UBS has implemented specific restrictions for e-banking for U.S. customers.

3. Servicing Existing Clients Located in the United States

3.1 **General Restrictions:** With respect to a U.S. resident who is already a client of UBS all of the restrictions outlined in Section 2 above continue to apply.

3.2 **Permissible Activities:** If UBS AG has obtained a U.S. resident client for banking services (e.g., the client is acquired on an unsolicited basis), UBS employees may take additional steps with respect to a banking account. The following applies to banking services not securities services.

- 3.2.1 A UBS Employee may provide statements, account information and transaction confirmations to the client in the United States, provided (i) such documents relate only to banking services and not to securities services or products; and (ii) the UBS Employee delivers the documents in accordance with the terms agreed by the client and in compliance with all applicable internal procedures.
- 3.2.2 A UBS Employee may provide banking services and product information subject to the product restrictions discussed in section 2.11 above.
- 3.2.3 While in the United States, a Traveling Officer may certify signatures, transmit (updated) account documentation and conduct related administrative activity for existing clients so long as such activities relate only to banking services or products.
- 3.3 **Activities with Existing Securities Client:** In any meeting, the Traveling Officer may not communicate with the client concerning securities services or products. If an existing securities client who has not entered into a discretionary mandate with UBS inquires whether a better structure for receiving services exists, the Traveling Officer may confirm that there is (i.e., a discretionary mandate) but indicate that any other discussion would have to take place outside of the United States.

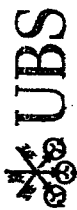
4. Establishing Relationships with New Clients in the United States ("Prospecting")

4.1 No Active Prospecting-Principle

UBS will abstain from any active prospecting of any U.S. based persons. Further, a UBS Employee must adhere to all of the restrictions set forth in Section 2 above when communicating or dealing with a prospective client.

4.2 Permissible Activities: Traveling Officers and other UBS staff may however:

- 4.2.1 Contact prospects who have articulated an interest for banking services and are referred by existing clients or U.S. Licensed Offices .
 - 4.2.2 Talk to prospects who have shown an interest for banking services about their personal circumstances, topics of general economic interest and UBS in general.
 - 4.2.3 Under no circumstances may a UBS Employee who communicates with a prospective client concerning banking products or services communicate with that prospective client concerning securities services or products.
- ### 4.3 Account Opening Process: If a Traveling Officer meets with a prospective client (as described in Section 4.2 above) and the prospective client asks to open a banking account with UBS, the following process should be followed.
- 4.3.1 A Traveling Officer may distribute to an unsolicited banking services prospect the standard UBS account opening documentation in the United States. However, UBS forms that relate to securities business (e.g. an Asset Management Agreement) can only be offered to or discussed with the prospect when he or she is outside of the United States.
 - 4.3.2 An unsolicited banking services prospect may execute the standard UBS account opening documentation in the United States. However, the prospective client must return the forms to the appropriate UBS booking center by mail.
 - 4.3.3 Traveling Officers may not be directly involved in the execution of the account opening documentation while in the United States or in the mailing of the documentation from the prospective client to the booking center outside of the United States.
 - 4.3.4 Further guidance with regard to the correct completion of contractual forms (client details, signatures, locations, dates) can be found in section 2.1.1 of the Compliance & Legal Manual.
 - 4.3.5 Account openings generally will not occur by means of correspondence (i.e. no account opening documentation is sent to the United States).



Wealth Management

Strictly private and confidential

**Key Clients in NAM
Business Case 2003-2005**

Permanent Subcommittee on Investigations

EXHIBIT #87

PSI-OPB - 000029

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Restrictive Regulatory Environment

Restrictive Regulatory Environment

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Restrictive Regulatory Environment

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Restrictive Regulatory Environment

Description of Main Restrictive US Regulations (booking center CH)

- ◆ QI agreement covers US Securities. Clients who are liable to taxation in the US can hold US securities only if they are declared. US clients with undeclared accounts may no longer hold any US securities.
- ◆ The Deemed Sales Rules enlarge the scope of the QI agreement to cover non-US securities for US persons. It makes it necessary for UBS to cease to accept securities instructions from within the US.
- ◆ Voluntary Disclosure: the government encourages US tax payers to come forward to voluntarily register and pay prior tax obligations and penalties.

Restrictive Regulatory Environment

- ◆ USA PATRIOT ACT: "Uniting and Strengthening of America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism". Imposition of strict Know Your Customer Regulations, and constant monitoring of money movements.
- ◆ Broker-Dealer and Investment Advisor Acts: Laws requiring broker/dealers, investment advisors and firms providing investment advice to register with the SEC and adhere to SEC regulations.

Restrictive Regulatory Environment

Description of Main Restrictive Canada Domestic Regulations

- ◆ Section 510 is the key provision of the Bank Act with respect to proposed activities of a foreign bank. It is not permissible for non-Canadians banks outside of Canada to seek out banking relationships with Canadian residents while the residents are in Canada. Generally speaking, UBS AG would not be permitted to provide broker-dealer type services, investment management or advisory services in Canada without being registered to provide such services with the appropriate provincial regulatory body.

Restrictive Regulatory Environment

Implications for UBS (booking center CH)

- ◆ US Regulations: Decrease in traditional advantages, and existing loss of Simple Assets (US Offshore Voluntary Disclosure).
- ◆ Canadian Regulations: Closer attention is necessary in regard to giving domestic clients investment advice, and with marketing and promotional activities. Employees of UBS who are not registered in Canada also need to be careful not to negotiate or enter into contract within Canada.

Implications for UBS (Canada Domestic)

- ◆ Full registration of CA is required to proactively market own services in Canada.

Assessment of Current KeyClient Base

Assessment of Current KC Base

KCs Statistics

2002	Number of Clients	Total Assets*	Net New Money*	Net Revenues*	Return on Assets	Actively Managed Shares
Total KC	23	2'047'227	774'826	14'049	0.88	49.49%
Total NAM all segments	11'170	21'117'661	241'650	150'000	1.00	48.26%

* Numbers are listed in thousands of CHF

Comment:

The RoA is extremely high. Therefore, we anticipate a decrease due to an increasing competition.

November 4, 2002

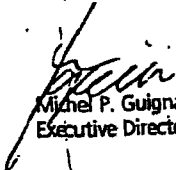
Dear client

From our recent conversations we understand that you are concerned that UBS' stance on keeping its U.S. customers' information strictly confidential may have changed especially as a result of the acquisition of Paine Webber. We are writing to reassure you that your fear is unjustified and wish to outline only some of the reasons why the protection of client data can not possibly be compromised upon:

- The sharing of customer data with a UBS unit/affiliate located abroad without sufficient customer consent constitutes a violation of Swiss banking secrecy provisions and exposes the bank employee concerned to severe criminal sanctions. Further, we should like to underscore that a Swiss bank which runs afoul of Swiss privacy laws will face sanctions by its Swiss regulator, the Swiss Federal Banking Commission, which can amount up to the revocation of the bank's charter. Already against this background, it must be clear that information relative to your Swiss banking relationship is as safe as ever and that the possibility of putting pressure on our U.S. units does not change anything. Our bank has had offices in the United States as early as 1939 and has therefore been exposed to the risk of US authorities asserting jurisdiction over assets booked abroad since decades. Please note that our bank has a successful track record of challenging such attempts.
- As you are aware of, UBS (as all other major Swiss banks) has asked for and obtained the status of a Qualified Intermediary under U.S. tax laws. The QI regime fully respects client confidentiality as customer information are only disclosed to U.S. tax authorities based on the provision of a W-9 form. Should a customer choose not to execute such a form, the client is barred from investments in US securities but under no circumstances will his/her identity be revealed. Consequently, UBS's entire compliance with its QI obligations does not create the risk that his/her identity be shared with U.S. authorities.

We look forward to working with you.

Sincerely,
UBS AG


Michel P. Guignard
Executive Director


Daniel H. Perron
Executive Director

From:

Liechti, Martin

Subject:

Happy New Year

Welcome to the new year! I hope you enjoyed the holidays with your family and friends and took the opportunity to relax and "recharge your batteries".

We achieved much in 2006 and I thank you for your huge efforts and dedication to the Americas.

The markets are growing fast, and our competition is catching up. Also, new competition, like Itau, is showing up on the radar. The answer to guarantee our future is GROWTH. We have grown from CHF 4 million per Client Advisor in 2004 to 17 million in 2006. We need to keep up with our ambitions and go to 60 million per Client Advisor. Best shift will have to be implemented to keep up and bring our RoA to 100 bp.

Our ambitions:

- 100 RoA
- 60 NNM per CA
- 100% Satisfied Clients
- 100% UBP

In the Chinese Horoscope, 2007 is the year of the pig. In many cultures, the pig is a symbol for "luck". While it's always good to have bit of luck, it is not luck that leads to success. Success is the result of vision and purpose, hard work and passion. We have to put ourselves into a position where "luck" can find us! That we can do by sharpening our focus on our priorities for this year, which are:

To reach our ambitions don't try the extraordinary, but do the ordinary in an extraordinary way!

Our Senior Managers and our Desk Heads must CREATE, CARE and COACH the A-TEAM!

Together as a team I am convinced we will succeed!

With best wishes for the New Year,

Martin Liecht

Permanent Subcommittee on Investigations

EXHIBIT #89

Referral Campaign BU Americas

Dear Colleagues,

The first five months of this year have been very challenging for our industry. The decline in investor confidence, the military conflict in the Middle East, and the ever increasing regulatory scrutiny that has descended upon our business, continue to present difficult challenges. We are, however, convinced that even in this difficult environment, we are well-positioned to provide our clients with the best solutions for their financial needs.

Net New Money is, as you know, a key element for our success. This means that we all have to work hard to achieve our NNM goals for 2003 and the years to come. In order to reach this goal, two main initiatives have been launched: The Key Client initiative and the Referral Program within UBS. These initiatives have two goals: On the one side they will, as I said, help us to achieve our NNM targets. On the other side, they should help us to increase co-operation between UBSI, the Private Bank and the other Business Groups of UBS and between the Client Advisors and the Product Specialists. The success of these initiatives is crucial for the success of the Integrated Business Model of UBS, thus crucial for our success.

The Referral Agreement, which we have been elaborating during the previous weeks, has been signed and contains the following key point: Each Country Team making a referral will get 0.33% of the revenues generated by the Financial Advisor over a time period of four years. As you know, we set, at the beginning of the year, a target of 5 referrals per CA to be made. I am aware that it is a challenge to reach this goal. In acknowledgement of your effort and commitment, I would like to award the Client Advisor in each Country Team who achieves, until the 31st of December 2003, the most referrals (amount of money and number of referrals), but at least the 5 referrals set as target, with a Breitling wristwatch. The same will be valid for the Rep Officer (including all Rep Offices in Latin America) who achieves this goal. Since 2003 will be a unique "brand year" in UBS' history, each Breitling watch we award will be "customized" with the UBS logo.

Although 2003 is likely to remain a challenging year for investors, we are well positioned to build on our strengths, capabilities and services. Our excellent reputation for client service combined with the continued 'flight to quality' will help us to gain more market share. We are committed to become the pre-eminent advisor to our clients' financial affairs. It is therefore imperative that you give this campaign the attention it deserves. I am already looking forward to awarding those of you who will achieve this goal!

Martin Liechti



- White dial with luminous hands and hour markers.
- Date display.
- Stainless steel case.
- Black leather strap.
- Water-resistant to 330 feet.
- Sapphire crystal.
- Automatic movement.



- Mother-of-pearl dial with luminous hour markers.
- Date display.
- Stainless steel case.
- Black leather diver strap.
- Water-resistant to 330 feet.
- Sapphire crystal.
- Superquartz movement.

Overview Figures North America

	YTD Jul 04 Assets (in CHFm)	YTD Jul 04 AMS	YTD Jul 04 ROA	July 2004 NNM (in CHFm)	July 2004 Revenue (in CHFm)	
North America	27'077	56.5%	1.13%	-97.7	23.7	
W9	WM W9 BUSINESS (OGEEVUA)	2'809	66.2%	1.06%	-18.3	1.8
CAN DOM	WM CANADA DOM (OGETIRA)	1'920	77.2%	0.57%	-5.6	0.9
CAN INTL	WM CANADA INTERNATIONAL (OGEPX2A)	5'635	55.5%	1.27%	-21.0	3.5
	CANADA INTERNATIONAL (OGEPX2A)	5'635	55.5%	1.27%	-21.0	3.5
	CD CANADA INTERN (GENVA) (OGAVVVA)	1'200	57.3%	1.05%	-2.3	0.3
	CD CANADA INTERN (URICH) (OGA36VA)	3'626	55.2%	1.29%	-18.7	3.2
NON W9	15'971	64.3%	1.23%	-72.9	15.7	
	KEY CLIENTS NAM (OGECBQA)	1'018	50.9%	1.03%	6.5	0.9
	WM USA GE (OGFAQSA)	1'190	71.2%	0.18%	-27.1	1.0
	WM USA GE (OGFAQSA)	1'190	71.2%	0.18%	-27.1	1.0
	WM USA GE (OGFAQSA) (OGAYHZA)	1'383	70.6%	0.05%	-0.1	0.1
	WM USA CORE CLIENTS (GENVA) (OGANVGA)	1'559	61.4%	1.0%	-10.0	1.5
	WM USA CORE CLIENTS (OGANVGA)	1'559	61.4%	1.0%	-10.0	1.5
	WM USA CORE CLIENTS (OGANVGA)	1'559	61.4%	1.0%	-10.0	1.5
	WM USA CORE CLIENTS (OGANVGA)	1'559	61.4%	1.0%	-10.0	1.5
	WM US NORTH EAST (OGK5YA)	5'460	61.4%	1.21%	-22.8	5.2
	CD CORE AFFLUENT NE ZH (OGKAKKA)	917	74.1%	1.47%	-5.4	1.1
	CD US NE ZH (OGA8VCA)	1'548	63.6%	1.25%	-15.1	1.6
	CD US NE ZH HNWI (OGAHTQA)	1'837	58.2%	1.07%	-2.7	1.6
	CD US NE LG (OGAZ4WA)	749	60.6%	1.17%	-5.8	0.7
	MGT CT US NE (AXTF) (OGAAXEA)	409	40.7%	0.79%	-1.2	0.2
	WM US MIDWEST/ SE/ WESTERN (OGE96JA)	4'349	67.7%	1.22%	-26.8	4.3
	CD US MW ZH (OGAZAVA)	1'101	70.2%	1.18%	-0.1	1.1
	CD US SE ZH (OGAZSQA)	1'492	45.4%	1.00%	-21.3	1.2
	CD WESTERN ZH (OGAYHHA)	1'756	85.0%	1.46%	-5.8	2.0
	WM AFFLUENT CLIENTS AMERICAS (OGGEYE)	945	51.1%	1.02%	-2.2	1.4
	WM AFFLUENT CLIENTS AMERICAS (OGGEYE)	945	51.1%	1.02%	-2.2	1.4
	WM AFFLUENT CLIENTS AMERICAS (OGGEYE)	945	51.1%	1.02%	-2.2	1.4
	WM AFFLUENT CLIENTS AMERICAS (OGGEYE)	945	51.1%	1.02%	-2.2	1.4
	WM AFFLUENT CLIENTS AMERICAS (OGG3M9A)	639	51.0%	1.76%	-1.0	0.9
	WM AFFLUENT CLIENTS AMERICAS (OGG3M9A)	639	51.0%	1.76%	-1.0	0.9
	WM AFFLUENT CLIENTS AMERICAS (OGG3M9A)	639	51.0%	1.76%	-1.0	0.9
	WM AFFLUENT CLIENTS AMERICAS (OGG3M9A)	639	51.0%	1.76%	-1.0	0.9
LONDON	NORTH AMERICA ADVISORS (OGEGAEA)	1'247	23.4%	0.40%	-7.3	0.0
	CONVERSION NORTH AMERICA (OGAT8RA)	1'247	23.4%	0.40%	-7.3	0.0

Overview Figures North America

	Assets (in CHF m)	AMS (in %)	ROA (in %)	Aug 04 NNM* (in CHF m)	YTD Aug 04 NNM* (in CHF m)	Aug 04 Revenue (in CHF m)	YTD Aug 04 Revenue (in CHF m)
North America	27'099	56.6	1.12	51.1	362.3	24.3	196.3
W9							
CAN DOM							
CAN INTL							
NON W9							
LONDON							

* FINANCIAL RESULTS FIGURES FOR TO BEYOND AND REPERMAN ARE NOT TAKEN INTO ACCOUNT IN THIS REPORT

Overview Figures North America

	Assets (in CHFm)	AMS (in %)	ROA (in %)	Sep 04 NNM* (in CHFm)	YTD Sep 04 NNM* (in CHFm)	Sep 04 Revenue (in CHFm)	YTD Sep 04 Revenue (in CHFm)
North America	27'108	57.0	1.14	15.2	377.5	28.3	224.6
W9							
CAN DOM							
CAN INTL							
NON W9	15'780	65.0	1.25	-82.0	139.5	18.3	148.3
KEY CLIENTS NAM	978	29.9	1.01	5.6	38.0	0.7	7.7
WM US AGE	1'976	74.3	1.21	11.8	11.3	1.5	
WM US NORTH EAST	5'488	61.7	1.23	-40.3	83.0	6.4	50.7
CD CORE AFFLUENT NE ZH	933	74.7	1.50	-4.5	-27.8	1.4	10.5
CD US NE ZH	1'433	63.8	1.26	-26.2	69.8	1.7	20.6
CD US NE ZH HNW	1'935	58.8	1.12	-2.9	47.6	2.0	10.3
CD US NE LG	759	58.8	1.21	-8.9	-7.6	1.0	6.8
MGT CT US NE (AXTP)	427	44.9	0.80	-0.1	-9.3	0.3	2.5
WM US MIDWEST/ SE/ WESTERN	4'328	67.7	1.23	-24.9	80.8	5.0	39.9
CD US MW ZH	1'104	70.6	1.20	-0.3	-5.9	1.4	10.0
CD US SE ZH	1'486	44.5	1.00	-19.7	11.4	1.3	11.3
CD WESTERN ZH	1'737	85.6	1.46	-6.4	71.9	2.4	18.6
WM AFFLUENT CLIENTS AMERICAS	1'011	51.8	1.86	1.3	-5.9	1.4	11.8
WM AFFLUENT CLIENTS AME LG	55	55.9	1.90	0.2	0.9	0.1	0.7
WM AFFLUENT CLIENTS AME GE	259	49.5	2.29	0.2	0.3	0.4	3.4
WM AFFLUENT CLIENTS AME ZH	697	52.3	1.72	-1.2	-6.8	0.9	7.7
LONDON							
NAM ADVISORS	1'272	23.6	0.45	30.6	152.6	0.5	4.3

* IN MANY CASES CLIENTS DUE TO OFFICE RESTRUCTURES ARE NOT TAKEN INTO ACCOUNT ON COMPANY LEVEL

Overview Figures North America

	Assets (in CHFm)	AMS (in %)	ROA (in %)	Oct 04 NNM* (in CHFm)	YTD Oct 04 NNM* (in CHFm)	Oct 04 Revenue (in CHFm)	YTD Oct 04 Revenue (in CHFm)
North America	26'429	56.4	1.13	-131.0	246.5	23.6	248.2
W9							
CAN DOM							
CAN INTL							
WM CANADA INTERNATIONAL	5'482	54.7	1.25	-62.7	-35.5	5.4	54.0
CANADA INTL NASSAU	754	50.6	0.82	-43.0	34.4	0.5	7.2
CD CANADA INTERN. GENEVA	1'180	56.4	1.25	-6.3	21.2	1.2	12.7
CD CANADA INTERN. ZURICH	5'549	55.1	1.29	-13.5	19.7	1.6	39.1
CD CANADA EAST ZH	1'674	60.1	1.37	0.9	-23.1	1.9	19.8
CD CANADA WEST/ONTARIO ZH	1'875	50.6	1.22	-14.6	42.8	1.9	19.3
NON W9	15'375	64.9	1.25	-44.3	95.2	14.9	163.3
KEY CLIENTS NAM							
WM USA GE	1'881	74.0	1.27	-1.6	17.4	1.5	22.0
WM US NORTH EAST	5'201	61.2	1.22	-13.0	69.9	4.8	55.5
CD CORE AFFLUENT NE ZH	7	78.7	1.50	-1.7	-29.5	0.0	10.9
CD US NE ZH	1'452	70.5	1.25	-17.9	51.9	1.5	22.2
CD US NE ZH HNWM	2'984	57.9	1.19	1.3	48.9	2.0	12.3
CD US NE LG	751	59.1	1.21	10.7	3.0	0.8	7.6
MGT CT US NE (AXTF)	627	54.1	0.82	-7.1	-16.4	0.5	-3.0
WM US MIDWEST/ SE/ WESTERN	4'320	68.1	1.23	-35.5	45.3	4.2	44.1
CD US MW ZH	1'071	70.9	1.18	-3.2	-9.1	0.9	10.8
CD US SE ZH	1'437	44.6	1.01	-26.6	-15.2	1.3	12.6
CD WESTERN ZH	1'812	85.0	1.45	-5.4	66.5	2.0	20.7
WM AFFLUENT CLIENTS AMERICAS	1'009	51.2	1.85	-0.7	-6.6	1.5	13.3
WM AFFLUENT CLIENTS AME LG	55	56.0	1.90	0.1	1.0	0.1	0.8
WM AFFLUENT CLIENTS AME GE	253	47.9	2.26	-1.9	-0.6	0.4	3.8
WM AFFLUENT CLIENTS AME ZH	701	52.0	1.71	-1.6	-8.4	1.0	8.7
LONDON							
NAM ADVISORS	1'202	23.0	0.44	-15.2	137.4	0.4	4.7
SECURITIES MANAGERS	1'000	49.0	1.48	-1.0	0.8	1.0	8.0

* OPERATING EXPENSES RELATED TO FINANCIAL SERVICES ARE NOT TAKEN INTO ACCOUNT ON CLIENTS' FEES/REVUE

Overview Figures North America

	Assets (in CHFm)	AMS (in %)	ROA (in %)	Nov 04 NNM* (in CHFm)	YTD Nov 04 NNM* (in CHFm)	Nov 04 Revenue (in CHFm)	YTD Nov 04 Revenue (in CHFm)
North America	25'878	56.3	1.13	-21.3	225.2	24.6	272.9
W9							
WM W9 BUSINESS	2'415	45.7	0.99	-17.7	11.7	2.0	11.3
CD W9 BUSINESS	1'115	57.2	1.25	-14.5	10.5	0.4	10.5
WM W9 MANAGEMENT	1'288	56.3	1.13	-21.3	103.0	22.2	151.1
CAN DOM							
WM CANADA DOM	1'865	28.1	0.99	-13.1	59.7	0.1	59.7
CAN INTL							
WM CANADA INTERNATIONAL	5'354	54.7	1.25	24.1	-11.4	5.3	59.3
CANADA INTL NASSAU	760	47.8	0.81	36.5	2.1	0.5	2.7
CD CANADA INTERN. GENEVA	1'152	57.2	1.25	5.1	-16.1	1.2	18.9
CD CANADA INTERN. ZURICH	3'442	55.4	1.29	-17.4	2.3	3.6	42.7
CD CANADA EAST ZH	1'622	60.3	1.36	-2.9	-26.0	1.8	21.6
CD CANADA WEST/ONTARIO ZH	1'820	51.2	1.22	-14.5	28.3	1.8	21.1
NON W9	15'025	64.7	1.25	-52.5	42.8	15.7	179.0
KEY CLIENTS NAM	930	45.0	1.00	2.9	63.6	0.3	59.7
WM USA GE	15'771	73.0	1.29	-17.1	26.5	4.9	146.0
CD USA GE	1'254	57.2	1.25	-14.5	10.5	0.4	10.5
WM US NORTH EAST	5'032	61.2	1.21	-14.2	55.7	5.0	60.6
CD CORE AFFLUENT NE ZH	-	0.0	1.50	-0.4	-29.9	0.0	10.5
CD US NE ZH	1'371	71.7	1.26	-7.2	44.7	1.5	23.7
CD US NE ZH HNW	2'297	57.5	1.11	-14.8	34.0	2.3	14.6
CD US NE LG	743	58.7	1.20	0.7	3.7	0.7	8.2
MGT. CT US NE (AXTF)	620	55.0	0.84	7.2	-9.2	0.5	3.5
WM US MIDWEST/ SE/ WESTERN	4'207	68.7	1.22	-18.2	27.1	4.2	48.3
CD US MW ZH	1'053	71.3	1.18	-4.8	-13.9	1.0	11.9
CD US SE ZH	1'393	46.7	1.00	-8.6	-23.8	1.1	13.7
CD WESTERN ZH	1'761	84.9	1.44	-4.8	61.8	2.0	22.7
WM AFFLUENT CLIENTS AMERICAS	1'082	50.7	1.85	0.0	-6.6	1.7	15.0
WM AFFLUENT CLIENTS AME LG	54	56.0	1.88	-0.0	1.0	0.1	0.9
WM AFFLUENT CLIENTS AME GE	250	47.7	2.28	-1.8	-2.4	0.5	4.3
WM AFFLUENT CLIENTS AME ZH	757	51.4	1.71	-0.2	-8.6	1.1	9.8
LONDON							
NAM ADVISORS	1'177	23.4	0.44	31.3	106.1	0.3	5.1
ACQUISITION NAM	39	47.9	0.44	0.0	0.0	0.0	0.0

*FINANCIAL STATEMENTS SUBJECT TO SHIFTS AND REVERSALS ARE NOT TAKEN INTO ACCOUNT ON COUNTRY TEAM LEVEL

Overview Figures North America

	Assets (in CHFm)	AMS (in %)	ROA (in %)	Dec 04 NNM* (in CHFm)	YTD Dec 04 NNM* (in CHFm)	Dec 04 Revenue (in CHFm)	YTD Dec 04 Revenue (in CHFm)
North America	26'060	55.1	1.14	-133.4	91.8	27.4	300.3
W9							
CAN DOM							
CAN INTL							
NON W9							
LONDON							

* NNM AND REVENUE FIGURES ARE NET OF ALL COUNTRY TEAM LEVEL

Overview Figures North America

		Assets	AMS	ROA	Feb 05 NNM*	YTD Feb 05 NNM*	Feb 05 Revenue	YTD Feb 05 Revenue
		(in CHFm)	(in %)	(in %)	(in CHFm)	(in CHFm)	(in CHFm)	(in CHFm)
North America		26'922	53.9	1.13	20.5	88.9	25.6	50.6
SFA	UBS SFA AG	556	n/a	0.43	0.7	2.2	0.2	0.4
W9								
CAN DOM	WM CANADA DOM	2'084	34.5	0.52	41.7	93.3	1.0	2.0
CAN INTL	WM CANADA INTERNATIONAL	5'481	36.7	1.24	-0.0	-12.3	5.5	11.0
	CANADA INTL MASSAII	743	50.8	-0.87	-1.3	5.2	0.8	1.1
	CD CANADA INTERN. GENEVA	1'175	58.4	1.20	2.2	7.1	1.2	2.4
	CD CANADA INTERN. ZURICH	2'541	57.2	1.28	0.8	10.4	2.7	5.6
	CD CANADA EAST ZH	1'602	62.4	1.32	5.0	8.7	1.3	2.7
	CD CANADA WEST/ONTARIO ZH	1'877	53.0	1.24	-4.1	6.8	1.3	2.9
NON W9		15'413	63.2	1.25	-50.1	-63.2	16.5	32.2
	WIRA ACQUISITION NAM GE	360	47.5	1.01	16.3	1.7	0.4	1.0
	WM US BACH	2'983	67.8	1.29	25.2	11.1	1.1	2.7
	USA SOUTH WEST CENTRAL	1'575	55.5	1.13	1.3	1.3	0.1	0.2
	USA SOUTH CENTRAL	1'408	50.8	1.13	1.3	1.3	0.1	0.2
	WM US NORTH EAST	5'192	61.1	1.21	16.4	-44.0	5.5	10.5
	CD US NE ZH HW	2'387	55.4	1.20	51.5	-7.2	2.6	4.7
	CD MILLIONAIRES US NE ZH	1'375	73.0	1.35	13.2	6.5	1.6	3.1
	CD US NE LG	790	59.3	1.14	-4.7	-3.8	0.8	1.5
	MGY CT US NE	638	59.3	1.00	-40.7	-38.0	0.6	1.1
	RETENTION CD US NE	2	32.9	2.62	-1.8	-1.8	0.0	0.0
	WM US MIDWEST/ SE/ WESTERN	4'196	67.8	1.23	-24.2	-17.6	4.3	8.7
	CD US MW ZH	1'092	72.3	1.20	-0.3	2.6	1.0	2.2
	CD US SE ZH	1'438	46.0	0.99	-19.3	-13.5	1.2	2.4
	CD WESTERN ZH	1'666	83.7	1.47	-4.7	-6.7	2.1	4.1
	CD MW/ SE/ WE SPECIAL CLIENTS	-	0.0	0.0	-	-	0.0	0.0
	WM AFFLUENT CLIENTS AMERICAS	1'182	53.0	1.68	-0.1	3.1	1.7	3.3
	WM AFFLUENT CLIENTS AME LG	55	59.4	1.84	-0.1	-0.1	0.1	0.2
	WM AFFLUENT CLIENTS AME GE	286	51.9	1.95	-1.0	-2.1	0.5	0.9
	WM AFFLUENT CLIENTS AME ZH	840	53.0	1.58	0.9	5.3	1.1	2.2
LONDON	NAM ADVISORS	1'205	23.1	0.5	7.8	23.1	0.4	1.0

Overview Figures North America

		Assets	AMS	ROA	Mar 05 NNM*	YTD Mar 05 NNM*	Mar 05 Revenue	YTD Mar 05 Revenue
		(in CHFm)	(in %)	(in %)	(in CHFm)	(in CHFm)	(in CHFm)	(in CHFm)
North America		27'290	54.3	1.18	-135.8	-47.0	29.2	79.9
SFA	UBS SFA AG	1'055	38.5	0.49	-9.7	-7.6	0.5	0.8
W9								
CAN DOM	WM CANADA DOM	2'104	23.4	0.26	-21.9	-11.4	1.0	2.8
CAN INTL	WM CANADA INTERNATIONAL	5'286	56.3	1.29	38.9	76.6	6.8	17.8
	CANADA INTL NASSAU	790	49.1	0.96	19.7	24.9	0.6	1.7
	CD CANADA MONTREY/GENEVA	1'206	38.0	1.21	13.2	3.9	2.9	4.0
	CD CANADA MONTREY ZURICH	3'600	57.7	1.30	15.0	5.0	4.6	12.1
	CD CANADA EAST ZH	1'695	41.7	1.47	4.0	3.4	2.3	5.0
	CD CANADA WEST/ONTARIO ZH	1'904	53.0	1.31	18.0	8.4	2.5	6.2
NON W9		15'614	62.7	1.31	-94.0	-157.2	18.7	50.9
	UBS ACQUISITION NAM GE	472	28.0	1.02	27.2	2.5	0.0	1.5
	WM USA GE	2'952	47.2	1.21	11.9	11.9	0.0	12.4
	WM US NORTH EAST	5'198	80.4	1.27	-89.4	-143.4	6.1	16.5
	CD US NE ZH HWY	2'368	54.0	1.23	-111.0	-118.2	2.5	7.3
	CD MILLIONAIRES US NE ZH	1'391	73.3	1.50	-6.9	-0.4	2.1	5.2
	CD US NE LG	802	58.1	1.19	5.0	1.4	0.9	2.4
	MGT CT US NE	635	59.1	1.04	14.8	-23.2	0.6	1.7
	RETENTION CD US NE	2	74.3	2.53	-1.2	-3.0	0.0	0.0
	WM US MIDWEST/ SE/ WESTERN	4'254	67.6	1.32	-0.0	-17.6	5.2	13.9
	CD US MW ZH	1'110	71.8	1.23	1.7	-4.3	1.2	3.4
	CD US SE ZH	1'457	46.1	1.04	-0.5	-14.0	1.4	3.8
	CD WESTERN ZH	1'686	83.4	1.61	-1.2	-7.9	2.6	6.7
	CD MW/ SE/ WE SPECIAL CLIENTS	1	0.0	5.43	-0.0	-0.0	0.0	0.0
	WM AFFLUENT CLIENTS AMERICAS	1'239	53.1	1.70	0.9	4.0	1.8	5.1
	WM AFFLUENT CLIENTS AME LG	57	58.5	1.82	0.3	0.2	0.1	0.3
	WM AFFLUENT CLIENTS AME GE	316	52.4	1.95	-0.0	-2.1	0.5	1.5
	WM AFFLUENT CLIENTS AME ZH	867	53.1	1.60	0.7	5.9	1.2	3.4
LONDON	NAM ADVISORS	1'253	22.4	0.5	2.4	20.7	0.5	1.4

Overview Figures North America

	YTD 2005		YTD 2004		Mid 2005	YTD 2004	Mid 2005	YTD 2005
	Assets in bn	AMS %	ROA %	Discretionary Share %	Revenues in mio CHF	Revenues in mio CHF	NIM in mio CHF	NIM in mio CHF
North America	41.2	51.2	0.98	31.7	28.9	242.4	1799.2	3253.0
US INTL (MILLIONAIRES)								
MILLIONAIRES ZH								
MILLIONAIRES GE								
AFFLUENT AME								
W9 BUSINESS ROW								
TOTAL US INTL MILLIONAIRES	5.7	57.9	1.50	40.7	7.8	65.7	31.0	54.0
HNWI GE 1								
HNWI GE 2								
HNWI NE ZH								
HNWI MW/SE/WE ZH								
ADVISORS LONDON								
TOTAL US INTL HNWI	1.2	5.2	1.00	37.5	1.7	10.2	11.5	16.7
> SFA	2.1	37.6	0.66	37.0	1.3	6.1	-3.0	-12.5
EUROPE DESKS AMERICA NY								
EUROPE DESKS BAHAMAS								
JULIUS BAER NAM L.A.								
> Can International	6.0	55.9	1.26	33.1	6.1	48.4	21.5	40.2
CD CANADA EAST ZH	1.8	62.6	1.36	44.7	1.9	15.9	-0.5	-15.8
CD CANADA WEST/ONTARIO ZH	2.0	52.9	1.28	25.5	2.1	16.6	5.2	19.1
CD CANADA INTERN. GENEVA	1.3	57.7	1.32	30.9	1.4	10.9	24.6	20.4
CANADA INTL NASSAU	0.8	45.9	0.94	29.7	0.7	5.0	-7.8	16.3
> Can Dom	2.6	21.1	0.54	16.5	1.2	1.2	0.6	263.7
CD CAN TORONTO	0.0	0.0	0.00	0.0	0.0	0.0	0.0	0.0
CD CAN MONTREAL	0.0	0.0	0.00	0.0	0.0	0.0	0.0	0.0
CD CAN VANCOUVER	0.6	27.7	0.61	10.0	0.2	0.2	0.3	36.6
CD CAN CALGARY	0.0	0.0	0.00	0.0	0.0	0.0	0.0	0.0
CD LATIN AMERICA TORONTO	1.1	23.0	0.42	16.5	0.3	2.0	1.0	266.5
> KeyClient Development NAM	2.9	0.8	0.07	0.1	0.1	0.3	1708.9	1726.3

Source: Figures based on GMS/Domino (Facts&Figures Report on GCRS)

* US Dom. Figures Mid Aug with deficiencies, esp. Revenues (will be corrected in Sep 2005)

Overview Figures North America

	YTD 2005		YTD 2005		Mid 2005	YTD 2005	Mid 2005	YTD 2005
	Assets in bn	AMS %	ROA %	Discretionary Charge %	Revenues in mio CHF	Revenues in mio CHF	NNM in mio CHF	NNM in mio CHF
North America	41.3	50.9	0.99	33.0	36.3	278.7	108.4	3359.4
US International								
MILLIONAIRES ZH								
MILLIONAIRES GE								
AFFLUENT AME								
W9 BUSINESS ROW								
TOTAL US INTL MILLIONAIRES	5.9	60.0	0.71	40.5	2.4	76.1	-3.1	359.3
HNWI GE 1								
HNWI GE 2								
HNWI NE ZH								
HNWI MW/SE/WE ZH								
ADVISORS LONDON								
TOTAL US INTL HNWI	1.5	77.1	0.73	38.7	3.2	10.2	-0.1	10.1
> SFA	2.1	37.7	0.67	37.2	1.3	7.4	-2.4	-14.9
EUROPE								
EUROPE DESKS AMERICA NY								
EUROPE DESKS BAHAMAS								
JULIUS BAER NAM L.A.								
> Can International	6.2	56.2	1.29	33.1	7.6	56.0	-29.9	10.3
CD CANADA EAST ZH	1.9	62.5	1.40	44.6	2.7	18.6	-1.2	-17.0
CD CANADA WEST/ONTARIO ZH	2.1	52.5	1.29	25.2	2.5	19.1	-16.2	2.8
CD CANADA INTERN. GENEVA	1.4	59.5	1.34	31.6	1.7	12.6	4.0	24.4
CANADA INTL NASSAU	0.8	46.3	0.95	29.1	0.7	5.7	-16.4	0.1
> Can Dom	5.0	50.4	0.59	30.1	1.9	10.5	20.4	46.9
CD CAN TORONTO	0.8	66.6	0.69	30.1	2.1	11.5	1.5	21.8
CD CAN MONTREAL	0.7	52.5	0.81	18.8	0.8	3.0	1.0	1.5
CD CAN VANCOUVER	0.8	52.2	0.51	27.3	0.4	1.5	0.5	0.9
CD CAN CALGARY	0.7	50.1	0.60	26.0	0.6	2.0	0.9	0.9
CD LATIN AMERICA TORONTO	0.1	72.5	0.42	3.5	0.3	2.2	2.5	1.7
> KeyClient Development NAM	3.1	0.8	0.07	0.1	0.2	0.4	18.0	1744.3

Source: Figures based on GMIS/Domino (Facts&Figures Report on GCRS)

US Dom. Figures with deficiencies.

Overview Figures North America

	YTD 2005		YTD 2004		Mid 2005	YTD 2005	Mid 2005	YTD 2004
	Assets in bn	AMS %	ROA %	Discretionary Share %	Revenues in mto CHF	Revenues in mto CHF	NNM in mto CHF	NNM in mto CHF
North America	42.1	49.8	0.98	32.3	32.5	311.2	269.0	3828.4
US Int'l								
MILLIONAIRES ZH								
MILLIONAIRES GE								
AFFLUENT AME								
W9 BUSINESS ROW								
TOTAL US INTL MILLIONAIRES			1.1				2.2	17.6
HNWI GE 1								
HNWI GE 2								
HNWI NE ZH								
HNWI MW/SE/WE ZH								
ADVISORS LONDON								
TOTAL US INTL HNWI	32.7		1.0	37.5	10.5	10.5	30.4	167.4
> SFA	2.1	38.3	0.68	37.8	1.3	6.7	8.9	23.8
EUROPE								
EUROPE DESKS AMERICA NY								
EUROPE DESKS BAHAMAS								
DESK IB NAM LOS ANGELES								
> Can International	6.2	56.0	1.30	32.6	7.4	63.4	62.4	72.7
CD CANADA EAST ZH	1.9	62.1	1.39	44.3	2.1	20.7	12.3	-4.7
CD CANADA WEST/ONTARIO ZH	2.1	52.7	1.29	24.7	2.3	21.4	19.2	22.0
CD CANADA INTERN GENEVA	1.4	58.7	1.32	30.8	1.3	14.0	32.0	56.4
CANADA INTL NASSAU	0.8	46.4	1.10	29.2	1.7	7.4	-1.0	-0.9
> Can Dom	7.4	41.0	0.53	17.5	1.1	11.0	26.0	441.6
CD CAN TORONTO	0.5	57.0	0.70	22.0	0.5	5.0	1.0	1.0
CD CAN MONTREAL	0.9	50.0	0.60	17.5	0.6	5.0	1.5	1.0
CD CAN VANCOUVER	0.8	37.0	0.51	13.0	0.4	4.0	2.4	185.2
CD CAN CALGARY	0.0	0.0	0.00	0.0	0.0	0.0	0.0	0.0
CD LATIN AMERICA TORONTO	1.1	44.0	0.24	9.5	0.5	4.5	6.0	24.4
> KeyClient Development NAM	3.6	6.7	0.10	5.9	0.5	0.9	7.3	1751.5

Source: Figures based on GMS/Domino (Facts&Figures Report on GCRS)

Case Studies Cross-Border Workshop NAM

- Please go through each case. Put yourself into the concrete situation as it occurs in real life.
- Do not tackle the case with the perspective of what you think that Legal, Compliance, IT or Security Risk wants to hear.
- Compare your behaviours with the ones of your colleagues in the group.
- Identify and note questions you want to raise in the plenary session.

Case 1

During your trip to the USA/Canada, where you wish to visit various clients, you are stopped at the border by the customs authority or during your stay by the police and confronted with the following questions:

- purpose of your visit
- your profession
- people you are going to visit
- content of your baggage incl. notebook, cell phone, PDA (SMS, MMS, digital photographing) or Blackberry

Question 1: How do you react? How do you prepare for such a potential confrontation? How did you fill out your immigration form?

You get a strange feeling about the way the way the questions are asked. You remember that, with the intention to avoid having to carry those documents with you, you had sent an envelope with some of the sensitive account related data to your hotel (alternatively: a friend in the respective country whom you know very well; a family member; a local business contact).

Question 2: How do you handle sensitive documents you want to use during your visit (such as account statements and similar documents) when planning a trip to the USA/Canada?

Case 2

During the discussion with a very interesting prospect in the USA/Canada he/she indicates that he/she has a substantial amount of money to transfer from his/her home country to your bank. The prospect queries whether the bank can assist him/her in this respect. He/She mentions in the same token that Bank XYZ had offered him/her very concrete services for his/her assistance.

Question: How do you react? Would it make a difference if the person was a long standing client of the bank?

Case 3

During a trip to the USA/Canada you intend to meet client X. He recently gave you a telephone call and asked you to bring his latest account statements with you at your next visit. He also mentioned that he would like to hand over to you a number of written trading orders and to discuss them at the proposed meeting. Finally, he refers to the telephone conversation you had with him some weeks ago regarding the advantages of a PM mandate and he asked you to also bring along the necessary documents for the conclusion of a PM contract.

Due to a conflict of dates you are not able to travel. As you do not want to disappoint your client, you consider making a call to the local UBS branch/subsidiary (where you know one of the officers very well) and ask an officer to meet your client and to satisfy his requests on your behalf.

Question 1: What do you think of this idea?

Question 2: Generally speaking, to what extent and in which activities can your colleague of the local branch/subsidiary be of assistance? Please go through concrete situations as they occur in your daily work.

Case 4

After passing the immigration desk during your trip to the USA/Canada, you are intercepted by the authorities. By checking your Palm, they find all your client meetings. Fortunately you stored only very short remarks of the different meetings and no names.

As you spend around one week in the same hotel, the longer you stay there, the more you get the feeling of being observed. Sometimes you even doubt if all of the hotel employees are working for the hotel. A lot of client meetings are held in your suite of the hotel.

One morning you are intercepted by an FBI-agent. He looks for some information about one of your clients and explains to you, that your client is involved in illegal activities.

Question 1: What would you do in such a situation?

Question 2: What are the signs indicating that something is going on?

Case 5

As you had a lot of documents to take with you to your trip to the USA/Canada, the carry on luggage was very heavy and you decided to put your notebook in the checked luggage. When arriving at your destination, you realise that your notebook is missing. You are not sure, whether you had a separate excel-file with a client summary still on your notebook.

Question 1: What would you do in such a situation?

Later on, when arriving at the hotel, you are contacted by an anonymous caller. He pretends having found your notebook at the airport and offers you a deal: He sends you the notebook if you pay him an amount of USD 100'000. Your notebook is equipped with the latest security features (encryption, token based authentication).

Question 2: Your reaction

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Strictly Confidential

UBS AG
Postfach
8098 Zurich
Tel. +41-44-234 11 11

Memorandum

15 November 2007

to

cc

from

subject Internal Memo

Changes in business model for U.S. private clients

Dear Colleagues

As part of our ongoing efforts to better serve our clients and to streamline and simplify our business in compliance with applicable laws and regulations, we have decided to realign the business model for U.S. clients by focusing our resources on our wealth management operations based in the United States ("U.S. units") and UBS Swiss Financial Advisers in Zurich ("UBS SFA"). Our U.S. units provide a complete set of sophisticated wealth management services to private clients. UBS SFA is an SEC-registered investment advisor and Swiss-regulated entity that offers investment programs in the Swiss tradition, trained private bankers and expertise in global investment diversification.

After the acquisition of PaineWebber in 2000, UBS has worked to better accommodate the global needs of U.S. clients. The establishment of UBS SFA in 2005 was a further important step in that process. UBS SFA has proved to be very successful and clients have responded very positively. UBS also has provided limited services to U.S. private clients who chose to maintain assets with UBS AG, governed by our established policies and procedures.

Over the years we have periodically reviewed these offerings in order to provide the best level of service to our clients in compliance with applicable laws and regulations. As part of these periodic reviews, we have recognized for some time that the current business structure is complex and could benefit from being simplified and streamlined. UBS has decided to accelerate the consolidation of our offerings to U.S. clients on these two platforms, U.S. units and UBS SFA.

We decided to further realign the overall structure and service model for U.S. clients by:

- Increasing our focus on the U.S. units and UBS SFA by permitting new account opening for securities related services only within those units;
- Discontinuing client relationships with assets below CHF 50,000;
- Permitting new account openings for banking services only with a minimum asset size of CHF 250,000; and
- Servicing clients only in their respective booking center.

The changes are effective immediately.

Permanent Subcommittee on Investigations

EXHIBIT #93

469: Colleagues

IRS

FEB-08-2008 11:51

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Further information and instructions will follow in the course of the ongoing implementation of the new business model.

If you have questions please contact our US competence center, (Thomas Christen 1923-44753 / Thomas.christen@ubs.com). In case of questions from clients please contact U.S. competence center prior to answering their questions.

Best regards
Raoul Weil, Chairman and CEO Global Wealth Management & Business Banking

UBS AG

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TALKING POINTS FOR INFORMING U.S. PRIVATE CLIENTS WITH SECURITIES HOLDINGS ABOUT THE REALIGNMENT OF OUR BUSINESS MODEL PLUS Q&A

A. Information that must be relayed on the call:

CA: Please permit me to explain the important changes that UBS has decided to make to the private banking relationships with our U.S. clients.

- As part of our ongoing efforts to better serve our clients and to streamline and simplify our business, we have decided to realign the services we offer to U.S. clients by focusing our resources on our wealth management operations based in the United States ("U.S. units") and UBS Swiss Financial Advisers ("SFA") in Zurich. Our U.S. units provide a complete set of sophisticated wealth management services to private clients. SFA is an SEC-registered investment adviser and Swiss regulated entity that offers investment programs in the Swiss tradition, trained private bankers and expertise in global investment diversification. If you would like to explore the services available through the U.S. units or SFA, please let me know and I will have a representative of those businesses contact you.
- Because of our increased focus on servicing our U.S. clients through the mentioned units, we are making some modifications to our existing service model. Specifically, if you would like to remain with UBS and do not choose to transfer your relationship to our U.S. units or SFA, we will not be able to open new securities accounts for you or any other U.S. client. Client advisors, including myself, will no longer be traveling outside of Switzerland to meet you, and you will only be serviced in your booking center location here in Switzerland. Moreover, in accordance with established policies, we will not be able to communicate with you about your securities account when you are in the United States. In other words, if you choose to maintain your account at UBS, any communication between us, including telephone, e-mail, fax, and written correspondence that involves your securities account must occur when you are outside the United States (which is subject to verification). [NOTE TO CLIENT ADVISERS: THIS STATEMENT IS SUBJECT TO THE ONE-TIME EXCEPTION AS PER ANSWER 5
HEREAFTER]

We should emphasize that we will not be able to execute your securities instructions if we are not satisfied that you are outside the U.S. when giving such orders.

B. Questions and Answers

Q1. What do I need to do to transfer my assets to the U.S. units or SFA?

A. I will have a representative of U.S. units/SFA contact you to explain the services they offer and the account opening process. Please note that the U.S. units and SFA provide Form 1099 tax reporting services and will require that you supply a W-9 form.

Q2. What if I do not want U.S. tax reporting services or to supply a W-9?

A. Then you may retain your current account subject to the modifications I just described.

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Q3. Is there any other option for me at UBS?

A. I am afraid not. Although we very much would like to retain your business, if none of these choices is satisfactory to you, we will follow your instruction to transfer your assets to another institution if that is what you decide to do. Although we may accept simple instructions from the United States to transfer custody of your securities, i.e. you do not instruct us to sell your securities holdings or part of it but to transfer it in its entirety to another institution, please note that, in accordance with established policies, any instructions to sell your securities holdings (even as part of a transfer) must be given when you are outside of the United States and are subject to verification.

More generally, as I have mentioned, all instructions about selling, buying, redeeming, exchanging or otherwise engaging in securities transactions must be given when you are outside the United States, which is, of course, subject to verification

Q4. If I decide to keep my existing account, how will I communicate with you?

A. You may visit us in Switzerland. Otherwise you can only communicate with us when you are outside the United States. These requirements apply to phone, e-mail, fax, and correspondence. For example:

If you contact us by telephone, we will need to be able to verify that your call originated from outside the United States or request that you provide a non-U.S. phone number and return your call. In either case, we will ask you to tell us from where you are calling.

If you contact us by written correspondence, we will need clear evidence (such as a postmark indicating that the point of mailing occurred outside the U.S.), and we will continue to retain your mail or send any outbound correspondence only to a non-U.S. mailing address.

If you contact us by facsimile, we will need to be able to verify that your fax transmission originated from outside the United States or request that you provide a non-U.S. phone number through which fax communications may be made.

If you contact us by e-mail, we will request that you provide a non-U.S. phone number and respond via a telephone conversation.

We may, of course, implement additional measures to verify that any such contact we have with you occurs only when you are outside the United States.

Q5a. If I keep my existing account, may you provide me with information about my securities holdings when I am in the United States?

A. With one limited exception, the answer is "no". During this conversation, I may tell you the aggregate valuation of your securities portfolio and describe the overall performance of your entire portfolio in the aggregate compared to a past time period. I will not, however, after this conversation be able to have any further conversations about these subjects nor may I discuss the performance of particular securities products and/or the allocations of securities products in your portfolio (neither currently nor historically) while you are in the United States. So this is a one-time exception.

Q5b. If I keep my existing securities account with UBS, may I contact you from the United States to change my investment profile?

A. No. Unfortunately, this type of communication may only be made when you are outside the United States. Again, we will have to verify that you are outside the United States.

Q6. May I communicate with you from the United States about banking products?

A. We may discuss banking products and services, including cash deposits, precious metals, credit and debit cards, loans, and safe deposits.

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Q7. May I sell my securities and place the proceeds with you in a cash account? If not, why not?

A. As I mentioned before, for reasons of client service and business considerations, UBS is looking to promote its U.S. units and SFA and not to transfer existing securities accounts at UBS AG into cash accounts. However, if you determine it to be an option for you to be invested in cash only, you may instruct us to sell your securities holdings as long as such instruction is given when you are outside the United States (again, subject to verification). I should underscore that, even if you only have a cash account with us, we will only be able to meet with you at the booking location of the funds.

Q8. You mentioned "business considerations" and "streamlining and simplifying." What on earth are you talking about?

A. By concentrating the U.S. private client business in our U.S. units and SFA, we are able to increase operational and management efficiency, and focus on the services and product delivery models that we believe should hold the most long-term promise for our private client segments.

Q9. Why did you decide to make this change now?

A. This is a continuation of the evolution of our offerings to US private clients. Since UBS acquired PaineWebber in the United States and formed SFA in Switzerland, U.S. clients have responded very positively to the investment opportunities and service models they offer. We believe now is the right point in time to accelerate the consolidation of our offerings to US clients on these platforms.

Q10. Are you doing this in response to pressure, especially from U.S. authorities?

A. These changes are the result of the periodic review of our business and our continuing efforts to offer excellent service in compliance with applicable legal and regulatory requirements.

Q 10a. Are you respectively UBS subject of an investigation of US regulators?

UBS has to keep specifics about its regulatory interactions confidential. We are therefore not in a position to answer your question.

Q 10b. Am I exposed because of the most recent events?

As you will appreciate, UBS is bound by strict client confidentiality provisions the bank will, of course, abide by. They can only be lifted under strict conditions as per applicable law.

Q11. If I decide to transfer my assets to SFA, will Swiss client confidentiality still apply?

A. An SFA representative would be the best person to answer that question, but my understanding is that, although your information would be reported to the IRS and potentially available to the SEC, it otherwise generally would be covered by Swiss financial privacy protections.

Q12. If I decide to keep my existing account, will you as my client adviser continue to service it?

A. I will remain in my current position for at least the near term. After that point, I might consider other opportunities within the bank, including working for SFA, where I could continue to manage your assets.

αβ

Q13. What are you going to do? Are you going to leave UBS?

A. I will remain in my current position for at least the near term. After that point, I might consider other opportunities within the bank, including working for SFA, where I could continue to manage your assets.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
Case No. 08-CR-60099-ZLOCH

UNITED STATES OF AMERICA

vs.

BRADLEY BIRKENFELD,

Defendant.

STATEMENT OF FACTS

The United States Attorneys Office for the Southern District of Florida, the United States Department of Justice, Tax Division, and the defendant, Bradley Birkenfeld (hereinafter referred to as the "defendant Birkenfeld") and his counsel agree that, had this case proceeded to trial, the United States would have proven the following facts beyond a reasonable doubt, and that the following facts are true and correct and are sufficient to support a plea of guilty:

The Qualified Intermediary Program

Beginning in 2000, the Internal Revenue Services ("IRS") sought to increase the collection of tax revenues without raising tax rates. In furtherance of this mission, the IRS established the Qualified Intermediary ("Q.I.") Program. Pursuant to the Q.I. Program, foreign banks voluntarily entered into Qualified Intermediary agreements with the IRS pursuant to which these foreign banks agreed to identify and document any customers who held U.S. investments, which were generally marketable securities and bonds, or received United States source income into their off-shore accounts. In accordance with IRS requirements, foreign banks agreed to have their customers fill out IRS Forms W-8BEN, which required the beneficial owner of a bank account to be identified on the form, or IRS Forms W-9, which required United States beneficial owners of bank accounts to be identified.

Foreign banks further agreed to issue IRS Forms 1099 to United States customers for United States source payments of dividends, interest, rents, royalties and other fixed or determinable income paid into the United States customers' off-shore bank accounts. Alternatively, if a client refused to be identified under the Q.I. Agreement, foreign banks agreed to withhold and pay over a twenty-eight percent withholding tax on U.S. source payments and then bar the client from holding U.S. investments. In addition, the sales proceeds, interest and

dividends earned on non-United States investments, if the purchase or sale of the investment was made as a result of contact (in person, via email, telephone or fax) with the U.S. client in the United States, were subject to the Form 1099 reporting requirements or twenty-eight percent withholding. These transactions are referred to under the Q.I. Program as "deemed sales."

In January 2001, a large Swiss bank ("Swiss Bank"), entered into a Q.I. agreement with the IRS. Swiss Bank owns and operates banks, investment banks and stock brokerage businesses throughout the world, and has locations in the United States, with branch locations in the Southern District of Florida. This agreement was a major departure from historical Swiss bank secrecy laws under which Swiss banks concealed bank information for United States clients from the IRS. At all relevant times to this indictment, the Swiss bank represented to the IRS that it had continued to honor this Qualified Intermediary agreement.

Defendant Birkenfeld's Employment

During the entire period from 1998 through 2006, defendant Birkenfeld was employed by various banks in Switzerland as a private banker primarily servicing United States clients. From 1998 through July 2001, defendant Birkenfeld was employed by Barclays Bank in Geneva, Switzerland. In 2001, Barclays Bank entered into a Q.I. agreement with the IRS. In order to comply with the terms of the Q.I. agreement, Barclays Bank decided to terminate its off-shore private banking business for United States clients that refused to complete an IRS Form W-9. Accounts owned by United States clients that refused to fill out IRS Forms W-9 were known in the off-shore banking business as "undeclared" accounts.

From 2001 through 2006, defendant Birkenfeld was employed as a director in the private banking division of a large Swiss bank ("Swiss Bank"), which owns and operates banks, investments banks, and stock brokerage businesses throughout the world, including the United States, with offices in the Southern District of Florida. A manager at the Swiss Bank assured defendant Birkenfeld that even though the Swiss Bank signed a Q.I. Agreement, the Swiss Bank was committed to continue to provide private banking services to United States clients who wished for their accounts to remain undeclared. Swiss Bank managers authorized and encouraged defendant Birkenfeld and other private bankers to travel to the United States to solicit new clients and conduct banking for existing United States clients. The Swiss Bank sponsored events in the United States where Swiss bankers met with U.S. clients, including Art Basel in Miami and the NASDAQ 100 tennis tournament in Miami. The Swiss Bank trained bankers traveling to the United States in techniques to avoid detection by United States law enforcement authorities, including training bankers to falsely state on customs forms that they were traveling into the United States for pleasure and not business. Defendant Birkenfeld, Swiss Bank managers and bankers knew that they were not licensed to provide banking services, offer investment advice or solicit the purchase or sale of securities through contact with clients in the United States.

The Tax Fraud Scheme

When the Swiss Bank notified its U.S. clients of the requirements of the Q.I. agreement, many of the Swiss Bank's wealthy U.S. clients refused to be identified, to have taxes withheld from the income earned on their offshore assets, or to sell their U.S. investments. To these clients, the Q.I. reporting requirements defeated the purpose of opening a Swiss bank account; to conceal their accounts from the IRS and to evade U.S. income taxes. These accounts were known at the Swiss Bank as the United States undeclared business. Rather than risk losing the approximately \$20 billion of assets under management in the United States undeclared business, which earned the bank approximately \$200 million per year in revenues, managers and bankers at the Swiss Bank, including defendant Birkenfeld, assisted these wealthy U.S. clients in concealing their ownership of the assets held offshore by assisting these clients in creating nominee and sham entities. These entities were usually set up in tax haven jurisdictions, including Switzerland, Panama, British Virgin Islands, Hong Kong and Liechtenstein. Defendant Birkenfeld, Swiss Bank managers and bankers and U.S. clients prepared false and misleading IRS Forms W-8BEN that claimed that the owners of the accounts were sham off-shore entities and failed to prepare and file IRS Forms W-9 that should have identified the owner of the account, the U.S. client.

Managers and bankers at the Swiss Bank, including defendant Birkenfeld, maintained relationships with Swiss and Liechtenstein businessmen, such as Mario Staggli, who would set up these nominee and sham entities for the Swiss Bank's U.S. clients and pose as owners or directors of these entities. By concealing the U.S. clients' ownership and control in the assets held offshore, defendant Birkenfeld, the Swiss Bank, its managers and bankers evaded the requirements of the Q.I. program, defrauded the IRS and evaded United States income taxes.

In order to further assist U.S. clients in concealing their Swiss bank accounts, defendant Birkenfeld, Mario Staggli, other private bankers and managers at the Swiss Bank and others advised U.S. clients to:

- place cash and valuables in Swiss safety deposit boxes;
- purchase jewels, artwork and luxury items using the funds in their Swiss bank account while overseas;
- misrepresent the receipt of funds from the Swiss bank account in the United States as loans from the Swiss Bank;
- destroy all off-shore banking records existing in the United States, and;
- utilize Swiss bank credit cards that they claimed could not be discovered by United States authorities.

On one occasion, at the request of a U.S. client, defendant Birkenfeld purchased

diamonds using that U.S. client's Swiss bank account funds and smuggled the diamonds into the United States in a toothpaste tube. Defendant Birkenfeld and Mario Staggl accepted bundles of checks from U.S. clients and facilitated the deposit of those checks into accounts at the Swiss Bank, Liechtenstein and Danish banks.

The Billionaire U.S. Real Estate Developer

Defendant Birkenfeld's largest client was a billionaire real estate developer whose initials are I.O. (hereinafter identified as "I.O."). I.O. had residences in Southern California and in Broward County, within the Southern District of Florida. On several occasions, defendant Birkenfeld, Mario Staggl and Swiss Bank managers met with I.O. in Switzerland and in the United States. It was well-known at the Swiss Bank that I.O. was a U.S. citizen, that the income earned on his accounts was subject to Q.I. withholding and reporting requirements, however, during the period from 2001 through 2005, the Swiss Bank issued no Forms 1099 to I.O., nor did the Swiss Bank report any Form 1099 information to the IRS or withhold or pay over any taxes to the IRS.

From at least 2001 through the date of the Indictment, defendant Birkenfeld conspired with Mario Staggl, an owner and operator of a Liechtenstein trust company, I.O., additional private bankers and managers employed by the Swiss Bank, and others to defraud the United States by assisting I.O. in evading income tax on the income earned on \$200 million of assets hidden offshore in Switzerland and Liechtenstein. In order to circumvent the requirements of the Q. I. Agreement, the defendant and others conspired to conceal I.O.'s ownership and control of the \$200 million of assets hidden offshore by creating and utilizing nominee and sham entities.

Defendant Birkenfeld, Mario Staggl, I.O, additional private bankers and managers employed by the Swiss Bank, and others committed numerous overt acts in Broward County in the Southern District of Florida, Central District of California, Switzerland, Liechtenstein, and elsewhere in furtherance of the conspiracy, including the following:

On or about June 21, 2001, I.O. caused to be sent completed bank account opening documents for an account at the Swiss branch of a large bank based in London to defendant Birkenfeld, including a Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding that falsely and fraudulently claimed that the beneficial owner of the newly opened account was a shell corporation located in the Bahamas.

On or about July 26, 2001, defendant Birkenfeld caused to be sent an email to I.O. and others that the large bank based in London was terminating North American clients, travel and resources, and that his new employer, the Swiss Bank, had a superior network, product range and

management, and had recently acquired a large United States securities brokerage house in order to enhance United States investment expertise.

On or about October 19, 2001, defendant Birkenfeld caused to be sent via facsimile to I.O. at a United States facsimile number Swiss bank account opening documents from the Swiss Bank, including a form entitled "Verification of the beneficial owner's identity." This form, executed by I.O., falsely and fraudulently stated that I.O. was not the beneficial owner, and that a nominee Bahamian corporation was beneficial owner of the account. The application further listed I.O. as a signatory to the account.

On or about December 4, 2001, Mario Staggel recommended to I.O. that in order to further conceal I.O.'s ownership of off-shore assets, in addition to setting up Liechtenstein trusts and Dutch holding companies, I.O. should set up an entity in the British Virgin Islands, Panama or Gibraltar that "would lead to another 'safety break' in a tax and anonymity aspect."

On or about December 19, 2001, Mario Staggel caused to be executed a "Letter of Intent," which stated that New Haven Trust Company Limited, trustee of The Landmark Settlement, intended to hold the trust property for the benefit of I.O., and, after his demise, for his children.

On or about March 13, 2002, defendant Birkenfeld caused to be sent a facsimile to I.O. at a United States facsimile number listing \$15 million of bonds that an investment manager at the Swiss Bank had purchased for I.O.

On or about March 25, 2002, I.O. caused to be sent a facsimile to defendant Birkenfeld authorizing defendant Birkenfeld to issue five credit cards from the Swiss Bank to I.O. and others.

On or about April 16, 2002, I.O. caused to be sent a letter to defendant Birkenfeld authorizing the wire transfer of \$80 million from one account at the Swiss Bank to another account at the Swiss Bank.

On or about April 23, 2002, Mario Staggel caused to be sent an email to I.O. in the United States with instructions for I.O. to transfer a portfolio, worth approximately \$60 million, containing United States securities from a brokerage house in London to an account in the name of a Danish shell corporation at a Liechtenstein bank.

On or about April 25, 2002, an unindicted co-conspirator caused to be sent an email to I.O., with a copy to Mario Staggel, that recommended that in addition to the Liechtenstein trusts

and Danish holding companies, I.O. should set up United Kingdom companies to act as nominee shareholders. As stated in the email, "... the partners appear to be U.K. companies and Liechtenstein does not appear to be connected.... The role of the U.K. companies is simply to act as nominee shareholders."

On March 25, 2002, I.O. caused to be sent a fax authorizing defendant Birkenfeld to wire transfer \$39 million from one account at the Swiss Bank to another account at the Swiss Bank.

On or about May 7, 2002, Mario Staggi caused to be sent a reply email advising I.O. not to put his name on any Liechtenstein accounts because doing so could "jeopardize the structure," and reminded I.O. that he had executed blank account signature cards that Mario Staggi could use.

On or about April 15, 2003, I.O. filed his United States Individual Income Tax Return, Form 1040, for the 2002 tax year, listing his address as Sanctuary Cove, Florida that fraudulently omitted income earned on off-shore assets.

On or about May 19, 2003, Mario Staggi caused to be sent an email to I.O., with a copy to defendant Birkenfeld, that stated that Mario Staggi's lawyers in Gibraltar told him "that everything is now in order to proceed with the application to transfer ownership to Gibraltar" of I.O.'s 147 foot yacht.

On or about March 24 and March 25, 2004, defendant Birkenfeld traveled to the Southern District of Florida to meet with I.O. and a banker from the Swiss Bank's New York branch in order to solicit I.O. to take out real estate loans with the Swiss Bank using his undeclared off-shore assets as collateral.

On or about April 15, 2004, I.O. filed his United States Individual Income Tax Return, Form 1040, for the 2003 tax year, listing his address as Lighthouse Point, Florida that fraudulently omitted income earned on off-shore assets.

On or about April 15, 2004, I.O. filed his United States individual income tax return, Form 1040, for the 2003 tax year, listing his address as Lighthouse Point, Florida that fraudulently omitted income earned on off-shore assets.

On or about April 15, 2005, I.O. filed his United States Individual Income Tax Return, Form 1040, for the 2004 tax year, listing an address in Lighthouse Point, Florida that failed to report the income earned on off-shore assets.

On or about June 12, 2005, defendant Birkenfeld and Mario Staggi met with I.O. at a Liechtenstein bank and advised him to transfer all of his assets held by the Swiss Bank to a Liechtenstein bank because Liechtenstein had better bank secrecy laws than Switzerland.

The tax loss associated with the conspiracy involving the evasion of income taxes of the approximate \$200 million I.O. concealed offshore is \$7,261,387 million, exclusive of penalties and interest.

Respectfully submitted,

Date: 6/10/08

By:

R. ALEXANDER ACOSTA
UNITED STATES ATTORNEY

Kevin Downing
KEVIN DOWNING
SENIOR TRIAL ATTORNEY
MICHAEL P. BEN'ARY
TRIAL ATTORNEY
UNITED STATES DEPARTMENT OF JUSTICE
TAX DIVISION

Date: 6/13/08

By:

Jeffrey A. Neiman
JEFFREY A. NEIMAN
ASSISTANT UNITED STATES ATTORNEY

Date: 6/10/08

By:

Danny Onorato
DANNY ONORATO
PETER RABEN
ATTORNEYS FOR DEFENDANT

Date: 10/06/08

By:

Bradley Birkenfeld
BRADLEY BIRKENFELD
DEFENDANT

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United States of America

9 UNITED STATES DISTRICT COURT
10 FOR THE CENTRAL DISTRICT OF CALIFORNIA
11 SOUTHERN DIVISION

12 UNITED STATES OF AMERICA,) SA CR No. 07-227-CJC
13)
Plaintiff,) PLEA AGREEMENT FOR DEFENDANT
14) IGOR M. OLENICOFF
15 v.)
16 IGOR M. OLENICOFF,)
17 Defendant.)

18
19 1. This constitutes the plea agreement between IGOR M.
20 OLENICOFF ("defendant") and the United States Attorney's Office
21 for the Central District of California ("the USAO") in the
22 investigation of into tax violations regarding defendant and
23 numerous entities related to defendant. This agreement is
24 limited to the USAO and cannot bind any other federal, state or
25 local prosecuting, administrative or regulatory authorities.

26 PLEA

27 2. Defendant gives up the right to indictment by a grand
28 jury, waives venue, and agrees to plead guilty to the one-count

1 information in the form attached to this agreement or a
2 substantially similar form.

3 NATURE OF THE OFFENSE

4 3. In order for defendant to be guilty of count one, which
5 charges a violation of Title 26, United States Code, Section
6 7206(1), the following must be true: (1) The defendant made and
7 subscribed a return, statement, or other document which was false
8 as to a material matter; (2) The return, statement, or other
9 document contained a written declaration that it was made under
10 the penalties of perjury; (3) The defendant did not believe the
11 return, statement, or other document to be true and correct as to
12 every material matter; and (4) The defendant falsely subscribed
13 to the return, statement, or other document willfully, with the
14 specific intent to violate the law. Defendant admits that
15 defendant is, in fact, guilty of this offense as described in
16 count one of the information.

17 PENALTIES

18 4. The statutory maximum sentence that the Court can impose
19 for a violation of Title 26, United States Code, Section 7206(1)
20 is: 3 years imprisonment; a 3-year period of supervised release;
21 a fine of \$100,000 or twice the gross gain or gross loss
22 resulting from the offense, whichever is greatest; and a
23 mandatory special assessment of \$100. The Court may order
24 defendant to pay any additional taxes, interest and penalties
25 that defendant owes to the United States. Also, the Court must
26 order defendant to pay the costs of prosecution, which may be in
27

28

1 addition to the statutory maximum fine stated above.

2 5. Supervised release is a period of time following
3 imprisonment during which defendant will be subject to various
4 restrictions and requirements. Defendant understands that if
5 defendant violates one or more of the conditions of any
6 supervised release imposed, defendant may be returned to prison
7 for all or part of the term of supervised release, which could
8 result in defendant serving a total term of imprisonment greater
9 than the statutory maximum stated above.

10 6. Defendant also understands that, by pleading guilty,
11 defendant may be giving up valuable government benefits and
12 valuable civic rights, such as the right to vote, the right to
13 possess a firearm, the right to hold office, and the right to
14 serve on a jury.

15 7. Defendant further understands that the conviction in
16 this case may subject defendant to various collateral
17 consequences, including but not limited to, deportation,
18 revocation of probation, parole, or supervised release in another
19 case, and suspension or revocation of a professional license.
20 Defendant understands that unanticipated collateral consequences
21 will not serve as grounds to withdraw defendant's guilty plea.

22 FACTUAL BASIS

23 8. Defendant and the USAO agree and stipulate to the
24 statement of facts provided below. This statement of facts
25 includes facts sufficient to support a plea of guilty to the
26 charge described in this agreement and to establish the
27

1 sentencing guideline factors set forth in paragraph 12 below. It
2 is not meant to be a complete recitation of all facts relevant to
3 the underlying criminal conduct or all facts known to defendant
4 that relate to that conduct.

5 Defendant is the President and Owner of Olen Properties
6 Corporation (hereinafter "OPC"). During the years 1992 through
7 2004, defendant owned, controlled, and had signatory authority
8 over financial accounts outside of the United States. At least
9 as early as August 1997, defendant listed himself as chairman of
10 Sovereign Bancorp Ltd. (hereinafter "SBL") and President and
11 Director of National Depository Corporation, Ltd. (hereinafter
12 "NDC") on signature cards for Barclays Bank in the Bahamas, which
13 also listed defendant as an authorized signatory on these
14 accounts. Defendant also had signatory authority and controlled
15 several financial accounts with Solomon Smith Barney, which were
16 held in Solomon Smith Barney's office in London, England.
17 Defendant's accounts in Solomon Smith Barney's England offices
18 included accounts in the names of SBL, NDC, Guardian Guarantee
19 Company, Ltd. (hereinafter "GGCL"), Continental Realty Funding
20 Corporation (hereinafter "CRFC"), and Swiss Finance Corporation.
21 Defendant opened several accounts at UBS, formerly known as Union
22 Bank of Switzerland (hereinafter "UBS") in Switzerland, in which
23 defendant had signatory authority and listed himself as Vice
24 President and Director of accounts under the name of GGCL and New
25 Guardian Bancorp APS (hereinafter "NGB"). In addition, defendant
26 also had signatory authority and control over several financial
27 accounts at Neue Bank in Liechtenstein, including an account in
28 the name of NGB.

Defendant directed and authorized transactions from his off-
shore financial accounts, including, but not limited to the
following transactions. On or about March 9, 1992, defendant
transferred approximately \$61,000,000 from an OPC account at
First Interstate Bank in Newport Beach, California, to a Bank of
Montreal account in Canada under the name of NDC. On or about
October 5, 1998, defendant directed Solomon Smith Barney to
transfer approximately \$40,000,000 from an SBL account at Solomon
Smith Barney (England) to an SBL account at Barclay's Bank
(Bahamas). On or about June 4, 2001, defendant directed Solomon
Smith Barney to transfer approximately \$17,000,000, \$43,000,000,
and \$58,000,000 from CRFC, NDC, and SBL accounts, respectively,
at Solomon Smith Barney (England) to NDC and SBL accounts at
Barclay's Bank (Bahamas). On or about December 10, 2001,
defendant directed Barclay's Bank to transfer approximately
\$89,000,000 from a GGCL account at Barclay's Bank (Bahamas) to
open the GGCL account at UBS (Switzerland). On or about February
27, 2002, defendant directed Solomon Smith Barney to transfer
approximately \$38,000,000 from CRFC, NDC, and CRFC accounts at

1 Solomon Smith Barney (England) to an GGCL account at Barclay's
2 Bank (Bahamas).

3 For the calendar years 1998 through 2004, defendant filed
4 his United States Individual Income Tax Returns (hereinafter
5 "Form 1040") with the Internal Revenue Service for the respective
6 tax years. Defendant signed his 1998, 1999, 2000, 2001, 2002,
7 2003, and 2004 Form 1040s under penalties of perjury. Defendant

8 attached a Schedule B, Interest and Ordinary Dividends, to each
9 of his Form 1040s for tax years 1998 through 2004. Each of the
10 Form 1040s that defendant filed included Part III of Schedule B,
11 Foreign Accounts and Trusts, whereby the Internal Revenue Service
12 asked on Line 7a, "At any time during [calendar year], did you
13 have an interest in or a signature or other authority over a
14 financial account in a foreign country, such as a bank account,
15 securities account, or other financial account?" Line 7b stated,
16 "If 'yes,' enter the name of the foreign country." Lines 7a and
17 7b of Part III of Schedule B attached to the Form 1040s called
18 for material information in that the requested information is
19 necessary for a correct computation of the tax due and owing and
20 has a natural tendency to influence or impede the Internal
21 Revenue Service in ascertaining the correctness of the tax due
22 and owing of the taxpayer. On each of the 1998 through 2004 Form
23 1040s, defendant falsely answered "No" to line 7a and left the
24 space blank next to line 7b, even though, as he then well knew
25 and understood, he had an interest in, signatory authority, and
26 other authority over financial accounts in foreign countries
27 during these years.

28 On or about April 15, 2003, in the Central District of
California and elsewhere, defendant, a resident of Laguna Beach,
California, did willfully make and subscribe a 2002 U.S.
Individual Income Tax Return, Form 1040, which was verified by a
written declaration that it was made under the penalties of
perjury and was filed with the Internal Revenue Service, which
defendant did not believe this 2002 U.S. Individual Income Tax
Return to be true and correct as to every material matter in that
Schedule B Part III, Foreign Accounts and Trusts, Line 7a asked
"At any time during 2002, did you have 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?" to which said return falsely stated
"NO," whereas, as defendant then and there well knew and
believed, was a false statement, as defendant had ownership,
control, and signatory authority over financial accounts in
England, Switzerland, the Bahamas, and Liechtenstein. When
defendant signed his 2002 Form 1040, defendant knew that it
contained false information as to a material matter, and in
filing the false 2002 Form 1040, defendant acted willfully.

WAIVER OF CONSTITUTIONAL RIGHTS

1
2 9. By pleading guilty, defendant gives up the following
3 rights:

4 a) The right to persist in a plea of not guilty.

5 b) The right to a speedy and public trial by jury.

6 c) The right to the assistance of legal counsel at
7 trial, including the right to have the Court appoint counsel for
8 defendant for the purpose of representation at trial. (In this
9 regard, defendant understands that, despite his plea of guilty,
10 he retains the right to be represented by counsel - and, if
11 necessary, to have the court appoint counsel if defendant cannot
12 afford counsel - at every other stage of the proceedings.)

13 d) The right to be presumed innocent and to have the
14 burden of proof placed on the government to prove defendant
15 guilty beyond a reasonable doubt.

16 e) The right to confront and cross-examine witnesses
17 against defendant.

18 f) The right, if defendant wished, to testify on
19 defendant's own behalf and present evidence in opposition to the
20 charges, including the right to call witnesses and to subpoena
21 those witnesses to testify.

22 g) The right not to be compelled to testify, and, if
23 defendant chose not to testify or present evidence, to have that
24 choice not be used against defendant.

25 By pleading guilty, defendant also gives up any and all
26 rights to pursue any affirmative defenses, Fourth Amendment or
27

1 Fifth Amendment claims, and other pretrial motions that have been
2 filed or could be filed.

3 WAIVER OF DNA TESTING

4 10. Defendant has been advised that the government has in
5 its possession the following items of physical evidence that
6 could be subjected to DNA testing:

7 Documents obtained via search warrants

8 Defendant understands that the government does not intend to
9 conduct DNA testing of any of these items. Defendant understands
10 that, before entering a guilty plea pursuant to this agreement,
11 defendant could request DNA testing of evidence in this case.
12 Defendant further understands that, with respect to the offense
13 to which defendant is pleading guilty pursuant to this agreement,
14 defendant would have the right to request DNA testing of evidence
15 after conviction under the conditions specified in 18 U.S.C. §
16 3600. Knowing and understanding defendant's right to request DNA
17 testing, defendant knowingly and voluntarily gives up that right
18 with respect to both the specific items listed above and any
19 other items of evidence there may be in this case that might be
20 amenable to DNA testing. Defendant understands and acknowledges
21 that by giving up this right, defendant is giving up any ability
22 to request DNA testing of evidence in this case in the current
23 proceeding, in any proceeding after conviction under 18 U.S.C. §
24 3600, and in any other proceeding of any type. Defendant further
25 understands and acknowledges that by giving up this right,
26 defendant will never have another opportunity to have the

1 evidence in this case, whether or not listed above, submitted for
2 DNA testing, or to employ the results of DNA testing to support a
3 claim that defendant is innocent of the offense to which
4 defendant is pleading guilty.

5 SENTENCING FACTORS

6 11. Defendant understands that the Court is required to
7 consider the United States Sentencing Guidelines ("U.S.S.G." or
8 "Sentencing Guidelines") among other factors in determining
9 defendant's sentence. Defendant understands, however, that the
10 Sentencing Guidelines are only advisory, and that after
11 considering the Sentencing Guidelines, the Court may be free to
12 exercise its discretion to impose any reasonable sentence up to
13 the maximum set by statute for the crimes of conviction.

14 12. Defendant and the USAO agree and stipulate to the
15 following applicable sentencing guideline factors:

16 Base Offense Level : 6 [U.S.S.G. § 2T1.1(a)(2)]
17 Acceptance of
18 Responsibility: -2 [U.S.S.G. § 3E1.1(a)]

19 Defendant and the USAO agree not to seek, argue, or suggest in
20 any way, either orally or in writing, that any other specific
21 offense characteristics, adjustments or departures, from either
22 the applicable Offense Level or Criminal History Category, be
23 imposed. If, however, after signing this agreement but prior to
24 sentencing, defendant were to commit an act, or the USAO were to
25 discover a previously undiscovered act committed by defendant
26 prior to signing this agreement, which act, in the judgment of

1 the USAO, constituted obstruction of justice within the meaning
2 of U.S.S.G. § 3C1.1, the USAO would be free to seek the
3 enhancement set forth in that section.

4 13. There is no agreement as to defendant's criminal
5 history or criminal history category.

6 14. The stipulations in this agreement do not bind either
7 the United States Probation Office or the Court. Both defendant
8 and the USAO are free to: (a) supplement the facts by supplying
9 relevant information to the United States Probation Office and
10 the Court; (b) correct any and all factual misstatements relating
11 to the calculation of the sentence; and (c) argue on appeal and
12 collateral review that the Court's sentencing guidelines
13 calculations are not error, although each party agrees to
14 maintain its view that the calculations in paragraph 12 are
15 consistent with the facts of this case.

16 DEFENDANT'S OBLIGATIONS

17 15. Defendant agrees that he will:

18 a) Waive Indictment by Grand Jury, waive venue, and
19 Plead guilty as set forth in this agreement.

20 b) Not knowingly and willfully fail to abide by all
21 sentencing stipulations contained in this agreement.

22 c) Not knowingly and willfully fail to: (i) appear as
23 ordered for all court appearances; (ii) surrender as ordered for
24 service of sentence; (iii) obey all conditions of any bond; and
25 (iv) obey any other ongoing court order in this matter.

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1 d) Not commit any crime; however, offenses which would
2 be excluded for sentencing purposes under U.S.S.G. § 4A1.2(c) are
3 not within the scope of this agreement.

4 e) Not knowingly and willfully fail to be truthful at
5 all times with Pretrial Services, the U.S. Probation Office, and
6 the Court.

7 f) To fill out and deliver to the USAO, prior to
8 sentencing, a completed financial statement listing defendant's
9 assets on a form provided by the United States Attorney's Office.

10 g) Prior to sentencing, abandon his claim for a refund
11 on the 1999 Corporate Return for Olen Properties Corporation
12 ("OPC") seeking a refund based on interest income "paid" from OPC
13 to Sovereign Bancorp Ltd. ("SBL"), another corporation controlled
14 by defendant.

15 h) Prior to sentencing, defendant will move all money
16 held in foreign financial accounts, including bank and securities
17 accounts, which defendant has an interest in, signature
18 authority, or any other authority, to financial accounts within
19 the United States. Defendant further agrees that during the
20 period of supervised release or probation, that defendant will
21 not have any interest in, signature authority, or any other
22 authority over a financial account in a foreign country, such as
23 a bank account, securities account, or other financial account.

24 i) Cooperate with the Internal Revenue Service in the
25 determination of defendant's civil tax liability and the tax
26 liability of corporations owned and/or controlled by defendant

1 for the Tax Years 1998-2004. Defendant agrees:

2 1) That defendant will, prior to the time of
3 sentencing, enter into closing agreements for the years 1998
4 through 2004 for his Individual Income Tax Returns, correctly
5 reporting unreported income and/or correcting improper deductions
6 and credits, and will, if requested to do so by the Internal
7 Revenue Service, provide the Internal Revenue Service with
8 information regarding the years covered by the returns, and will
9 pay at sentencing all additional taxes, and will pay promptly all
10 penalties and interest assessed by the Internal Revenue Service
11 to be owing as a result of any computational errors.

12 2) That nothing in this agreement forecloses or
13 limits the ability of the Internal Revenue Service to examine and
14 make adjustments to defendant's closing agreements.

15 3) That defendant will not, after entering into
16 the closing agreements, file any claim for refund of taxes,
17 penalties, or interest for amounts attributable to the closing
18 agreements filed in connection with this plea agreement.

19 4) That defendant is liable for the fraud penalty
20 imposed by the Internal Revenue Code, 26 U.S.C. § 6663, on the
21 understatement of civil tax liability for Tax Years 1998-2004.

22 5) To give up any and all objections that could be
23 asserted to the Examination Division of the Internal Revenue
24 Service receiving materials or information obtained during the
25 criminal investigation of this matter, including materials and
26 information obtained through the execution of search warrants or

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1 through grand jury subpoenas.

2 THE USAO'S OBLIGATIONS

3 16. If defendant complies fully with all defendant's
4 obligations under this agreement, the USAO agrees:

5 a) To abide by all sentencing stipulations contained in
6 this agreement.

7 b) At the time of sentencing, provided that defendant
8 demonstrates an acceptance of responsibility for the offense up
9 to and including the time of sentencing, to recommend a two-level
10 reduction in the applicable sentencing guideline offense level,
11 pursuant to U.S.S.G. § 3E1.1, and to recommend and, if necessary,
12 move for an additional one-level reduction if available under
13 that section.

14 c) Not to further prosecute defendant for violations
15 arising out of defendant's conduct described in the stipulated
16 factual basis set forth in paragraph 8 above or tax violations
17 associated with moneys transferred to and held in foreign bank
18 accounts from 1998 through 2004, or any other conduct known to
19 the Government at the time this agreement is signed by defendant.
20 Defendant understands that the USAO is free to prosecute
21 defendant for any other unlawful past conduct or any unlawful
22 conduct that occurs after the date of this agreement. Defendant
23 agrees that at the time of sentencing the Court may consider the
24 uncharged conduct in determining the applicable Sentencing
25 Guidelines range, where the sentence should fall within that
26 range, the propriety and extent of any departure from that range,

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1 and the determination of the sentence to be imposed after
2 consideration of the sentencing guidelines and all other relevant
3 factors.

4 BREACH OF AGREEMENT

5 17. If defendant, at any time between the execution of this
6 agreement and defendant's sentencing on a non-custodial sentence
7 or surrender for service on a custodial sentence, knowingly
8 violates or fails to perform any of defendant's obligations under
9 this agreement ("a breach"), the USAO may declare this agreement
10 breached. If the USAO declares this agreement breached, and the
11 Court finds such a breach to have occurred, defendant will not be
12 able to withdraw defendant's guilty plea, and the USAO will be
13 relieved of all of its obligations under this agreement.

14 18. Following a knowing and willful breach of this
15 agreement by defendant, should the USAO elect to pursue any
16 charge or any civil or administrative action that was either
17 dismissed or not filed as a result of this agreement, then:

18 a) Defendant agrees that any applicable statute of
19 limitations is tolled between the date of defendant's signing of
20 this agreement and the commencement of any such prosecution or
21 action.

22 b) Defendant gives up all defenses based on the statute
23 of limitations, any claim of preindictment delay, or any speedy
24 trial claim with respect to any such prosecution or action,
25 except to the extent that such defenses existed as of the date of
26 defendant's signing of this agreement.

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1 c) Defendant agrees that: i) any statements made by
2 defendant, under oath, at the guilty plea hearing; ii) the
3 stipulated factual basis statement in this agreement; and iii)
4 any evidence derived from such statements, are admissible against
5 defendant in any future prosecution of defendant, and defendant
6 shall assert no claim under the United States Constitution, any
7 statute, Rule 410 of the Federal Rules of Evidence, Rule 11(f) of
8 the Federal Rules of Criminal Procedure, or any other federal
9 rule, that the statements or any evidence derived from any
10 statements should be suppressed or are inadmissible.

11 LIMITED MUTUAL WAIVER OF APPEAL AND COLLATERAL ATTACK

12 19. Defendant gives up the right to appeal any sentence
13 imposed by the Court, and the manner in which the sentence is
14 determined, provided that (a) the sentence is within the
15 statutory maximum specified above and is constitutional, (b) the
16 Court in determining the applicable guideline range does not
17 depart upward in offense level or criminal history category and
18 determines that the total offense level is 4 or below, and (c)
19 the Court imposes a sentence within or below the range
20 corresponding to the determined total offense level and criminal
21 history category. Defendant also gives up any right to bring a
22 post-conviction collateral attack on the conviction or sentence,
23 except a post-conviction collateral attack based on a claim of
24 ineffective assistance of counsel, a claim of newly discovered
25 evidence, or an explicitly retroactive change in the applicable
26 Sentencing Guidelines, sentencing statutes, or statutes of

1 conviction. Notwithstanding the foregoing, defendant retains the
2 ability to appeal the conditions of probation or supervised
3 release imposed by the court, with the exception of the
4 following: standard conditions set forth in district court
5 General Orders 318 and 01-05; the drug testing conditions
6 mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol
7 and drug use conditions authorized by 18 U.S.C. § 3563(b)(7).

8 20. The USAO gives up its right to appeal the sentence,
9 provided that (a) the Court in determining the applicable
10 guideline range does not depart downward in offense level or
11 criminal history category, (b) the Court determines that the
12 total offense level is 4 or above, and (c) the Court imposes a
13 sentence within or above the range corresponding to the
14 determined total offense level and criminal history category.

15 COURT NOT A PARTY

16 21. The Court is not a party to this agreement and need not
17 accept any of the USAO's sentencing recommendations or the
18 parties' stipulations. Even if the Court ignores any sentencing
19 recommendation, finds facts or reaches conclusions different from
20 any stipulation, and/or imposes any sentence up to the maximum
21 established by statute, defendant cannot, for that reason,
22 withdraw defendant's guilty plea, and defendant will remain bound
23 to fulfill all defendant's obligations under this agreement. No
24 one - not the prosecutor, defendant's attorney, or the Court -
25 can make a binding prediction or promise regarding the sentence
26 defendant will receive, except that it will be within the

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1 statutory maximum.

2 NO ADDITIONAL AGREEMENTS

3 22. Except as set forth herein, there are no promises,
4 understandings or agreements between the USAO and defendant or
5 defendant's counsel. Nor may any additional agreement,
6 understanding or condition be entered into unless in a writing
7 signed by all parties or on the record in court.

8 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING


9 23. The parties agree and stipulate that this Agreement
10 will be considered part of the record of defendant's guilty plea
11 hearing as if the entire Agreement had been read into the record
12 of the proceeding.

13 This agreement is effective upon signature by defendant and
14 an Assistant United States Attorney.

15
16 AGREED AND ACCEPTED

17 UNITED STATES ATTORNEY'S OFFICE
18 FOR THE CENTRAL DISTRICT OF CALIFORNIA

19 THOMAS P. O'BRIEN
20 United States Attorney

21 
22 _____

23 BRETT A. SAGEL
24 Assistant United States Attorney

10/29/07

Date

25 I have read this agreement and carefully discussed every
26 part of it with my attorney. I understand the terms of this
27 agreement, and I voluntarily agree to those terms. My attorney
28 has advised me of my rights, of possible defenses, of the

1 Sentencing Guideline provisions, and of the consequences of
2 entering into this agreement. No promises or inducements have
3 been made to me other than those contained in this agreement. No
4 one has threatened or forced me in any way to enter into this
5 agreement. Finally, I am satisfied with the representation of my
6 attorney in this matter.

7 
8 _____

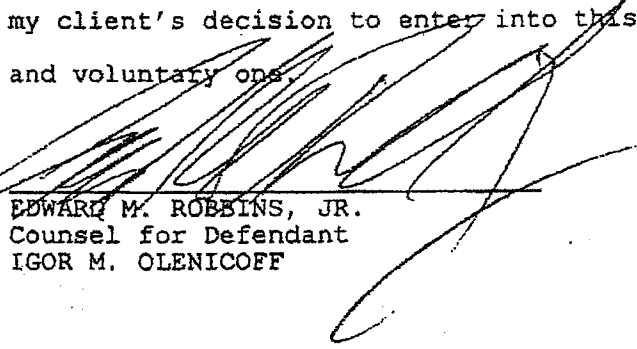
9 IGOR M. OLENICOFF
Defendant

10 10/17/07

Date

10

11 I am IGOR M. OLENICOFF's attorney. I have carefully
12 discussed every part of this agreement with my client. Further,
13 I have fully advised my client of his/her rights, of possible
14 defenses, of the Sentencing Guidelines' provisions, and of the
15 consequences of entering into this agreement. To my knowledge,
16 my client's decision to enter into this agreement is an informed
17 and voluntary one.

18 
19 _____

20 EDWARD M. ROBBINS, JR.
Counsel for Defendant
21 IGOR M. OLENICOFF

22 10/17/07

Date

22

23

24

25

26

27

28

Subject: Meeting in California

Date: Thu, 26 Jul 2001 15:23:07 +0100

From: "Bradley Birkenfeld" <birkenfeld@attglobal.net>

To: "OLENICOFF, Andrei" <aolenicoff@olenproperties.com>

CC: "OLENICOFF, Igor" <iolenicoff@olenproperties.net>

Dear Andrei,

It was nice to speak to you the other day after some time. As we discussed, I needed to pursue a more advantageous firm to do my business, since Barclays was terminating North American clients, travel and resources. This was not suitable for me, so I have signed a contract as a Director with UBS to commence on October 2 (my assistant will be joining me as well). UBS has a superior network, product range, credit rating, senior management etc. Additionally, they just acquired Paine Webber to enhance their investment expertise.

I will call you next week when I return to Geneva and we can review some dates in August that would be mutually convenient to set up a meeting in your neighborhood. I hope all is well and I look forward to seeing you. Take care.

Regards,

Brad

*Set up ^{for} Conesp
file for Mario?
New Haven*

10/5/01 4:48 PM

1 of 1

Permanent Subcommittee on Investigations

EXHIBIT #97

SW 067087



October 11, 2001

Via Fax:

VPP
bcc BRAD
BIRKENFELD

Hartis Pinder
McKinney, Bancroft & Hughes
Mareva House
4 George Street
Nassau, Bahamas

Dear Hartis:

I hope this letter finds you well, in all respects.

We are in the process, on behalf of Guardian Guarantee Co. Ltd., of establishing an account with UBS Bank, in Geneva. The representative for the bank is Mr. Bradley Birkenfeld. Mr. Birkenfeld felt that it would be best handled if he forwarded his requests for information to your office, as the corporate office for Guardian. He indicated that he may also call you, should there be any questions, relative to the opening of the account with UBS.

The signatories on this Guardian account will be Andrei Olenicoff, Natalia Olenicoff, Jeanette Bullington and myself. The purpose of the account is to be a clearing account for the investments Guardian Guarantee Co. Ltd. will be making through the UBS network of financial managers.

Should you need additional information, please reach me by phone, E-mail or fax.

Best regards,

A handwritten signature in black ink, appearing to read "Igor".

Igor M. Olenicoff

7 Corporate Plaza • Newport Beach, CA 92660
(949) 644-OLEN • Fax (949) 719-7200
www.olenproperties.com

Permanent Subcommittee on Investigations

EXHIBIT #98

SW 066661



UBS / d-54

October 23, 2001

Bradley C. Birkenfeld
UBS AG
Rue de la Corraterie 16
P.O. Box 2600, CH-1211
Geneva 2, Switzerland

Re: Guardian Guarantee Co. Ltd.

Dear Brad:

Pursuant to our discussions, enclosed please find the completed forms for the opening of the above referenced account. Also enclosed are copies of the signatories passports and the corporate documents requested.

I look forward to getting the account opened at your earliest convenience. Once the account is opened, please give me a call so that we can make further arrangements.

Best regards,

A handwritten signature in black ink, appearing to read "Igor".

Igor M. Olenicoff
President

IMO:cs
Enclosures

7 Corporate Plaza • Newport Beach, CA 92660
(949) 644-OLEN • Fax (949) 719-7200
www.olenproperties.com

SW 066645

Subject: Structure

Date: Sat, 02 Jan 1904 06:43:10 +0200

From: Mario Staggi <mstaggi@newhaven.li>

To: Igor Olenicoff <iolenicoff@olenproperties.com>

CC: <aolenicoff@olenproperties.com>

Jan
file @
hu

Dear Igor

Subsequent to our telephone discussion of last week your most recent e-mail made it very clear to me - you want to become on-shore - but still maintain an off-shore status in tax and protection point of view.

I have had a chance to review the structure based on the latest findings and should like to summarize as follows:

Danemark definitely provides for an on-shore status in an appearance point of view as well as for a "tax exemption" status in a tax point of view. With regard to the banks, both UBS and Neue Bank would not have to charge VAT on their management fee since the Danish Holding Co. is not liable for VAT. Moreover, a Danish Holding Co. is not even allowed by law to apply for a VAT number if it in itself does not have a turnover/activity in Danemark. Our Danish Co will without any doubt not perform any turnover in Danemark and the VAT problem would not exist. There is no need to escape to Gibraltar, latter being a traditional tax-haven jurisdiction and not necessarily advantageous to the appearance aspect. The banking / VAT aspect Sitzerland, UK and Liechtestein is covered if Danemark or Gibraltar is used but Danemark got a much better reputation.

secret?
"yes"

The proposed company name "New Guardian Bancorp" is available and could be used.

It is further anticipated that the Danish Holding Co. will absorb/acquire the Olen US bearer shares presently allocated to the Bahamian Company. This is basically possible without any foreseeable problems but I should recommend to you to seek advice from a local US Tax Adviser because we will have to take the FIRPTA rule into account. Would you please check this with your domestic Tax Adviser and let me have his thoughts.

stock for
stock
all change

Again, I strongly recommend not to use a Swiss Company since Swiss Holding Companies in conjunction with the US is the worst you can have (at least in this structure). The VAT is also an issue. I am sure your local Tax Adviser will share my opinion.

Looking forward to hearing from you, I remain,

Personal regards,

Mario

12/10/01 10:27 AM



A

Master no.

[Empty box for Master no.]

Verification of the beneficial owner's identity
(Form A as per Art. 3 and 4 CDB)

Account/Custody Account No.:

Contracting partner:

IGOR OLENICOFF
ANDREI OLENICOFF

Category:

Company

The undersigned hereby declares:

(mark with a cross where appropriate)

that the contracting partner is the beneficial owner of the assets concerned.

that the beneficial owner of the assets concerned is:

Last name/First name (or firm)

Guardian Guarantee Company Limited

Address/Domicile, Country

4 George Street

Mareva House

Nassau, Bahamas

The contracting partner undertakes to inform the bank immediately of any changes.

Nassau, Bahamas 23/10/01

Place/Date

[Signature]

Signature(s)

For internal bank use only

Signature(s) verified

OU-Ref.:

OU-Ref.:

(as per Directives PF/1/005)

Customer Adviser's signature:

Supervisor's signature:

19.10.2001

63050 E V0

03.2000 J2

Permanent Subcommittee on Investigations

EXHIBIT #100

SW 066648



Master no. _____

— = Redacted by the Permanent Subcommittee on Investigations

Authorized signatories

Tel. No: 242-322-4195

Company: Guardian Guarantee Company Limited

Exact address of domicile: 4 George Street - Mareva House - Nassau, Bahamas

We hereby advise you of the following persons with unlimited authority to sign (without right of substitution) and who are authorized to carry out any legal acts and to enter into other obligations vis-à-vis UBS AG (hereinafter UBS) in connection with claims or assets deposited under the above master number and enter into other obligations vis-à-vis UBS:

Authorized signatory 1

Last name/first name: Olenicoff, Igor

Nationality/ Date of birth: USA / [redacted]

Signature:

Authority to sign:
 by sole signature
 by joint signature of 1

Authorized signatory 2

Last name/first name: Olenicoff, Andrei

Nationality/ Date of birth: USA / [redacted]

Signature:

Authority to sign:
 by sole signature
 by joint signature of 1

Authorized signatory 3

Last name/first name: Olenicoff, [redacted]

Nationality/ Date of birth: USA / [redacted]

Signature:

Authority to sign:
 by sole signature
 by joint signature of 1

Authorized signatory 4

Last name/first name: [redacted]

Nationality/ Date of birth: USA / [redacted]

Signature:

Authority to sign:
 by sole signature
 by joint signature of 1

(Please cross out unused fields.)

In particular, said authorized signatories are authorized to deposit, buy and sell, pledge, loan, convert and withdraw securities/book entry securities with binding effect in our name, to make deposits or withdraw funds in any manner whatsoever, be it by cheque or otherwise, to sign all settlements of account, receipts, discharges, verifications, transfers and assignments, to issue, accept, endorse or give discharges on bills of exchange, cheques, orders or similar instruments of every kind, to receive communications, statements of account/custody account and all other statements, to conclude agreements with UBS on the use of electronic services and to use same, to elect a jurisdiction and generally to do everything he/she/they may deem expedient or necessary. The authorized signatories are also authorized to take out any type of credits/loans in our name with binding effect and to give UBS legally binding instructions for the management of assets or to place an investment order. Furthermore, he/she/they are authorized to open and close accounts/custody accounts. It is his/her/their responsibility, and not the responsibility of UBS, to inform me/us at once of his/her/their actions.

Several authorized signatories
Without explicit restriction to joint signature the authorized signatories are authorized to act severally (sole signature). Provided that there is no other provision in writing the authority to sign by joint signature means joint signature of two.

The power of attorney of the authorized signatories shall be applicable without restriction until UBS receives an explicit revocation in writing. The power of attorney, therefore, shall remain in effect irrespective of any other or missing entries in a public register (e.g. the commercial register).

The present power of attorney shall be exclusively governed by and construed in accordance with Swiss law. The place of performance of all obligations of both parties, the place of debt collection, the latter only for Customers domiciled outside Switzerland, as well as the exclusive place of jurisdiction for any disputes arising out of and in connection with this power of attorney shall be Geneva, Switzerland.

UBS reserves the right, however, to take legal action against the grantor of the power of attorney before the authority of his/her/its domicile or before any other competent authority, in which event exclusively Swiss law shall remain applicable.

Company Name* Guardian Guarantee Company Limited

Last name/ First name: Olenicoff, Igor
Function: President

Signature:

Last name/ First name: Olenicoff, Andrei
Function: Secretary

Signature:

Place/Date: NASSAU, BAHAMAS 23/10/01

* The word "company" also stands for legal entities such as foundations, public entities, associations, etc.

For internal bank use only

Signature(s) verified
OU-Ref.:
DU-Ref.:
(as per Directives PF/1/005)

Customer Adviser's signature:
Supervisor's signature:

19.10.2001

63054 E V3 02.2001 J5

THANK YOU !

Subject: THANK YOU !

Date: Sat, 01 Dec 2001 16:16:34 -0800

From: Igor Olenicoff <iolenicoff@olenproperties.com>

To: MARIO STAGGL <newhaven@newhaven.lol.il>

CC: Bradley Birkenfeld <birkenfeld@gattglobal.net>

THANK YOU AND KLAUS FOR MEETING WITH US LAST WEEK. WE FELT IT WAS A PRODUCTIVE MEETING FOR US AND ONE WHICH WILL LEAD TO PRODUCTIVE BUSINESS FOR BOTH OF OUR FIRMS .

AFTER RETURNING TO GENEVE , IT BECAME CLEAR THAT WE NEED TO RECONSIDER CERTAIN ASPECTS OF WHAT WE TALKED ABOUT AND MAYBE REDUCE THE NUMBER FROM THREE TO TWO TRUSTS . THE PRIMARY REASON FOR THIS IS THAT WE WERE INFORMED BY BRAD THAT THEY WOULD HAVE TO CHARGE THE VAT. CHARGE IS WE WERE TO DO BUSINESS THROUGH THE TRUST YOU FORM AND THAT WE NEED A FIRM IN A NON -SWISS ENTITY TO AVOID THIS TAX AND AS SUCH MAYBE WE ARE BETTER OFF SIMPLY RENAMING THE EXISTING ENTITY WE HAVE TO MATCH THE ENTITY NAME WE WERE GOING TO FORM WITH YOU AND ONLY HAVE THE STOCK OF THAT ENTITY ISSUED TO ONE OF THE OTHER TRUSTS , NAMELY LANDMARK. THIS WAY LANDMARK WOULD OWN THE MISC., ASSETS AND THE INVESTMENT COMPANIES STOCK WHICH WOULD BE IN THE EXISTING JURISDICTION . PLEASE GIVE ME YOUR ADVISE ON THIS ISSUE SO WE CAN DECIDE HOW MANY TRUSTS YOU NEED TO FORM. IT MAY EVEN BE ONLY ONE IF THE STOCK OF THE REAL ESTATE ENTITIES CAN BE OWNED BY A SWISS ENTITY AND THE STOCK OF THAT ENTITY WOULD BE OWNED BY THE TRUST YOU FORM .

PLEASE GIVE THIS SOME THOUGHT AND LET ME KNOW. WE ARE PREPARED TO GO FORWARD WITH ARNOLD AND PAUL , BUT NEED TO KNOW WITH WHICH ENTITY TO ESTABLISH THE RELATIONSHIP WITH THEM WITH . IT APPEARS THAT IT SHOULD BE THE SAME ENTITY THAT CURRENTLY HAS THE ACCOUNTS AT THE CURRENT INSTITUTION , WITH A NON-SWISS JURISDICTION TO AVOID THE VAT. ASSESSMENT ? PLEASE ADVISE YOUR THOUGHTS ON THIS BEFORE WE LAUNCH OFF TO A START THAT MAY NOT BE IN THE PROPER FORMAT.

THANK CLAUS AGAIN FOR THE TIME AND ADVISE AND WE LOOK FORWARD TO SEEING YOU AGAIN SOON AS WE ALL ENJOYED OUR STAY IN YOUR BEAUTIFUL COUNTRY AND THE WONDERFUL FOOD WE WERE ABLE TO SAMPLE.

10/31/2003 7:53 AM

of 1

Permanent Subcommittee on Investigations

EXHIBIT #101

SW 065109

rious

Subject: Various

Date: Tue, 04 Dec 2001 18:24:50 +0200

From: Mario Staggi <mstaggi@newhaven.li>

To: <olenicoff@olenproperties.com>

Dear Igor

Thank you for your message of December 2. It was a pleasure to meet with you, Andrej and Jeanette and I am sure that this was the beginning of an excellent relationship.

I have read your aforementioned e-mail and should like to comment as follows:

The structure could basically be cut down to two trusts but I would still not recommend to do so. We were talking about three different components which would become part of the structure and in our opinion these should be kept and treated separate for reasons discussed.

The shares in OLEN US are "owned" by the Bahamian Company. In order to avoid any potential exposure in a tax point of view we would recommend to transfer the Bahamian company shares into a Danish Holding Company. The Danish Holding Company would be owned by the first of the Liechtenstein Trusts. Advantage is that Denmark is not a "off-shore" jurisdiction. Any dividends which might be paid from Olen to the Cayman Company could be disposed by way of dividend to the Danish Holding Company without being liable to Danish Taxation and would become "offshore" assets.

The cash available for UBS and Neue Bank can basically be held by the second Liechtenstein Trust. If this is the case 7,6% VAT would become due on the bank's management charge as well as on the trustee fees. There is an easy way to get around this VAT by interposing an "off-shore" jurisdiction since services rendered and charged to non Swiss or non Liechtenstein entities are not liable to VAT. We would recommend the second Liechtenstein Trust being the shareholder of the investment "off-shore" vehicle. The jurisdiction could be the British Virging Islands (BVI), Panama, Gibraltar. The investment "off-shore" vehicle would be the contracting partner to the banks. The administration would be looked after by New Haven in Liechtenstein. The second advantage of interposing the "off-shore" vehicle would lead to another "safdy-break" in a tax and anonymity aspect.

There is basically no objection to have Landmark, provided it is an off-shore company, becoming the "Cash Box" (account holder) with both banks either in its existing name or re-named. The share in either Landmark or Landmark in its renamed form could be transferred to the third Liechtenstein Trust. Either a new "offshore-entity" or the existing Landmark could become the account holder/contracting partner to UBS and Neue Bank.

Finally, I should stress that a Swiss Holding Company would not be the appropriate jurisdiction in particular keeping in mind the 35% Withholding Tax Switzerland applies.

Please let me have your thoughts.

Kind regards

Mario

10/31/2003 7:54 AM

of 1

SW 065110

STRUCTURE DISCUSSION

Subject: STRUCTURE DISCUSSION

Date: Sat, 08 Dec 2001 15:55:22 -0800

From: Igor Olenicoff <olenicoff@olenproperties.com>

To: MARIO STAGGL <newhaven@newhaven.lol.ll>

CC: Bradley Birkenfeld <birkenfeld@gattglobal.net>

Andrei Olenicoff <aolenicoff@olenproperties.com>

MARIO, BASED ON OUR LAST CONVERSATION, YOU WERE GOING TO LOOK INTO A STRUCTURE WHICH MAY AVOID THE VAT TAX, BUT STILL HAVE AN ON-SHORE PRESENCE, SUCH AS IN DENMARK OR _____?

BARRING THE ABILITY TO DO IT ON SHORE, WHICH IS OUR PREFERENCE SIMPLY FROM AN APPEARANCE STANDPOINT, WE ARE RESOLVED TO DOING OFFSHORE THROUGH A JURISDICTION OF YOUR RECOMMENDATION. I BELIEVE THE MOST PREFERRED OF THE ONES WE DISCUSSED IS GIBRALTAR.

THE STRUCTURE WOULD BE TO HAVE YOU FORM LANDMARK SETTLEMENT, WHICH WOULD THEN FORM THE DANISH OR GIBRALTAR ENTITY AND OUR PREFERENCE OF A NAME AT THIS TIME, ASSUMING IT IS AVAILABLE WOULD BE NEW GUARDIAN BANCORP, LTD. THIS NEW ENTITY WOULD THEN OPEN THE INVESTMENT MANAGEMENT ACCOUNTS AT UBS, WITH BRAD AND WE WILL PUT YOU IN TOUCH WITH THE LONDON INVESTMENT BANK WHERE ANOTHER ACCOUNT WOULD BE OPENED.

LANDMARK SETTLEMENT WOULD REMAIN THE HOLDING TRUST COMPANY FOR THESE INVESTMENTS AND THE ACCOUNTS AT THE INVESTMENT BANKS WOULD BE OPENED REQUIRING TWO SIGNATURES TO MAKE ANY WITHDRAWALS FROM THE ACCOUNTS, YOURS AS TRUSTEE AND ONE OF US AS THE MANAGERS OF THE ACCOUNTS. YOU WOULD ISSUE AUTHORIZATION FROM THE TRUST TO THE INVESTMENT BANKS TO TAKE MANAGEMENT DIRECTION FROM ANDREI, JEANNETE OR MYSELF RELATIVE TO THE INVESTMENTS.

IF THE VAT TAX CAN NOT BE AVOIDED FOR THE INVESTMENT ACCOUNT MANAGEMENT FEE THROUGH A DANISH CORPORATION, THEN PERHAPS WE CAN NEXT FORM A DANISH OR SWISS ENTITY TO BE THE PARENT COMPANY AND HOLDER OF THE REAL ESTATE COMPANY STOCK. IN SHORT, IT IS THE PREFERENCE OF THE CURRENT HOLDER OF THE STOCK, A BAHAMIAN CORPORATION TO MOVE THE OWNERSHIP TO AN ONSHORE ENTITY, BUT ONE WHICH PROVIDED COMPLETE ANONYMITY AS TO THE BENEFICIAL OWNERS. I AM THINKING THAT A SWISS ENTITY MAY BE THE BEST VEHICLE TO DO THIS WITH, AND IF YOU AGREE THEN WE WOULD NEED TO ESTABLISH A SWISS ATTORNEY CONTACT WHO WOULD AGREE TO SERVE AS THE DIRECTORS AND OFFICERS OF THE SWISS ENTITY WITH THE STOCK BEING ISSUED TO LANDMARK SETTLEMENT.

I WILL BE IN FLORIDA NEXT WEEK, HOWEVER ANDREI WILL BE AT OUR OFFICES IN CALIFORNIA AND YOU CAN CALL HIM OR SIMPLY EMAIL BOTH OF US --WHICH EVER IS EASIER FOR YOU.

THANK YOU FOR YOUR ASSISTANCE

Structure

Subject: Structure

Date: Fri, 08 Jan 1904 20:52:22 +0200

From: Mario Staggi <mstaggi@newhaven.ll>

To: <lolenicoff@olenproperties.com>, Igor Olenicoff <lolenicoff@olenproperties.com>

Dear Igor

Thank you for your email of December 13 which is indeed very clear. We agree to proceed accordingly.

First, we will establish the Liechtenstein Trust to be known as "The Landmark Settlement". All the information we need in order to proceed are available at our offices. New Haven will be the trustee.

Sheltons, our correspondent in Danemark, agreed to incorporate "New Guardian Bancorp" wholly owned tby the Liechtenstein "The Landmark Settlement" and in order for them to proceed they require to have the share capital (Danish Krona 125'000) approx USD 20'000 in their client accounts. I will provide you with the account details tomorrow. Once the New Guardian is incorporated this money will be for free disposal of the company. With regard to Sheltons I should mention that this firm is rated within the top 3 leading tax firms in Danemark. For your information their web-site is: www.sheltons-tax.com. The managing director Mr. Ned Shelton who is personally known to New Haven and its directors for many years is considered to be "The Leading Tax Advisor" in Danemark. There is no need to mention that I will negotiate a discounted fee.

I do not see any problem for New Guardian to enter into a Management Agreement with Andrej and yourself and suggest that such an agreement will be drafted by Sheltons once the company is duly incorporated.

With regard to the second Danish company I will ask Sheltons to clear the proposed name "Landmark Realty Holding Co. and if this name is available I am sure it can be translated into Danish and incorporated in its Danish translation. If the name should not be available we use a name which includes "Real Estate Investment" or "Real Estate Holding" not making reference to any of the entity names in the structure. Again, in order for Sheltons to proceed they will need a further \$ 20'000 being the share capital for the second Danish company.

I basically agree for the second Danish company to be owned by the Landmark Settlement (latter also owning the first Danish company New Guardian Bancorp, but should stress, in order to have "things" separated (we are also using a name for the second Danish company which will not lead to the others) to establish a second Liechtenstein Trust. Please let me have your thoughts.

I will be in touch with you on Monday December 17.

Kind regards,

Mario

10/31/2003 7:51 AM

of 1

SW 065103

copy done to ea acct.

[Click here and type return address and phone and fax numbers]

THE OLEN COMPANIES

Fax



To: Bradley Birkenfeld **From:** Igor M. Olenicoff

Fax: 41-22-375-69-49 **Pages:** 6

Phone: **Date:** 12/27/01

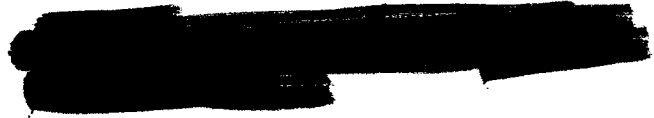
Re: Structure **CC:**

Urgent For Review Please Comment Please Reply Please Recycle

Pursuant to our discussion, enclosed is a signed copy of an e-mail from myself to Mario wherein he requests the transfer of \$40,000 (Forty Thousand Dollars), as initial capital, for the formation of the two entities referenced. Please accept this letter as our authorization for you to make such a transfer.

Igor M. Olenicoff
Igor M. Olenicoff

Andrei Olenicoff
Andrei Olenicoff



*list. a check?
UBS*

Permanent Subcommittee on Investigations
EXHIBIT #102

Smith Barney Transfer

Subject: Smith Barney Transfer

Date: Tue, 23 Apr 2002 11:35:37 +0200

From: Mario Staggi <mstaggi@newhaven.li>

To: Igor Olenicoff <iolenicoff@olenproperties.com>

— = Redacted by the Permanent
Subcommittee on Investigations

Dear Igor,

We are looking forward to seeing you and Andrej in the near future. The account is kept in the name of New Guardian Bancorp Aps and you may remember that you and Andrej have signed the signature cards at the occasion of our first visit at Neue Bank.

Smith Barney can now be instructed to wire the securities according to the co-ordinates set out below:

Neue Bank's correspondent:

Brown Brothers Harriman & Co.
New York, DTC 010

For further Credit to:

Intersettle Zurich
acc.-no: [REDACTED]

In favour of:

Neue Bank AG
LI-9490 Vaduz
acc.-no: [REDACTED]

For secrecy purpose, there is no need to mention "New Guardian Bancorp. Aps", but, if you prefer to do so the name of the beneficiary can be mentioned.

Please do not hesitate to contact me if anything needs to be discussed.

Regards,
Mario

10/31/2003 8:41 AM

#1

Permanent Subcommittee on Investigations

EXHIBIT #103

SW 065120

Subject: Re: Smith Barney Transfer
Date: Thu, 25 Apr 2002 16:13:34 -0700
From: Igor Olenicoff <olenicoff@olenproperties.com>
Organization: Olen Properties
To: Mario Staggi <mstaggi@newhaven.il>

MARIO, WE GAVE THEM INSTRUCTIONS TODAY TO SHIP THE SECURITIES AS NOTED BELOW SO NEUE SHOULD BE RECEIVING IT IN A MATTER OF A FEW DAYS. WHEN THEY DO, PLEASE SO ADVISE.

AFTER THEY HAVE REVIEWED THE PORTFOLIO RECEIVED, AND HAVE ANY SUGGESTIONS FOR IMPROVING THE PERFORMANCE OF THE PORTFOLIO, WE WOULD WELCOME THEIR INPUT.

PLEASE THANK THEM AND WE LOOK FORWARD TO MEETING WITH THEM AGAIN.

BEST PERSONAL REGARDS,

IGOR

Mario Staggi wrote:

- > Dear Igor,
>
> We are looking forward to seeing you and Andrej in the near future. The
> account is kept in the name of New Guardian Bancorp Aps and you may remember
> that you and Andrej have signed the signature cards at the occasion of our
> firts visit at Neue Bank.
>
> Smith Barney can now be instructed to wire the securities according to the
> co-ordinates set out below:
>
> Neue Bank's correspondant: Brown Brothers Harriman & Co.
New York, DTC 010
>
> For further Credit to: Intersettle zurich
acc.-no:
>
> In favour of: Neue Bank AG
LI-9490 Vaduz
acc.-no:
>
> For secrecy purpose, there is no need to mention "New Guardian Bancorp.
> Aps", but, if you prefer to do so the name of the beneficiary can be
> mentioned.
>
> Please do not hesitate to contact me if anything needs to be discussed.
>
> Regards,
> Mario

IGOR OLENICOFF <olenicoff@olenproperties.com>
PRESIDENT
OLEN PROPERTIES

Tax Haven Bank Secrecy Tricks

- **Code Names for Clients**
- **Pay Phones, not Business Phones**
- **Foreign Area Codes**
- **Undeclared Accounts**
- **Encrypted Computers**
- **Transfer Companies to Cover Tracks**
- **Foreign Shell Companies**
- **Fake Charitable Trusts**
- **Straw Man Settlers**
- **Captive Trustees**
- **Anonymous Wire Transfers**
- **Disguised Business Trips**
- **Counter-Surveillance Training**
- **Foreign Credit Cards**
- **Hold Mail**
- **Shred Files**

Liechtenstein Secrecy Laws

Article 14 of the Banking Act: "The members of the organs of banks and their employees as well as other persons acting on behalf of such banks shall be obliged to maintain the secrecy of facts that they have been entrusted to or have been made available to them pursuant to their business relationships with clients. The obligation to maintain secrecy shall not be limited in time."

Article 11 of the Trustee Act: "Trustees are obliged to secrecy on the matters entrusted to them and on the facts which they have learned in the course of their professional capacity and whose confidentiality is in the best interest of their client. They shall have the right to such secrecy subject to the applicable rules of procedure in court proceedings and other proceedings before Government authorities."

Article 10 – Data Confidentiality: "Whoever processes data or has data processed must keep data from applications entrusted to him or made accessible to him based on his professional activities secret, notwithstanding other legal confidentiality obligations, unless lawful grounds exist for the transmission of the data entrusted or made accessible to him."

Processing of Personal Data - § 1173a, Art. 28a ABGB (General Civil Code): "The employer may not process data relating to the employee unless such data concern his or her qualification for the employment or are indispensable for the performance of the employment contract. In addition, the provisions of the Data Protection Act shall apply."

Article 8 – Transborder Data Flows : "No personal data may be transferred abroad if the personal privacy of the persons affected could be seriously endangered, in particular where there is a failure to provide protection equivalent to that provided under Liechtenstein law. This shall not apply to states which are party to the EEA Agreement.; whoever wishes to transmit data abroad must notify the Data Protection Commissioner beforehand in cases where: a) there is no legal obligation to disclose the data and b) the persons affected have no knowledge of the transmission."

Prohibited Acts of a Foreign State - Art. 2 of the Liechtenstein State Security Law: "Prohibited Acts for a Foreign State: Whoever, without being authorized, performs acts for a foreign state on Liechtenstein territory that are reserved to an authority or an official, whoever aids and abets such acts, shall be punished by the Liechtenstein court (Landgericht) with imprisonment up to three years. "

Prohibited Acts for a Foreign State – Art. 271 of the Swiss Penal Code: "Whoever, without being authorized, performs acts for a foreign state on Swiss territory that are reserved to an authority or an official, whoever performs such acts for a foreign party or another foreign organization, whoever aids and abets such acts, shall be punished with imprisonment up to three years or a fine, in serious cases with imprisonment of no less than one year."

Economic Intelligence Service (Art. 273 SPC): "Whoever seeks out a manufacturing or business secret in order to make it accessible to a foreign official agency, a foreign organization, a private enterprise, or their agents, whoever makes a manufacturing or business secret accessible to a foreign official agency, a foreign organization, a private enterprise, or their agents, shall be punished with imprisonment up to three years or a fine, in serious cases with imprisonment of no less than one year. Imprisonment and fine can be combined."

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Middle East
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Palo Alto
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July 15, 2008

Senator Carl Levin
Chairman
U.S. Senate Permanent Subcommittee on Investigations
199 Russell Senate Office Building
Washington, DC 20510-6262

and

Senator Norm Coleman
Ranking Minority Member
U.S. Senate Permanent Subcommittee on Investigations
199 Russell Senate Office Building
Washington, DC 20510-6262

RE: "Marsh Accounts:" Statement Clarification

Dear Senator Levin and Senator Coleman:

Having been provided with an advance copy of your Staff Report on "Tax Haven Banks and U.S. Tax Compliance," it has come to our attention that the Staff Attorneys have interpreted a sentence that we wrote in a "Reasonable Cause" letter submitted to the IRS on behalf of Kerry Marsh and Shannon Marsh (regarding a late filing of a Forms 3520 for 2006) in a way that was not intended by us, thus leading to an inaccurate inference and understanding of the taxpayers' position [noted at page 42]. As the authors of the "Reasonable Cause" letter that apparently has caused this misunderstanding of our clients' position, we would like to clarify and correct the record.

It is not our clients' position that they only learned of being among the beneficiaries of certain Liechtenstein Foundations following their father's death in June 2006. Instead, our "Reasonable Cause" letter was attempting to explain that the clients learned after their father's death (from us) that one of these Foundations constituted a so-called "simple trust" whose income needed to be reported by them for US tax purposes on Forms 3520, even though they had not received any distributions from that Foundation in 2006. We did not intend to suggest that our clients were not aware of the fact that they were beneficiaries of these Foundations prior to their father's death, and any inference to that effect was not intended. We apologize for any confusion that our "Reasonable Cause" letter may have caused on this issue.

Please also note that we believe that there are other factual errors in the section of the Staff Report regarding the "Marsh Accounts" (e.g., the IRS audit of the Marsh family started in the Summer of 2006, not 2007 as stated at page 42); however, this letter is not intended to be

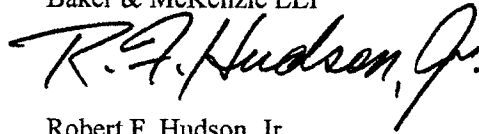
Robert F. Hudson, Jr.
Tel: +1 305 789 8906
robert.f.hudson@bakernet.com

Via Email
mary_robertson@hsgac.senate.gov

a comprehensive response to all such potential factual errors, but rather simply a clarification of what we thought was a particularly unfortunate inference from our apparently less than clear explanation of our taxpayers' reason for why the Forms 3520 for 2006 were being filed late.

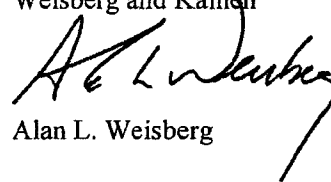
Respectfully submitted,

Baker & McKenzie LLP



Robert F. Hudson, Jr.

Weisberg and Kainen



Alan L. Weisberg



The Honourable Senator Carl Levin, Chairman

Our reference:

The Honourable Senator Norm Coleman,
Ranking Member

Contact officer: Michael O'Neill
Telephone: +61 2 9374 2538
Facsimile: +61 2 9374 2736

Permanent Subcommittee on Investigations
Homeland Security and Government Affairs
United States Senate
Room 199 Russell Senate Office Building
Washington, D.C. 20510-6262
United States of America

Issue date: 15 July 2008

Via Email: mary_robertson@hsgac.senate.gov

Dear Senators Levin and Coleman

TAX HAVEN ENQUIRY

Thank you for your letter of 6 July 2008, including your invitation to provide a submission to your enquiry and to attend and give testimony.

Unfortunately, a prior commitment in Australia prevents me from attending at this time, however the Australian Taxation Office is very supportive of the good work of your Subcommittee, and we offer a short written submission (attached hereto) regarding our approaches in dealing with abusive tax haven arrangements.

Also attached for your information are our publications:

- Compliance Program (Compliance Program 2007-08);
- Aggressive Tax Planning (Don't Take the Bait);
- Tax Havens and Tax Administration (Tax Haven Booklet);
- Taxpayer Alert - Liechtenstein (TA 2008/2);
- Taxpayer Alert - Vanuatu (TA 2008/8).

Please contact me on +61 2 6216 1018 or my colleague, Mr Michael O'Neill, acting Deputy Commissioner, on the above numbers if we may further assist.

Yours sincerely

Michael D'Ascenzo
Commissioner of Taxation

Introduction

The Australian Taxation Office (ATO) believes that persistent and sustained compliance action is required to contain abusive use of tax havens. We believe this is important not only to contain revenue leakage but also to sustain the community's confidence in the fairness of the system and the effectiveness of tax administration.

While we are not aware of an effective way to measure the "compliance gap" in respect of the abusive use of tax havens, we note that the flow of funds through tax havens is increasing. For example, we are aware of OECD estimates that between \$US 5-7 trillion are held in tax havens or banking secrecy jurisdictions.

In addition, the Australian Transaction Reports and Analysis Centre (AUSTRAC), Australia's Financial Intelligence Unit (FIU), has sophisticated capabilities to track international fund flows. In the fiscal year ending 30 June 2007, about \$16 billion was sent directly to tax havens from Australia, and approximately \$18 billion was sent directly from tax havens to Australia.

These figures show a material increase in fund flows over the 2006 fiscal year. Some of this increase is attributable to better capability i.e. our systems are providing better measurement of the flow of funds.

We also know from our risk assessment activities that a significant part of the flow of funds to and from tax havens is not abusive. These amounts may relate to tourism or travel, or legitimate business in goods or services. Another aspect of these funds relates to havens as "hubs" for certain financial transactions like insurance, private equity or hedge funding. These financial transactions may not give rise to tax risk other than in terms of tax competition.

Putting aside the use of havens for legitimate tax benefits and other purposes, we believe that Australia needs to be vigilant in relation to tax haven risk. This is because modern technologies make it easier to use tax havens, and the abusive use of tax havens adversely affects trust and confidence in our tax system. Our Compliance Program,¹ that publishes our compliance strategies for business and the community, has made cross border dealings a top priority over the past 6 years and highlights our strong focus on dealing with abusive use of tax havens.

What has changed during this period is that international dealings with tax havens are beginning to spread beyond large corporates and high wealth individuals to all parts of the community. We are seeing examples of the "migration" of tax haven use to small businesses and individuals. We believe this is partly driven by globalisation, ease of travel, advances in communications (including the availability of International Business Companies over the internet), and relatively low establishment costs. However there are also risks associated with this activity.

The ATO has increased its efforts to educate the community on the dangers of abusive use of tax havens and strengthened its ability to deter, detect, disrupt tax haven schemes typically linked to tax avoidance or evasion, and in some cases concerned with serious criminality like money laundering. These risks are outlined in our Tax Haven Booklet².

An essential ingredient has been strengthening our ability to work with other Australian agencies and international cooperation with other revenue authorities, such as the Joint International Tax Shelter Information Centre (JITSIC)³. For

¹ http://ato.gov.au/content/downloads/cor00103964_Compliance.pdf

² Tax Haven Booklet

³ JITSIC member countries include Australia, Canada, Japan, United Kingdom and the United States of America.

example, one strategy in Australia (Project Wickenby)⁴ links various federal agencies (regulators, law enforcement, intelligence and prosecutors) in a taskforce under the leadership of the ATO.

We have made improvements in all stages of our compliance strategy associated with tax havens:

- Detecting the risk
- Educating and communicating
- Encouraging voluntary disclosure and correction
- Dealing firmly with the worst behaviours including promoters of abusive tax havens
- Recommending law reform, and
- Strengthening international cooperation.

Detecting the risk

A range of structures or typologies have been identified as abusive tax haven schemes. These range from the use of false invoices to inflate deductions to the establishment of legal entities to hold securities or other assets. The common element in all of these typologies is the secrecy or lack of transparency by which beneficial ownership can be hidden.

We make use of strategic intelligence analysis to understand the tax haven landscape, identify key leverage points and refine our strategies to combat the abusive use of tax havens.

These include:

- taxpayer profiles to draw trends across a broader population and understand behavioural drivers such as hiding assets from creditors (including family members after divorce), disguising “black funds” or concealing ownership to manipulate markets e.g. securities trading
- scheme typologies to expedite evidence gathering, achieve consistency in the application of the law and result in more targeted litigation and debt recovery
- mapping promoter and intermediary networks to understand the risks (taxpayer numbers, types of schemes, fund flows, whether historical or real time, commissions etc)
- engage with tax havens and have dialogue about concerns arising from aggregated case data and seek options for reform.

Together with partner agencies, we have sought to profile higher risk regions for Australian tax (and other regulatory) systems e.g. Vanuatu.

Educating and communicating

We have strengthened our communications with the community and the tax profession. The messages are simple: “don’t get mixed up in dodgy tax haven arrangements and, if you have, come clean!” We use every vehicle for relaying the

⁴) <http://www.treasurer.gov.au/DisplayDocs.aspx?pageID=&doc=pressreleases/2006/004.htm&min=phc>

message including taxpayer alerts to warn people what arrangements to avoid and booklets that gives tips on what to watch out for and what to do if you think you are at risk⁵.

Encouraging voluntary disclosure and correction

We emphasise the benefits of coming clean, including peace of mind and low or no penalties for those who voluntarily tell us about their offshore arrangements. Our marketing efforts are supported by letters and calls to those we have detected as having tax haven transactions, prompting them if necessary to lodge a voluntary disclosure.

In some cases reduced risk of prosecution is also possible. Importantly this requires cooperation and full disclosure of the arrangements and the promoters involved.

Dealing firmly with the worst behaviours including promoters of abusive tax havens

Our top priority is to deal very firmly with the worst abuses and in particular promoters and their onshore associates who encourage use of abusive tax haven schemes. For this purpose, promoters are those who design, market or implement abusive haven schemes, and include some banks and financiers, accountants and lawyers, agents, trustees and brokers. Often based in tax havens or banking secrecy jurisdictions, promoters specialise in hiding assets or income so as to divide legal and beneficial ownership.

In these cases we will use the full weight of the law, including referral for prosecution and action to confiscate proceeds of crime to send a strong deterrent message. Our aim is to make Australia a “no go zone”. To support this it is essential we have integration and cooperation among partner agencies. In 2006 this was significantly strengthened with the funding of the multi-agency taskforce - Project Wickenby. The Australian Government supported the Wickenby taskforce by providing special funding and amending taxation laws to allow the sharing of tax information. Integration is also supported at the agency level by the secondment to, and rotation of, officers between agencies to share experiences, expertise and skilling.

The taskforce is focused on the most abusive cases and on those who promote these activities. Currently over 370 civil audits and 20 criminal investigations are underway. To date, Wickenby has raised \$157 million in liabilities, collected over \$70 million and restrained about \$72 million from the proceeds of criminal activity. Criminal prosecution activity is underway. Several people have been charged with taxation offences, including one alleged promoter and one conviction resulting in a custodial sentence.

Recommending Law Reform

Changes have been made to our tax secrecy disclosure provisions to allow partner agencies involved in Project Wickenby to be able to “talk together” rather than deal with each other bilaterally. New anti-money laundering laws and our new promoter penalty regime also provide significant new tools to deter and deal with this behaviour.

⁵ [Don't Take the Bait](#)

Strengthening international cooperation

On an international level, the ATO participates in the processes of the OECD encouraging transparency and effective exchange of information. We are also strengthening our international framework via the negotiation of Tax Information Exchange Agreements.

More importantly, we are working with tax administrations through our double tax agreements with unprecedented levels of cooperation. This includes sharing data pursuant to tax treaties and the conduct of simultaneous examinations across jurisdictions and sharing intelligence and strategy so that common issues can be developed and actioned. These issues include tax haven regions, promoters and intermediaries, and some particular higher risk taxpayers.

An important development was the establishment of JITSIC in 2004 to supplement the ongoing work of tax administrations in identifying and curbing abusive tax avoidance transactions, arrangements and schemes. The ATO is working with our JITSIC partners in Washington DC and London to enhance bilateral and multilateral efforts to attack cross border schemes, including those promoted by firms and individuals who operate without regard to national borders.

In particular, the ATO enjoys excellent working relations with the Internal Revenue Service (IRS). The interaction between our officers may include weekly teleconferences, opportunities to jointly workshop matters, sharing intelligence and training tools, enhanced evidence gathering to support civil or criminal investigations. The strength of these personal and professional relationships allows us to make joint representations to tax havens in order to explore reform options. For example, the ATO is working with other tax agencies including Her Majesty's Revenue and Customs (HMRC) and IRS in respect of Liechtenstein in making joint representations for greater transparency.

We now address the 7 focus questions.

1. The scope and impact of tax evasion through the use of tax haven entities and accounts and its impact on the international community

The OECD estimates globally, \$US5-7 trillion is held off-shore⁶.

Abusive use of tax havens is a problem for many countries. Our analysis of Australia's situation suggests that the risk of abusive transactions with tax havens may have increased, particularly among individuals and small businesses. However the size of the issue in Australia is small relative to some other countries.

While the flow of Australian dollars to and from tax havens is significant, it needs to be seen in the context that not all tax haven transactions are abusive under Australian tax law.

Intelligence also suggests that increases in flows to particular regions can be based on economic and commercial factors. An example of this is the concentration of hedge funds in the Cayman Islands.

Intelligence also indicates that fund flows to countries other than tax havens may also represent a tax risk where that country is being used as a conduit to channel funds to a tax haven.

Bank secrecy is often a feature of tax havens. However, some countries that are not low-tax jurisdictions have bank secrecy arrangements that may be exploited to conceal income and evade tax because they do not have effective tax information exchange with other countries.

While revenue is at risk because of abusive tax haven schemes, those who participate in these schemes also run risks. Some participants lack financial awareness and – through poor or unethical advice, lack of knowledge or wishful thinking – may believe that an abusive arrangement is legitimate. Some funds in tax havens have disappeared or been lost to the investor by the misdeeds of the promoter.

Offshore evasion is a concern internationally. However, we are not aware of an effective way to estimate precisely the amount of tax at risk. Factors that mitigate this risk in Australia include:

- geographical factors
- the existence of AUSTRAC
- our own vigilance in this area
- the lack of an inheritance tax or gift duty
- the relative size of the flow of funds from Australia to tax havens (compared to some other countries)
- the law-abiding ethics of most Australians
- the message we are sending from Project Wickenby and other activities.

⁶ Testimony of Mr Jeffrey Owens, Director of the Centre for tax Policy and Administration at the OECD before the USA's Senate Finance Committee on Off-shore tax Evasion.

Arrangements we are concerned about

Concealment is our main concern – in particular, those schemes and arrangements that use secrecy laws to conceal assets and income that are subject to tax in Australia.

In the simplest case of concealment, a taxpayer may seek to conceal assets and income by setting up a bank account in a tax haven. As the tax haven does not have an agreement to exchange information with Australia, or the country has a strict bank secrecy regime, we cannot obtain detailed information about the offshore bank account directly.

In more complex cases, taxpayers may use an ‘international promoter’ to set up and manage offshore trusts or companies that seek to conceal the taxpayer’s beneficial ownership of assets. The most common form of tax haven structure used to conceal ownership is the ‘international business company’.

In these cases, the international promoter may interpose trusts or companies as the shareholders, using their own companies as trustees or nominees. The directors of the offshore company may also be companies associated with the international promoter. Arrangements are put in place to ensure that the Australian taxpayer is still able to influence or control the offshore trust or company eg letter of wishes.

These complex arrangements aim to conceal the true ownership of assets and result in the failure to declare any offshore income or gains in relevant tax returns. Australians who use these arrangements leave other Australians to bear a greater tax burden. These arrangements erode community confidence in Australia’s tax system.

Intelligence indicates that a few Australians are using more complex offshore structures which involve the creation of layers of entities offshore and the opening of bank accounts under the names of these entities in jurisdictions not recognised as tax havens.

An example of the typologies is the intelligence obtained as a result of our compliance activities regarding Liechtenstein entities. A structure peculiar to Liechtenstein law, the “Foundation” has been identified as a vehicle that is used to conceal the ownership of assets and/ or income.

2. Role of financial institutions, trust and management companies and professional firms in the structuring and servicing of offshore entities and accounts for evasion of taxes

The ATO is currently reviewing the taxation affairs of Australian taxpayers who appear to have concealed income in offshore entities located in banking secrecy jurisdictions and tax havens.

International promoters provide specialised accounting, banking and professional trustee services. The services commonly include tax planning, administration of offshore assets and advising on the establishment of trust and corporate structures.

In many cases the international promoter provides its services to Australian residents and associated entities through intermediaries, commonly Australian attorneys and accountants.

Marketing material indicates that the essential service provided by the international promoter is tax and financial planning, which includes administering companies and trusts domiciled in tax haven or banking secrecy countries. Our intelligence shows that a component of the services provided by the international promoter is to establish entities or structures which are not able to be connected to the ultimate or beneficial owner. These arrangements rely on local bank secrecy and confidentiality laws in the jurisdictions where the entities are established.

The international promoter may act on verbal instructions from a client to settle a trust, which in turn owns shares in a company incorporated in a low tax jurisdiction, for example, the British Virgin Islands.

In-house entities associated with the international promoter are used as office bearers when incorporating entities for particular clients. The use of these entities makes it difficult to identify any natural person who controls, is associated with or receives a benefit from an entity established by the promoter.

The promoter may also arrange a bank account for the company it has incorporated for its client in, for example, London, Jersey or Switzerland and provide signatories for the account.

Other techniques used by the promoters include:

- the provision of foreign cell phones to prevent the tracing of calls in Australia
- meetings held in person, either in Australia or overseas
- the use of "e-faxes" which requires the client to have a subscription to access the e-faxes
- the use of London post office box addresses and London bank accounts for entities created, to give the appearance of UK domicile for those entities, when they are in reality domiciled in a low tax country
- the use of encryption on computer records
- the identification of clients by reference to initials or cryptic identifiers
- the use of couriers to deliver documents.

3. How privacy and secrecy laws in tax havens facilitate tax evasion and impede tax evasion investigations and enforcement efforts

Banking secrecy poses a significant risk to the public revenue.

Essentially, the main impediment to the ATO posed by tax haven secrecy laws arises from the difficulty of obtaining basic information that may be indicative of fraud and evasion. This is a “Catch 22” situation – without knowing that a person has funds in a tax haven, it can be difficult to identify or prove fraud or evasion. Without having identified fraud or evasion, access to relevant information is precluded by the secrecy laws of the tax havens.

Tax havens which operate on the basis of privacy or secrecy laws provide the opportunity for trust and asset management institutions, such as LGT, to establish tailored, confidential structures for taxpayers looking to take advantage of these laws to conceal their income from their tax administrations.

Experience has shown that many taxpayers who use these tailored financial structures in tax havens are engaging in tax evasion. The hallmarks of these structures are:

- Deception about ultimate beneficial ownership
- Structures may be used to hide assets and/or income offshore and/or create deductions by deception
- Secrecy surrounding access to funds and repatriation
 - funds accessed offshore or to fund lifestyle
 - back to back loans for purchase of assets
 - accounting records and bank accounts may be held offshore.

For example in the Liechtenstein context, the true beneficial owner of a foundation and its assets does not appear on the public records of the official public registry. The statutes and by-laws of an unregistered foundation are not available publicly.

The establishment of structures that use layering via multiple entities, such as nominee companies incorporated in various tax havens, makes it difficult for the ATO to gather offshore information which may reveal participation by Australian taxpayers in tax evasion. Secrecy laws in these tax havens mean that investigations into the interposed companies may not reveal the links to Australian taxpayers.

The lack of transparency inherent in these structures means that the ATO is largely reliant on the co-operation of the taxpayer (where the taxpayer is known) to proffer further information in the course of its investigations. The exercise of the ATO’s information gathering powers would otherwise prove ineffective given the jurisdictional limits of these powers.

The ATO is also aware that the level of secrecy afforded to a taxpayer may be linked to their political status. In the LGT context we are aware that different provisions may be put in place for politically exposed persons to maintain their confidentiality.

Whilst the legislative framework of banking and privacy laws governs the operation of financial institutions, trusts and nominee companies, it is useful to recognise the importance of separating the powers between the financial sector, the executive and the judiciary to ensure transparency and effective operation of the regulatory system. As a general comment, tax haven jurisdictions may have closely connected administrative arms with the Government in power, in contrast to the modern and transparent approach to *separation of powers*.

Where they exist, these close connections between financial institutions, regulators, administrators and the judiciary may undermine any outwardly transparent statutory framework.

4. Other impediments to ATO arising from use of tax haven institutions, entities and accounts

The ATO has encountered difficulties in applying Australian taxation laws to non-common law entities, such as Liechtenstein foundations. These hybrid entities possess characteristics of both a common law trust and a corporation and they may not fall squarely within the anti-deferral of tax provisions.⁷

Until legislative or judicial clarification is provided on this issue, the ATO will continue to characterise these hybrid entities on a case by case basis.

The ATO also faces impediments to gathering offshore information from banking institutions. For example, where a subsidiary or branch entity of an Australian bank is operating offshore, the question arises whether we are able to access offshore banking information in these circumstances. The question also arises where a foreign bank operates in Australia and has tax haven links.

⁷ For example, Australia's Controlled Foreign Companies provisions apply where a tax haven company is controlled from Australia and the company is primarily in receipt of passive income. Different provisions apply to trusts.

5. Initiatives taken by the Australian government to combat offshore tax evasion, including the role and effectiveness of legal assistance treaties, tax information exchange agreements, and multilateral tax organizations and groups

Project Wickenby Taskforce

Project Wickenby is a multi-agency taskforce. It was formally funded in 2006 to investigate internationally promoted tax arrangements that allegedly involve tax avoidance or evasion and, in some cases, large-scale money laundering. The project has \$305 million in funding over seven years. Its focus is to take decisive action against identified promoters and their Australian associates and clients.

The agencies involved in Project Wickenby, are the ATO, law enforcement agencies and the corporate regulator. The ATO is the lead agency. This is the first time these agencies, supported by our FIU, AUSTRAC, have brought their expertise and powers together to deal with tax avoidance and evasion.

Project Wickenby has led to a number of arrests and charges.

Legislative Reform

After the establishment of the Project Wickenby taskforce and the whole of government approach to tackling its challenges, it was considered that secrecy provisions contained in the tax legislation impeded the efficient and effective operations of the taskforce, necessitating some changes.

New provisions were enacted, sections 3G and 3H of the *Taxation Administration Act, 1953*, to allow greater interaction with all arms of the taskforce and to provide a mechanism to share tax information between taskforce members.

We will also use other approaches such as our new promoter penalty regime which provides substantial increased penalties – for a body corporate, up to \$2.75 million or twice the profits from the scheme. This legislation is aimed at eliminating unscrupulous operators who promote unsustainable arrangements to the detriment of both taxpayers and ethical advisers.

In 2006 a new *Anti-Money Laundering and Counter-Terrorist Financing Act 2006* was introduced which covers the finance sector, gambling sector, bullion dealers and some professions that provide financial services, such as lawyers and accountants. These groups will be required to monitor and report to our FIU on a wide range of services such as opening accounts, accepting deposits, issuing travellers cheques and some gambling activities.

Multi Jurisdiction Collaboration

The ATO in conjunction with its partner agencies including the IRS, HMRC, Canada Revenue Agency (CRA), and New Zealand Inland Revenue Department (NZIRD) are collaborating to develop strategies to combat the abusive use of tax havens. The ATO is also engaged with JITSIC to combat cross border tax non-compliance.

International Promoter Strategy (IPS)

The aim of this strategy is to engage tax havens about common issues with a view to reforms like enhanced transparency. Our approach is to identify off-shore promoters

who are operating in Australia, and identify their on-shore associates (intermediaries) who are marketing and selling to Australian taxpayers.

By addressing high risk promoters, intermediaries and taxpayers we gather intelligence on the activity/ mischief and collate the information to produce a greater understanding of the tax haven and related tax risk. We share our intelligence with tax treaty nations as a step towards representations seeking reform. International cooperation is critical to the success of this strategy.

Mutual Assistance Requests

Mutual assistance protocols enhance our ability to tackle tax haven schemes involving criminality. However, material provided to police and prosecutors under mutual assistance is often restricted in that it cannot be shared with the ATO. This can impede our efforts towards collaboration.

Mutual assistance requests and assistance are predicated upon Australia reasonably making out a criminal matter. However, in havens and countries with banking secrecy laws, it may be very difficult to gather information in the first place. In other words, this "Catch 22" situation inhibits Australia's ability to seek support under mutual assistance provisions.

AUSTRAC

An important source of information is AUSTRAC, which identifies Australian taxpayers who may be engaged in tax evasion using tax havens. AUSTRAC routinely monitors domestic transactions over \$10,000 as well as international fund transfers.

AUSTRAC records the details of the ordering customer, beneficiary customer, the account to which the funds are to be credited, the amount transferred and the sending and receiving institutions. We use the information in these reports to identify participants and promoters of abusive tax schemes and tax evasion, as well as taxpayers who are hiding outside the tax system. In addition, we use AUSTRAC information to:

- monitor money movements into and out of Australia
- profile individuals and other taxpayers
- identify high-risk or suspicious transactions
- identify and quantify compliance risks and develop compliance strategies, and
- select cases for further investigation.

We also have access to information from financial institutions, as well as transaction data for credit and debit cards that have been issued offshore and used in Australia.

Information gathering powers of the ATO

The ATO has compulsory information gathering powers under the *Income Tax Assessment Act, 1936* (ITAA).

Under section 263 of the ITAA the ATO can seek access without notice to places, buildings, and documents. The decision to use this power is made by a senior ATO officer.

Under section 264 of the ITAA the ATO can issue a formal notice requiring production of documents or information including the attendance at a formal interview. In these formal interviews the privilege against self incrimination is not available. However, attorney/ client privilege still applies in respect of the powers. In some cases, ambit claims of attorney/ client privilege have been used to hinder investigations.

There are penalties for non-compliance with these provisions.

Under section 264A of the ITAA the ATO can issue an “offshore information request”. There is an evidentiary sanction for non-compliance with this provision.

Encouraging Voluntary Compliance

Our Compliance Program that publishes our compliance strategies right across the community has dealing with abusive use of tax havens as one of its top priorities. Through Project Wickenby and a broader offshore compliance initiative, we are increasing our audit coverage including our coverage of high wealth individuals. We are also sending several thousand letters asking taxpayers to review their international issues.

The other element of our compliance strategy relates to enhanced communications with the community and the tax professions. Our tax haven concerns have been relayed via publications, in speeches to business and professional forums, and via the media. The messages have been simple – don’t get mixed up in this and if you do come clean!

The benefits of coming clean have been articulated as reduced penalties and interest, less audit stress and inconvenience and in some cases reduced risk of prosecution. The Australian prosecutor, the Commonwealth Director of Public Prosecutions, has stated publicly that he will, subject to certain conditions, look favourably on voluntary haven disclosures, thus reducing the prosecution risk.

Penalty concessions have been provided under our Offshore Voluntary Disclosure Initiative (OVDI). Under this initiative, taxpayers who volunteer their offshore arrangements may receive low or no penalties. To date 733 people have made disclosures involving over \$31 million in income.

Intelligence and feedback from the tax profession has been favourable about our efforts to encourage voluntary disclosures. Some firms are establishing particular expertise in unwinding haven structures and settling up with the ATO.

Analysis of data trends and community perception testing confirm that our tax haven strategies are having a positive impact on compliance. Data analysis suggests that those people subject to review under Project Wickenby have ongoing improved compliance up to 57% higher than the “control” population. Community perception surveys also suggest broad support for ATO strategies in dealing with haven participants firmly and fairly.

Education and Communication

Taxpayer Alerts

The ATO issues “taxpayer alerts” to help people avoid becoming entangled in the abusive use of tax havens. The ATO issues alerts on our website about emerging schemes we are concerned about and risky arrangements.

The ATO issued a specific taxpayer alert (TA 2008/2)⁸ on 13 March 2008 to address the risks identified in relation to the abusive use of Liechtenstein foundations and/or bank accounts. We also issued a taxpayer alert (TA 2008/08)⁹ on 7 May 2008 warning against using tax evasion arrangements in Vanuatu.

Publications

To assist taxpayers in their understanding of tax havens and their Australian tax obligations, in October 2007 the ATO published a revised version of its original 2004 publication *Tax havens and tax administrations*. This publication illustrates the ATO's approach to dealing with tax avoidance and evasion where tax havens are used, including the information sources that are available, such as AUSTRAC.

Taxation Information Exchange Agreement (TIEA)

In March 2002, the OECD's global forum on taxation developed a model agreement for information exchange on tax matters. Australia has begun a program to negotiate TIEAs with a number of countries using the model agreement. We concluded agreements with Bermuda in November 2005, Antigua and Barbuda in January 2007, and the Netherlands Antilles in March 2007. We are negotiating agreements with another seven countries. In addition, the Isle of Man has agreed to sign an agreement with Australia. Whilst we are pleased that TIEA negotiations progress, their broader use and effectiveness is yet to be determined.

⁸ [TA 2008/2](#)

⁹ [TA 2008/8](#)

6. The scope and impact of the LGT tax investigation and any lessons learned

Tax Office Strategy

The ATO is investigating the use of Liechtenstein entities and bank accounts in collaboration with other revenue agencies. In Australia, we are conducting 20 tax audits which are likely to raise tax liabilities in excess of \$100 million. Anecdotal information suggests that relatively few Australians are involved in Liechtenstein arrangements relative to citizens from other countries.

Liechtenstein

The ATO is currently reviewing the taxation affairs of Australian taxpayers who appear to have concealed income in offshore entities located in banking secrecy jurisdictions and tax havens. We have a particular focus on taxpayers who have used the services of the LGT Group and its trustee entity, LGT Treuhand Aktiengesellschaft in Vaduz, Liechtenstein (LGT).

- LGT Treuhand A.G. operates a fiduciary or trustee service and establishes and administers legal entities such as anstalts, stiftungs (foundations) and trusts for its clients.
- LGT Bank in Liechtenstein A.G. is the banking division of the LGT Group. It has responsibility for banking services related to the investment functions of the LGT Group.

The services provided by LGT include administration and investment of offshore assets which appear to be beneficially owned by the client. LGT acts on instructions from a client to establish or create a Liechtenstein entity and subsidiary entities in other tax haven jurisdictions. In the Australian examples, the parent entity is usually a foundation or trust. In some instances, LGT appears to have been retained as an agent of the client, and has established and administered a Liechtenstein entity acting in that capacity.

The beneficial owners of the Liechtenstein entity are commonly a natural person and their family members, however their identity and control appear to be concealed on public and bank records by the interposition of a foundation board comprising LGT officials, who exercise control of that entity on behalf of the beneficial owners. Documents relating to a private family foundation are not recorded on the Liechtenstein public registry. The foundation is a separate legal entity and the board members have discretion to nominate beneficiaries, so that secrecy is maintained.

The ATO understands that in practice the foundation board members act on the wishes or instructions of the settlor or beneficial owners of the entity. In other cases the client has used a foreign attorney to give instructions to the foundation board members or has replaced the by-laws or regulations of the foundation to appoint new beneficiaries.

LGT allegedly designs client structures so that the client or beneficial owner is unable to be connected to the Liechtenstein entity, whether that entity is a foundation, trust or anstalt. The services provided by LGT rely on the banking and secrecy laws operating in Liechtenstein to prevent disclosure of the client's identity or information.

LGT will also arrange to open and operate a bank account for the foundation or trust it has established for its client. The bank accounts are typically held in the name of the entity, to avoid any connection with the instructing client, and to meet the bank's anti-money laundering obligations.

Assets administered by LGT may be invested in a diverse range of managed funds and currencies. Further, safety deposit facilities can be arranged for clients to secure

other valuable items such as art and jewellery which may also form part of the investment portfolio.

Funds owned by entities that are established by LGT for its clients are commonly invested with its own bank or funds management entities:

- LGT Bank in Liechtenstein;
- LGT Capital Invest Limited Grand Cayman; and
- LGT Portfolio Management (Cayman) Limited.

At the client's direction, funds may be invested with a third party bank, usually operated in a banking secrecy jurisdiction.

The ATO understands that for a trust or foundation to be established by LGT, substantial funds must be settled in the trust or foundation for it to be economically viable for LGT. LGT clients are wealthy investors who typically invest a small portion of their total wealth in a LGT structure and who do not need access to these funds to support their domestic lifestyle.

LGT plays an active role in servicing and administering the client's Liechtenstein entity. For example the board members of a foundation will be LGT employees. They are responsible for administration of the entity and are the approved signatories.

The use of LGT employees as board members or trustees and in-house or 'omnibus' entities as nominee directors of interposed entities is considered to be another means by which the beneficial owner is distanced from being connected to their Liechtenstein entity. This may facilitate the avoidance or evasion of tax on any offshore income derived by the Liechtenstein entity by an Australian taxpayer, who is the beneficial owner.

LGT also arranges for shell entities incorporated in other tax haven jurisdictions (such as BVI or Panama) to be set up as interposed entities of the Liechtenstein entity for its clients. The ATO considers that these special purpose vehicles are used to layer the transactions and the flow of funds, and may be designed to prevent regulators and tax administrators from determining the underlying ownership and control of the entity established by LGT and its assets and income.

LGT allegedly recommends to clients that fund transfers be conducted through interposed entities in countries outside the client's domestic jurisdiction. The Australian experience is that clients have adopted this recommendation and that few international fund transfers are remitted directly between Australian residents and Liechtenstein or Switzerland as detected by our FIU.

Communication between the ultimate beneficial owner of the foundation and LGT appears to be limited to either face to face or telephone contact. LGT instructs the ultimate beneficial owner of the foundation to avoid written correspondence with it and clients are provided with codes and passwords to maintain confidentiality and secrecy.

Intelligence held by the ATO indicates that at July 2006 there were 14 banks operating in Liechtenstein with funds under control of approximately 255 billion Swiss francs. Also operating in Liechtenstein was numerous Treuhand (Trust Service Companies). Further intelligence indicates that as at November 2006 approximately 127,000 entities were registered with the public company registry (the population of Liechtenstein is approximately 35,000).

The ATO has employed several compliance strategies – audits, issuing information production notices (both domestically and off-shore), conducting formal and informal interviews, accessing premises (with or without notice) to copy documents, and exchanging information with our Tax Treaty partners.

More importantly, the sharing of intelligence between international tax agencies has provided a unique understanding of Liechtenstein financial services and entities and will provide an opportunity to engage with Liechtenstein to achieve greater transparency and exchange of information.

The ATO welcomes news that new laws in Liechtenstein will enhance regulation and transparency in relation to some legal entities. However, we are concerned to see the detailed law and its proposed implementation in 2009 to determine whether there are practical changes to trustee/ banking practices.

Lessons learned

- Project management strategies are essential to successful audit outcomes.
- Sharing of information with other revenue agencies expedites the progress of cases.
- Our compliance activities have resulted in disclosures or settlements.

7. What initiatives and reforms would strengthen international efforts to combat tax evasion

- Information sharing amongst revenue authorities – multi jurisdictional as opposed to bilateral (treaty based)
- Where appropriate undertake simultaneous audits
- Regular and timely exchange of information under the treaty
- Compliance with OECD guidelines on exchange of information and transparency
- Defensive legislative measures to protect revenue bases from the abusive use of tax haven arrangements
- Looking at broader options for sustainable economic and social development for those tax havens which are developing economies
- Develop close working relationships and regular communications, including participating in successful workshops with other revenue agencies
- Policy makers and country leaders that drive cultural and behavioural changes resulting in the belief that tax haven abuse is inconsistent with being a good citizen.

Gründungsdatum: 21.03.1997

Status: Aktiv

Verwaltungs- / Stiftungsräte

Werner Orvati, Frümsen	Zeichnungsrecht: Kollektiv	KOLL ZU ZWEIEN
Konrad Bächinger, Sevelen	Zeichnungsrecht: Kollektiv	KOLL. ZU ZWEIEN
Feuerstein Nicola Dr., Triesenberg	Zeichnungsrecht: Einzel	EINZELN

Banken

Diverses

Anlageberater: Piske Thomas,
 Aktien / Zessionen: Keine (gemäss Mandatsvertrag),
 Repräsentant: LGT Truhand AG, Vaduz
 Auftraggeber: Privater Auftraggeber

[REDACTED] = Redacted by the Permanent Subcommittee on Investigations

Fix-Honorare

Pauschal-Honorare

Vermögenswert per: 0.00 fällig am: 0.00
 Fakturierbares Pauschalhonorar: 0.00

Zweck

Vermögensverwaltung LGT BIL

Besitznachweis, Verträge, Vollmachten

S T O M

Muttergesellschaft der Sewell Services Ltd., B.V.I. => im BVI Register gestrichen per 1.11.98.

Weisungen (Verwaltung, Buchhaltung, Beistatut usw.)

- keine Standard-Statuten und -Beistatuten
- keine Fixhonorare. Die LGT-Gruppe erhält pro Jahr 0.7% des Vermögens
 - auch Gesellschaftssteuern werden von der LTV bezahlt
 fällig jeweils am 20.3. eines Jahres
 ("Fiscal Charges" = STEMPELSTEUER jedoch nicht s.AV P.Widmer v.7.7.98)
 (falls Gutachten etc. eingeholt werden müssten, würde dies jedoch von der Stiftung bezahlt)
- Sämtliche von uns zu bezahlende Rechnungen sind an P. Widmer, LGT BIL zur Kontrolle zu senden (siehe div. AV)
- Die Leistungen werden immer mit dem Code "N" erfasst
- Kundenkontakt hat P. Widmer => EINER DER BESTEN KUNDEN DER LGT BIL !!!!!
- J. Gelbart ist der Anwalt des Kunden. Wir haben mit ihm Kontakt
- 8-tung, da STOM daran denken, dass bei Einzahlungen Widmungserklärung zu erstellen ist. Für Ausschüttungen bzw. -zahlungen an EB STR-Beschluss fassen. Bei häufigen Bezügen des EB einmal jährlich mit Verm.Status pauschal genehmigen.
- Kundenbekanntschaft: P. WIDMER LGT BIL HAT PERSÖNLICHEN KUNDENKONTAKT IDENTIFIKATION ERFOLGTE DURCH P. WIDMER - ES WIRD UNSERERSEITS KEINE ID-AKTE ERSTELLT, DA SONST DAS KUNDENVERHÄLTNIS GESTÖRT WÜRD. (gem. Bespr ERM mit P. Widmer)

Pendenzen / Geschichte

- Lt. AV PIO v. 3.7.97 sollten die nichtet werden. LTV hat diesbezi

Permanent Subcommittee on Investigations
EXHIBIT #108

Gründungsdatum: 21.03.1997

Status: Aktiv

gesandt zur Abklärung. Schriftliche Begründung ist immer noch ausstehend
=> WO BEFINDEN SICH DIESE UNTERLAGEN? BEI DER LTV? Kopien sind im roten
Akt abgelegt unter "Gründungs-Unterlagen".

- Status 97, 98, 99 u. 00 sowie Beschluss
- Existiert Konto Union Bank of Israel noch??!!!
Wo sind KOE-Unterlagen??!!!
- Empfang der Gründungsunterlagen wurde noch nicht bestätigt
- ID-Akt kann nicht erstellt werden, da wir keine Passkopie haben
bzw. keine Kopie von der Bank erhalten
- Letzter Kundenbesuch: 6.7.2000 NFE war bei der Bank. Das Beistatut
wurde geändert, ein Entwurf wurde erstellt u. an M. Kolb gemailt.
Anscheinend war Kunde auch am 26.7. bei der Bank gem.
Marion Kolb. Uns fehlen die AV von beiden Besuchen!!!!
Nach mehrmaligen Anfragen bei M. Kolb nichts gehört...
- Kundenbesuch im März 2001 bei Dr. C. Bächinger. Gem. M. Kolb
wollte Kunde nichts unterzeichnen. Ausserdem ist eine Pass-
kopie anscheinend auch bei der Bank nicht vorhanden !!!! 2.4.01/nmu
- FORMULAR W.BERECHTIGTER:

ist bei ERM zur Abklärung, ob dieses Formular noch ausgefüllt werden
muss, da Stiftung in Liquidation ist u. demnächst aufgelöst wird.
=> die diesbezüglichen Unterlagen i.S. Liquidation (AV's, Antrag, Beschlüsse
sind NOCH NICHT EINGESCANNT !!!

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

AKT IST BEI ERM 20.7.01/NMU

Date Established: 03.21.1997 Status: Active

Management-/Board of Advisors

Werner Orvati, Fruemsen	Signatory Rights:	Collective	ANY TWO JOINTLY
Konrad Baechinger, Sevelen	Signatory Rights:	Collective	ANY TWO JOINTLY
Feuerstein Nicola Dr., Triesenberg	Signatory Rights:	Single	SINGLE

Banks:

MISCELLANEOUS:

Investment Adviser: Piske Thomas,
Shares / Transfers: None (according to Mandate agreement)
Representative: LGT Trust Corp, Vaduz
Client: Private Client

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

Fixed Fees:

Flat Fees:

Value of asset per: 0.0 Due on: 0.00 Billable Flat fee: 0.00

Purpose:

Administration of assets LGT BIL

Proof of Ownership, Contracts, Powers of Attorney:

Foundation without a Mandate

Parent company of the Sewell Services Ltd., B.V.I. => deleted from the BVI Register per 11.1.98

Special Instructions (Administration, Accounting, Bylaws, etc.)

- no Standard – Statutes and – bylaws
- no fix fees. The LGT – Group receives 0.7 % of the assets every year
 - the business tax will also be paid from LTV
 - always due on 3.20 of the year
- (“Fiscal Charges” = but no STAMP TAX see memorandum for the file P. Widmer from 7.7.98)
(in the case that expert advise will have to be obtained, this would be paid by the foundation)
- bills to be paid by everyone together are to be sent to P. Widmer, LGT BIL for control (see div. memorandums for the file)
- the payments shall always be entered with “N”
- P. Widmer has client contact => ONE OF THE BEST CLIENTS AT LGT BIL !!!!!!!!!!!
- J. Glebart is the attorney of the client. We have contact with him
- A-10-tion, when thinking about the foundation without a mandate, that a declaration of dedication is to be generated with deposits. For disbursements and payments, write to primary beneficiary board of directors – decision. Permit an asset status fee once a year with frequent statements of the primary beneficiary.

Luperla Foundation Staedtle 28 in Liquidation , 9490 Vaduz
Advisor: Scheider Sandra Account Manager: Mueller Erik Dr.

Client-No.: [REDACTED]
Last Client Visit: 07.06.2000

Date Established: 03.21.1997 Status: Active

[REDACTED] = Redacted by the Permanent
Subcommittee on Investigations

- Client acquaintanceship: P. WIDMER LGT BIL HAS SUCCEEDED WITH PERSONAL CLIENT CONTACT IDENTIFICATION THROUGH P. WIDMER – THERE IS NO IDENTIFICATION FILE ESTABLISHED ON OUR SIDE, BECAUSE OTHERWISE THE CLIENT RELATIONSHIP WOULD BE DISTURBED. (according to discussion ERM with P. Widmer)

Comments/History

- As in memorandum for the file from 7.3.97 the documents regarding Crofton/Yelnarf should be destroyed. LTV has sent a corresponding request to the legal department of LGT BIL for clarification. Written justification is still outstanding.
[end of page 1]

= > WHERE CAN THESE DOCUMENTS BE FOUND? AT THE LTV? Copies are filed in the red file under "Establishment Documents".

- Status 97, 98, 99 and 00 as well as decisions.

- Does the Union Bank of Israel account still exist??!!!!
Where are the KOE – documents?!!!!

- Receipt of the establishment documents are not yet confirmed

- ID – file can not be generated, because we do not have copies of the passport and we have not received copies from the bank

- last client visit: 7.6.2000 NFW was at the bank. The bylaw was changed, a draft was generated and mailed to M. Kolb. Apparently the client was also at the bank on 7.26. according to Marion Kolb. We are still missing the memorandums for the file for both visits!!!!
After multiple inquiries with M. Kolb we have heard nothing...

- Client visit in March 2001 at Dr. C. Baechinger. According to M. Kolb the client did not want to undersign. Besides this, a copy of the passport is apparently not on hand at the bank !!!! 4.2.01 / nmu

- FINANCIAL BENEFICIARY FORM:

is with ERM for clarification, whether this form still has to be filled out, because the foundation is in liquidation and will be deleted shortly.

= > the corresponding documents in writing of the Liquidation (memorandums for the file, requests, resolutions, are NOT YET SCANNED IN !!!

FILE IS WITH ERM 7.20.01 / NMU



Hintergrundinformationen/Profil

Formular für bestehende Geschäftsbeziehungen vor dem 1. Januar 2001

P-BG

Rechtsträger, Sitz Luperla Foundation, Vaduz

1. Informationen zum Rechtsträger

- Gesellschaft mit kommerziellem Hintergrund
 Stiftung, Trust, Holding, usw.

Gründungs-/Übernahmejahr: 1997

1.1 Gewöhnliche Geschäftstätigkeit

Begünstigtenregelung und Verwaltung des eigenen Vermögens im Sinne der Stiftungsstatuten.

1.2 Verwendungszweck der Vermögenswerte

Wirtschaftliche Unterstützung des Stifters und deren Söhne.

2. Wirtschaftlicher Hintergrund und Herkunft der eingebrachten und einzubringenden Vermögenswerte sowie genauere Angaben zum Herkunftsland

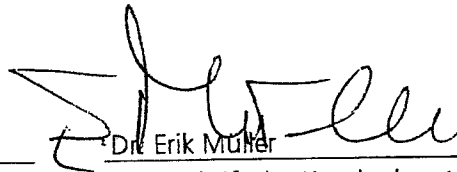
Der wirtschaftliche Stifter ist Hauptaktionär und Chairman der Westfields Gruppe. Die Gelder stammen aus einer Transaktion, durch welche die Aktienmehrheit an der Gruppe aus dem Streubesitz wieder in den Familienbesitz der Familie erreicht wurde. Der wirtschaftliche Stifter soll der zweitvermögenste Australier sein.

3. Länderrisikokategorisierung

- 1 2 3 4

Vaduz, 12.07.2002

Ort, Datum



Dir Erik Müller

Unterschrift des Kundenberaters

- Bevollmächtigte gemäss separatem Formular
 Dieses Formular ersetzt das Formular vom:

Permanent Subcommittee on Investigations

EXHIBIT #109

PSI-USMSTR_008908

Luperla Form 12.07.2002.doc V.07/001



Identifikationsakte

Vertragspartner ist natürliche Person

ID-NP

Rechtsträger, Sitz Luperla Foundation, Vaduz (aufgelöst)

— = Redacted by the Permanent Subcommittee on Investigations

Vertragspartner

Name, Vorname	<u>Gelbard Joshua Herbert</u>
Geburtsdatum	<u>[REDACTED]</u>
Wohnsitzadresse	<u>Gelbard, Amit, Wexler - Law Office, 5 Manne St.</u>
Wohnsitzstaat	<u>64168 Tel Aviv, Israel</u>
Staatsangehörigkeit(en)	<u>Israel</u>
Beruf/Branche	<u>Rechtsanwalt</u>

- keine PeP-Indikation
 PeP-Indikation gegeben (Formular "Erklärung zur politisch exponierten Persönlichkeit" ausfüllen!)

- Aufnahme der Geschäftsbeziehung Persönliche Vorsprache (A)
 Korrespondenzweg (B)

1. Identifizierung bei persönlicher Vorsprache

- Kopie beweiskräftiges ID-Dokument Gültiger Reisepass
 Gültige(r) Identitätskarte/-ausweis
 ID-Bestätigung der zuständigen Wohnortbehörde

2. Identifizierung bei Aufnahme der Geschäftsbeziehung auf dem Korrespondenzweg

- Beglaubigte Kopie des gültigen Reisepasses oder der(s) gültigen Identitätskarte/-ausweises und Bestätigungsschreiben des Vertragspartners gem. Art. 17 Abs. 1 SPV

Erläuterungen:

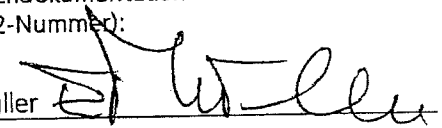
Die Art der Beglaubigung richtet sich nach nationalen Rechtsvorschriften des Staates in dem die Beglaubigung ausgestellt wird.

Das Bestätigungsschreiben des Vertragspartners hat zwingend die oben aufgelisteten Daten zu enthalten (Name, Vorname, Geburtsdatum usw.).

Art. 17 Abs. 3 SPV: "Spricht der Vertragspartner nach erfolgter Identifizierung auf dem Korrespondenzweg zum ersten Mal persönlich vor, so ist dieser gemäss den Bestimmungen des Art. 14 SPV erneut zu identifizieren."

- Erstidentifikation
 Dieses Formular ersetzt das Identifikationsformular vom (Datum): Nachdokumentation
 Bereits gültig mittels beweiskräftigen Dokumenten identifiziert in (M2-Nummer):

Vaduz, 12.07.2002
Ort, Datum

Dr. Erik Müller 
Unterschrift des Kundenberaters

Dieses Formular gilt für Neukunden ab dem 1. Januar 2001, Änderung des Vertragspartners oder bei Reidentifikation desselben aufgrund bestehender Zweifel (Art. 7 SPG) oder eines dringenden Verdachts auf Täuschung (Art. 8 SPG).



Erklärung für Vermögenseinheiten ohne wirtschaftliche WB-D Berechtigung (Discretionary Stiftungen / Discretionary Trusts)

Rechtsträger, Sitz Luperla Foundation, Vaduz (aufgelöst)

Vertragspartner Gelbart Joshua Herbert

A. Letztlich wirtschaftlich berechtigt an den Vermögenswerten, die in den Rechtsträger eingebracht werden bzw. wurden

ist/sind der/die Vertragspartner selbst.

ist/sind folgende Person(en):

1. Name(n) Lowy
Vorname(n) Frank P.
Geburtsdatum _____
Wohnadresse _____
PLZ/Ort _____
Domizilland Australien
Nationalität(en) _____
Beruf/Branche Hauptaktionär und Chairman der Westfields Gruppe.

Verhältnis zwischen obgenannter Person und dem Vertragspartner:

VP ist Ingjähriger Vertrauensanwalt von Frank Lowy.

Vom Kundenberater auszufüllen:

- keine PeP-Indikation; Visum KB: _____
 PeP-Indikation gegeben (KB: Formular "Erklärung zur politisch exponierten Persönlichkeit" ausfüllen!)

2. Name(n) _____
Vorname(n) _____
Geburtsdatum _____
Wohnadresse _____
PLZ/Ort _____
Domizilland _____
Nationalität(en) _____
Beruf/Branche _____

Verhältnis zwischen obgenannter Person und dem Vertragspartner:

Vom Kundenberater auszufüllen:

- keine PeP-Indikation; Visum KB: _____
 PeP-Indikation gegeben (KB: Formular "Erklärung zur politisch exponierten Persönlichkeit" ausfüllen!)

Vaduz, 12.07.2002
Ort/Datum

Dr. Erik Müller
Unterschrift des Vertragspartners
(zwingend ab 1.1.2001)



B. Bezüglich der Vermögenswerte des Rechtsträgers gilt folgendes:

1. Es besteht keine Instruktionsberechtigung bestimmter Personen und es wurden noch keine wirtschaftlich Berechtigten bestellt.
2. Die wirtschaftlich Berechtigten können aus nachstehendem Kreis von Personen bestimmt werden:

siehe AV von Dr. E. Müller vom 16.07.2001.

Ist/sind die Person(en) gemäss (A.) Teil des Personenkreises?

Ja Nein

Bsp. "Die Nachkommen nach Hans Muster". Die Begünstigtenregelung ist in vollem Wortlaut beizufügen, nicht jedoch ein allfällig bestehender und für den Stiftungsrat oder Trustee rechtlich nicht verbindlicher "Letter of Wishes". Bei Klauseln in der Begünstigtenregelung "...derzeit bestehend aus ..." sind die Namen der betreffenden Personen hier ebenfalls zu nennen.

3. Nachstehende Personen sind als Kuratoren / Protektoren / Beiräte usw. eingesetzt:

1. Name(n)

Vorname(n)

Geburtsdatum

Wohnadresse

PLZ/Ort

Domizilland

Nationalität(en)

Beruf/Branche

in der Funktion als:

- keine PeP-Indikation; Visum KB: _____
 PeP-Indikation gegeben (Formular "Erklärung zur politisch exponierten Persönlichkeit" ausfüllen!)

2. Name(n)

Vorname(n)

Geburtsdatum

Wohnadresse

PLZ/Ort

Domizilland

Nationalität(en)

Beruf/Branche

in der Funktion als:

- keine PeP-Indikation; Visum KB: _____
 PeP-Indikation gegeben (Formular "Erklärung zur politisch exponierten Persönlichkeit" ausfüllen!)

Vaduz, 12.07.2002

Ort/Datum

Dr. Erik Müller

Unterschrift des Kundenberaters

- Erstfeststellung
 Dieses Formular ersetzt das Formular vom (Datum):

Background Information/Profile
(Documentation of Existing Corporate Relationship(s) to 1.January.2001)

P-BG

Clients, Domicile Luperla Foundation, Vaduz

1. Description of Entity

- Company with commercial basis
 Foundation, trust, holding company, etc.

Year Founded/Purchased: 1997

1.1 Primary Business

beneficiary regulations and administration of own assets within the scope of the foundation's statutes

1.2 Details of intended use of Assets:

financial support for the founder and his sons

2. Commercial background/origin of assets incl. detailed origin of funds to be provided (earnings from commercial activity, inheritance, sale of participations, sale of property, etc.):

The financial founder is main shareholder and Chairman of the Westfields Group. The funds originate from a transaction, through which the majority of the shares in the group was achieved from the shares owned by diverse shareholders coming into the ownership of the family. The financial founder is the second largest holder of assets in Australia.

3. Country Risk Category

1 2 3

Vaduz 12.07.02
Place/Date

[signed]
Dr. Erik Mueller
Signature - Client Advisor

- Power of Attorney per Separate Document
 This document replaces the previous version, dated (Date):

[logo]

LGT Trust

A Member of Liechtenstein Global Trust

LGT Trust
Corporation
Städtle 28
FL-9490 Vaduz
Principality of Liechtenstein

Telephone+423 235 27 27
Telefax +423 235 27 15
Internet www.lgt.com/lgttreuhand
E-Mail lgttrust@lgt.com
VAT-NO.50119

Identification File Contracting Partner is an Individual Person

ID-NP

**_____ = Redacted by the Permanent
Subcommittee on Investigations**

Entity, Domicile Luperla Foundation, (dissolved)

Last name, First Name	<u>Gelbard Joshua Herbert</u>
Date of birth	<u>_____</u>
Address	<u>Gelbart, Amit, Wexler – Law Office, 5 Manne St.</u>
City	<u>64168 Tel Aviv, Israel</u>
Citizenship	<u>Israel</u>
Occupation/Business	<u>Attorney</u>

no PeP-Indication
 PeP Indication given (Fill out form "Explanation of politically affiliated personality")

Admission of Business Relationship In person (A)
 By way of correspondence (B)

1. Identification during Personal Visit

Copy of conclusive Identification Valid passport
 Valid ID Card
 ID – Confirmation of upstanding citizenship

2. Identification at intake of Business Relationship via Correspondence

Certified copy of a valid passport or of valid ID Card and written confirmation of signatory per Art. 17 Abs. 1 SPV

Explanations:

The method of certification is based upon the federal provision of the country where the certification is issued.

The written certification of the contracting partner is required to contain the above details (Last name, First name, date of birth, etc.).

Art. 17 Abs. 3 SPV: "If the initial identification of the contracting partner has taken place via written correspondence, then in accordance with Art. 14 SPV, formal identification is to take place upon the first in-person visit by the contracting partner.

First identification
 This document replaces the Identification document from (Date):
 Already valid conclusive document identified in (M2-Number):

Vaduz, 07.12.2002
City, Date

Dr. Erik Mueller **[SIGNED]**
Signature – Client Advisor

This document is valid for new clients from 1 January 2001, changes to the signatories or by re-identification due to the same existing skepticism (Art. 7 SPG), or an urgent suspicion of deceit (Art. 8 SPG).

**Statement Concerning Unjustifiable Assets
(Discretionary Trusts)**

WB-D

Entity, Domicile Luperla Foundation, Vaduz (dissolved)

Contract Partner Gelbart Joshua Herbert

A. Most recent beneficiary of the assets that are to be/were brought into the entity:

- is/are the contracting partner
 is/are the following individual(s):

1. Last Name Lowy
First Name Frank P.
Date of Birth _____
Address _____
Zip/State or Province _____
Country of Residence Australia
Nationality(ies) _____
Occupation/Industry Main shareholder and Chairman of the Westfield Group

Relationship of above-named individual (the Power Holder) to the contracting partner:
VP is a long standing trusted lawyer of Frank Lowy.

To be completed by the client advisor:

- No PeP indicator: Seal - Client Advisor: _____
 PeP-Indication Provided (Advisor: Complete Form "Declaration of Politically Exposed Individual"!)

2. Last Name _____
First Name _____
Date of Birth _____
Address _____
Zip/State or Province _____
Country of Residence _____
Nationality _____
Occupation/Industry _____

Relationship of above-named individual (the Power Holder) to the contracting partner:

To be completed by the client advisor:

- No PeP indicator: Seal - Client Advisor: _____
 PeP-Indication Provided (Advisor: Complete Form "Declaration of Politically Exposed Individual"!)

Vaduz 07.12.2002
Place/Date

Dr. Erik Mueller [SIGNED]
Signature – Client Advisor
(mandatory as of 1.1.2001)

B. The following applies with respect to the assets of the entity:

1. There are no individuals who have power of attorney to give instruction and no financial beneficiaries have been appointed.
2. The financial beneficiaries can be appointed from within a close circle of individuals.

See Memorandum for the file from Dr. E. Mueller from 07.06.2001

Are/will the individual(s) per (A.) be part of this circle of Individuals?

Yes No

For example "The Successors of Hans Muster". The beneficiary regulation is attached in full text; however, not a possible existing and for the Board of Advisors or Trustee not legally binding "Letter of Wishes". With clauses in the beneficiary regulation "...currently consisting of..." the names of the concerned persons should also be mentioned.

3. Following individuals are appointed as Curators/Guardians/Board Members, etc.

1. Last Name _____
First Name _____
Date of Birth _____
Address _____
Zip/State or Province _____
Country of Residence _____
Nationality(ies) _____
Occupation/Industry _____
In the function as: _____

- No PeP indicator: Seal - Client Advisor: [INITIALED] _____
 PeP-Indication Provided (Advisor: Complete Form "Declaration of Politically Exposed Individual!")

2. Last Name _____
Date of Birth _____
Address _____
Country of Residence _____
Nationality(ies) _____
Occupation/Industry _____
In the function as: _____

- No PeP indicator: Seal - Client Advisor: _____
 PeP-Indication Provided (Advisor: Complete Form "Declaration of Politically Exposed Individual!")

Vaduz, 07.12.2002 _____
Place/Date

[SIGNED] Dr. Erik Mueller _____
Signature – Client Advisor

- Original
 This document supercedes the previous version dated (date):



LGT Bank in Liechtenstein
A Member of Liechtenstein Global Trust

LGT Bank in Liechtenstein
Aktiengesellschaft
Herrngasse 12
FL-9490 Vaduz

Telefon +423 235 11 22
Telefax +423 235 15 22
Internet www.lgt.com
E-Mail info@lgt.com
MWST-Nr. 50 119

Luperla Foundation
9490 Vaduz

Vaduz, December 29, 2001

1/1
E

— = Redacted by the Permanent
Subcommittee on Investigations

Statement of account

USD ACCOUNT

Status 31.12.2001

Date	Text	Value	Debit USD	Credit USD	Balance USD
01.10.01	BALANCE BROUGHT FORWARD				54,565,725.63
18.12.01	FOREIGN EXCHANGE FOREX DEAL AA0529339 LUPERLA FOUNDATION	20.12.01		2,887,769.39	57,453,495.02
18.12.01	FOREIGN EXCHANGE FOREX DEAL AA0529340 LUPERLA FOUNDATION	20.12.01		991,710.57	58,445,205.59
18.12.01	FOREIGN EXCHANGE FOREX DEAL AA0529341 LUPERLA FOUNDATION	20.12.01		6,622,717.32	65,067,922.91
18.12.01	FOREIGN EXCHANGE FOREX DEAL AA0529344 LUPERLA FOUNDATION	20.12.01		1,961,456.53	67,029,379.44
18.12.01	FOREIGN EXCHANGE FOREX DEAL AA0529345 LUPERLA FOUNDATION	20.12.01		798,181.59	67,827,561.03
19.12.01	MONEY TRANSFER / FOREX Transfer 7697647 LGT TREUHAND	18.12.01	16,452.59		67,811,108.44
19.12.01	FOREIGN EXCHANGE FOREX DEAL AA0529392 LUPERLA FOUNDATION	20.12.01		310,294.27	68,121,402.71
19.12.01	MONEY TRANSFER / FOREX Transfer 7698092 LGT TREUHAND	18.12.01		16,452.59	68,137,855.30
20.12.01	MONEY TRANSFER / FOREX Transfer 7706901 BANK JACOB SAFRA	20.12.01	40,882,713.18		27,255,142.12
20.12.01	MONEY TRANSFER / FOREX Transfer 7706943 BANK JACOB SAFRA	20.12.01	27,255,142.12		0.00
	Total		68,154,307.89	13,588,582.26	
	New balance in your favour				0.00

We kindly request you to examine this statement and notify us in writing of any inaccuracies within one month (see our General Business Conditions).

Permanent Subcommittee on Investigations

EXHIBIT #110

PSI-USMSTR - 008841

[logo]LGT Treuhand
A Member of Liechtenstein Global Trust

LGT Trust
Corporation
Städtle 28
FL-9490 Vaduz
Principality of Liechtenstein
VAT-No. 50119

Telephone: +423 235 27 27
Telefax: +423 235 27 15
Internet:
www.lgt.com/lgttreuhand
E-Mail lgttrust@lgt.com

Memorandum for the Record

1/1

Subject: **Luperla Foundation, Vaduz**

Compiler / Tel.: Dr. Erik Müller

Date: April 10, 2002 / fgr

For follow up: Sandra Schneider

Cc:

Update E-Doc:

The routine review of the physical folder as well as the comments section shows that not all documents have been scanned in yet. Since the actual foundation is about to be dissolved and the final accounting has already been carried out, the relatively large effort of archiving the file documents no longer has a purpose in my opinion.

Therefore, the pending documents (signed asset statuses, etc.) as well as all those documents that are connected with the final disbursements of all asset values, are to be filed physically in the corresponding sections in the red folder. The subsequent archiving in the E-Doc can be dispensed with in my opinion.

The formal resolution on the dissolution of the foundation still needs to be done retroactively. The dissolution is subsequently to be requested as a foundation registry with the public registry office.

[signed]

Dr. Erik Müller

Permanent Subcommittee on Investigations

EXHIBIT #111



GREEN HASSON & JANKS LLP
BUSINESS ADVISORS AND CPAs

December 13, 2001

Peter Lowy
11601 Wilshire Boulevard
12th Floor
Los Angeles, CA 90025

Dear Peter,

As requested by David Lowy, enclosed are the following original documents related to Beverly Park Corporation:

1. Certificate of Qualification issued by the Secretary of State of the State of California;
2. Certificate of Incorporation issued by the Secretary of State of the State of Delaware;
3. Letter engaging Joshua Gelbard and related Notarization;
4. Original attorney letter verifying appointment of Leon Janks as Director and Vice President of Beverly Park Corporation.

I am pleased that we could be of service to you.

Best regards,

Leon C. Janks, CPA
Partner

LCJ:bmt

Encl.

LOWY-PSI-003687
CONFIDENTIAL

A Member of International
A world-wide organization of accounting firms and business advisers

10990 Wilshire Boulevard | Sixteenth Floor | Los Angeles, California 90024-3929
TEL (310) 873-1600 | FAX (310) 873-6600 | www.ghiadvisors.com

Permanent Subcommittee on Investigations

EXHIBIT #112

State of California

SECRETARY OF STATE

CERTIFICATE OF QUALIFICATION

I, BILL JONES, Secretary of State of the State of California, hereby certify:

That on the 4TH day of FEBRUARY, 19 97,

BEVERLY PARK CORPORATION

a corporation organized and existing under the laws of DELAWARE,
 complied with the requirements of California law in effect on that date for the purpose
 of qualifying to transact intrastate business in the State of California, and that as of
 said date said corporation became and now is qualified and authorized to transact
 intrastate business in the State of California, subject however, to any licensing
 requirements otherwise imposed by the laws of this State.

IN WITNESS WHEREOF, I execute this
 certificate and affix the Great Seal
 of the State of California this 7th
 day of February, 1997

Bill Jones

Secretary of State

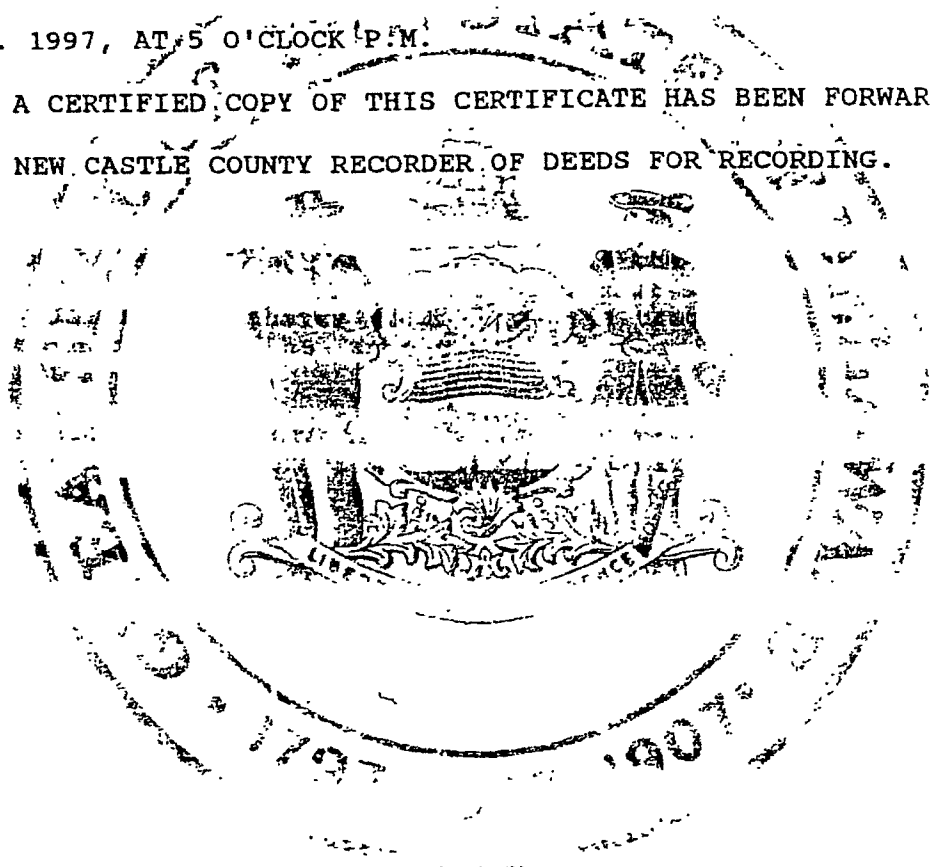


LOWY-PSI-003688
 CONFIDENTIAL

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "BEVERLY PARK CORPORATION", FILED IN THIS OFFICE ON THE THIRD DAY OF JANUARY, A.D. 1997, AT 5 O'CLOCK P.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.



LOWY-PSI-003689
CONFIDENTIAL



Edward J. Freel

Edward J. Freel, Secretary of State

2702491 8100

971003117

AUTHENTICATION:

8271132

DATE:

01-04-97

Beverly Park Corporation
10990 Wilshire Boulevard, Suite 1600
Los Angeles, California 90024

December 13, 2001

Joshua Gelbard
Gelbard Amit & Wexler
5 Manne Street
Tel Aviv
64168 Israel

Dear Joshua,

On behalf of Beverly Park Corporation and in my capacity as a director and officer I am engaging and authorizing you and your firm to act on behalf of the above named corporation.



Leon C. Janks
Director

LOWY-PSI-003690
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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

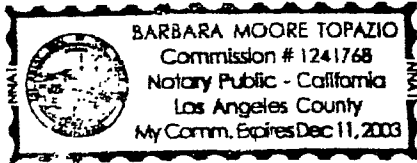
State of California

County of Los Angeles

On 13th December 2001 before me, Barbara Moore Topazio, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Leon C. Janks
Name(s) of Signer(s)

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Barbara Moore Topazio
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Authorization

Document Date: December 13, 2001 Number of Pages: 1

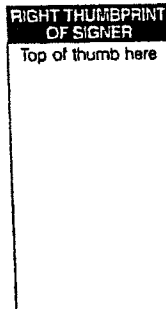
Signer(s) Other Than Named Above: N/A

**LOWY-PSI-003691
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Capacity(ies) Claimed by Signer(s)

Signer's Name: Leon C Janks

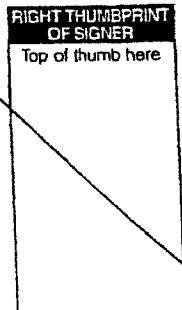
- Individual
- Corporate Officer
Title(s): Director & Officer
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:
Beverly Park Corporation

Signer's Name: _____

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:



FRIEDMAN, HELLER & ENRIQUEZ, LLP
LAW OFFICES

PAUL M. ENRIQUEZ
BARRY A. FRIEDMAN*
ROBERT M. HELLER†
GRANT A. CARLSON

*ALSO ADMITTED IN ILLINOIS
†ALSO ADMITTED IN NEW YORK
‡ALSO ADMITTED IN NEW JERSEY

OF COUNSEL
RICHARD B. SKOLNICK
BARBARA S. LEMERMAN
GARY P. KOHN†
KYLE P. KELLEY‡

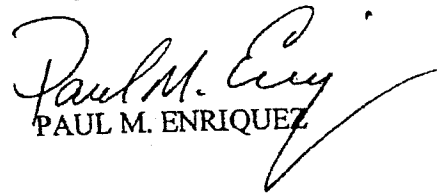
December 13, 2001

Joshua Gelbard
Gelbard, Amit & Wexler
5 Manne Street
Tel Aviv
64168 Israel

Dear Mr. Gelbard:

We are attorneys licensed to practice law in the State of California, United States of America. In such capacity, we have reviewed the corporate minutes of Beverly Park Corporation, a Delaware corporation. Please be advised that such minutes reflect that Leon C. Janks is currently a Director and Vice President of Beverly Park Corporation.

Very truly yours,


PAUL M. ENRIQUEZ

PME/jlp
Beverly Park
Gelbard.ltr

LOWY-PSI-003692
CONFIDENTIAL

433 N. CAMDEN DRIVE, SUITE 965, BEVERLY HILLS, CALIFORNIA 90210 (310) 471-1115
FAX (310) 273-1115 EMAIL ENRIQUEZ@FHE4LAW.COM

www.fhe4law.com

CONTRACT FOR THE PURCHASE AND SALE OF REAL ESTATE

— = Redacted by the Permanent Subcommittee on Investigations

This is intended to be a legally binding contract.

Beverly Park Corporation, a Delaware corporation ("Buyer"), offers to purchase the Property, as defined herein, from Westland Park Avenue Corporation, a Delaware corporation ("Seller"), situated at Unit 31 A/B, 500 Park Tower Condominium, 500 Park Avenue, New York, New York 10022 together with all improvements thereon, rights and easements appurtenant thereto, all fixtures thereon ("Real Property") for the purchase price of \$4,900,000 (the "Purchase Price"). Seller hereby accepts Buyer's offer to purchase subject to the terms and conditions of this contract

1. Closing Date and Escrow. This transaction shall close on or before March 25, 1997 (unless extended by mutual agreement of the parties ("Closing Date") at 11601 Wilshire Boulevard, 12th Floor, Los Angeles, CA 90025, on the Closing Date. The Purchase Price shall be paid in cash. The Title Company shall act as escrow agent for all matters except for the payment of the Purchase Price will be paid by Buyer to Seller outside of escrow.

2. Title. Promptly after mutual execution of this contract, Seller shall order a preliminary title report from First American Title ("Title Company") and promptly deliver same to Buyer, each document referred to therein and all other existing or proposed documents affecting title.

Within five calendar days of receipt of such title report and documents, Buyer shall notify Seller in writing of Buyer's objections to title. Seller shall notify Buyer in writing within five calendar days of receipt thereof that (i) it will eliminate such objections by the Closing Date or (ii) it is unwilling or unable to eliminate such objections. Unless Seller shall timely notify Buyer that it shall eliminate all such objections, Buyer shall have until the earlier of the Closing Date or five days from receipt of Seller's written notice to terminate this Contract.

At closing, title shall be conveyed by grant deed and shall be good and marketable and free and clear of all liens and encumbrances of record (including, but not limited to, a loan in the original principal amount of \$2,500,000 with Bank of America, N T & S A , identified as Loan # [REDACTED] (the "Loan") or known to Seller other than current property taxes not yet due and the preliminary title report exceptions not objected to by Buyer as set forth above ("Permitted Exceptions"). Seller shall deliver to Buyer at closing an agreed-upon form of Owner's Policy in the amount of the Real Property Purchase Price dated as of the Closing Date, showing good and marketable title to the Real Property in Buyer's name as the insured, subject only to the Permitted Exceptions. Buyer may obtain reasonable endorsements at its cost. The policy shall be paid for by Buyer. Seller shall notify the Bank of America to provide a pay-off demand for the loan to the Title Company.

3. Prorations. Seller and Buyer shall pay city and state transfer taxes in accord with local practice. Assessments and bonds shall be prorated through the Closing Date with Buyer to assume the balance. Real property taxes, property operations expenses, utilities and other recurring costs shall be prorated as of the Closing Date.

4. Inspections. Buyer has fully inspected the Property and hereby approves of the Property's condition.

5. Certificates and Other Requirements.

A. Seller and Buyer shall execute and file all forms necessary to comply with the New York State Department of Taxation requirements pursuant to Article 31-B of the New York State Tax Law. Seller shall pay all amounts payable on account thereof and shall indemnify and hold Buyer harmless in connection therewith, including, without

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Permanent Subcommittee on Investigations
EXHIBIT #113a

limitation, the payment of all reasonable attorneys' fees and expenses. This obligation shall survive the Closing.

B. Seller represents to Buyer that Seller has dealt with no broker in connection with the sale. Seller and Buyer shall indemnify and hold each other harmless in connection with the representations made in this paragraph 5B, including, without limitation, the payment of reasonable attorneys' fees and expenses. This obligation shall survive the Closing.

C. Seller is not a foreign person as defined in Internal Revenue Code SS1445, as amended, and will execute and deliver at Closing a certificate or other form confirming such representation in the form required by the Internal Revenue Code

D. Seller shall cause the Condominium Board managing the property or its managing agent to deliver to Buyer a statement that all common charges and any other assessments then due and payable to the Condominium Board have been paid. It shall be the obligation of the Seller to pay same up to date of closing.

E. Seller will cause the Condominium Board to issue prior to the Closing Date any required approvals related to the conveyance of the Property to Buyer.

F. Seller shall deliver to Buyer all keys to the Property, including, without limitation, keys to the door, mailbox and storage facility, if any

6. Possession Possession of the Property shall be delivered to Buyer on the Closing Date in an "As-Is," "Where-Located" condition, provided the Property is in the same general condition as of the date hereof, and in accordance with the Permitted Exceptions.

7. Warranty To the best of Seller's knowledge, Seller hereby represents and warrants to the best of its knowledge, to Buyer now and as of the Closing Date, the following:

(i) There are no physical, structural, mechanical, inadequate utilities or other defects or problems related to or affecting the Property, and no hazardous/toxic materials on or near the Property, its soils, water or improvements;

(ii) The Property, its use and operation are in compliance with all laws, codes, regulations and requirements and all covenants, conditions and restrictions, and the Property includes all permits, easements and other authorizations and agreements from governmental and private parties for normal use, operation, ingress and egress from the Property;

(iii) There are no contracts, agreements or arrangements, written or oral, express or implied, affecting or related to the Property existing, pending or which would constitute a potential default;

(iv) There is no litigation, condemnation, administrative or other proceeding or hearing either instituted or threatened, or any basis therefor, which might adversely affect the use, operation or value of the Property or Seller's ability to perform hereunder;

(v) Seller has not misrepresented or failed to disclose any fact which might adversely affect the use, operation or value of the Property. Seller's representations and warranties shall not be reduced or restricted because of Buyer's inspections or waivers of conditions to closing, shall be deemed material and shall survive the closing, recordation of any deeds and any transfer of title.

8 Maintenance. If the Property or improvements are destroyed or materially damaged or if any portion is taken by condemnation or such proceedings are commenced before closing, Buyer may terminate this Contract. If Buyer elects in its sole discretion to accept the Property in its then condition, all insurance and condemnation proceeds shall be paid to Buyer. Seller until the Closing Date shall maintain the Property in good repair

with its current insurance and operate in a first-class manner, performing all obligations under all agreements affecting the Property. Seller shall not enter into or modify any agreements affecting the Property without Buyer's permission, which shall not be unreasonably withheld.

9. Indemnification. Buyer and Seller shall each defend, indemnify and hold the other and its successors and assigns harmless from all claims, demands, liabilities or expenses, including reasonable attorneys' fees, relating to the Property which arise out of events occurring prior to or after closing, as the case may be.

10 Miscellaneous. This is the entire agreement between Buyer and Seller, superseding any prior or concurrent agreements or understandings, written or oral, express or implied. All amendments or modifications must be in writing signed by Buyer and Seller. This Contract shall survive the closing and recordation of any deed and shall be binding on the parties' successors and assigns. Headings are for convenience and shall not be used in the interpretation of this contract. If any provision is held illegal or unenforceable in whole or in part, the remainder of the provisions of this Contract shall not be impaired. The prevailing party in any dispute between Buyer and Seller shall be entitled to its costs and attorneys' fees.

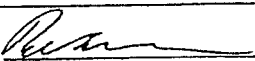
11. Warranty of Authority. The persons executing this Contract represent and warrant that each has full power and authority to execute and deliver this Contract and all documents contemplated hereby and to take all other actions necessary or desirable to complete this transaction on behalf of Buyer or Seller, as applicable, all of which shall be valid and binding on Buyer or Seller, as applicable, without the approval of any person or entity, including any bankruptcy or probate court, or the taking of any other action


12. Attachments. The attached Non-Foreign Tax Certification signed by Seller is a part hereof and is incorporated herein

Duly executed by the parties hereto as of March 24, 1997.

SELLER: Westland Park Avenue
Corporation

BUYER: Beverly Park Corporation

By: 
Richard Green
Its: President

By: 
Peter Lowy
Its: President

NON-FOREIGN TAX CERTIFICATION

IRC Section 1445 provides that a buyer of a U.S. real property interest must withhold tax if the seller is a foreign person. To inform the buyer that the withholding of tax is not required upon sale of the Real Property, the undersigned Seller hereby declares as follows: (i) that it is the owner of the Real Property and its tax I.D. number is as set forth above; (ii) Seller is not a nonresident alien for U.S. tax purposes or a foreign corporation, foreign partnership, foreign trust or foreign estate as defined in the IRC and Income Tax Regulations; (iii) the undersigned understands that this Tax Certification may be disclosed to the IRS by the Buyer and that any false statement contained herein could be punishable by fine, imprisonment or both. Under penalty of perjury, the undersigned declares that this certification is true, correct and complete to the best of its knowledge and belief and that it has all necessary authority to execute same.

Seller: Westland Park Avenue Corporation

By: _____

Its: _____

BEVERLY PARK CORPORATION
GUEST LOG -Beverly Hills
Jul-99

Daily Rate: \$3,000

WHL	WCI	DATE	GUEST NAME	
		1-Jul		
		2-Jul		
		3-Jul		
		4-Jul		
		5-Jul		
		6-Jul		
		7-Jul		
		8-Jul		
		9-Jul		
1		10-Jul	David Lowy/Daniel Lowy	Bus/Guest
1		11-Jul	David Lowy/Daniel Lowy	Bus/Guest
		12-Jul	David Lowy	Business
		13-Jul		
		14-Jul		
		15-Jul		
		16-Jul		
		17-Jul		
		18-Jul		
		19-Jul		
		20-Jul		
		21-Jul		
		22-Jul		
		23-Jul		
		24-Jul		
		25-Jul		
		26-Jul		
		27-Jul		
		28-Jul		
		29-Jul		
		30-Jul		
		31-Jul		

2 TOTAL

6,000

LOWY-PSI-003914
 CONFIDENTIAL

BEVERLY PARK CORPORATION

GUEST LOG -Beverly Hills

Aug-99

Daily Rate: \$3,000

WHL	WCI	DATE	GUEST NAME
		1-Aug	
		2-Aug	
		3-Aug	
		4-Aug	
		5-Aug	
1		6-Aug	Frank Lowy
0		7-Aug	Frank Lowy
		8-Aug	
		9-Aug	
		10-Aug	
		11-Aug	
		12-Aug	
		13-Aug	
		14-Aug	
		15-Aug	
		16-Aug	
		17-Aug	
		18-Aug	
		19-Aug	
		20-Aug	
		21-Aug	
		22-Aug	
		23-Aug	
		24-Aug	
		25-Aug	
		26-Aug	
		27-Aug	
		28-Aug	
		29-Aug	
		30-Aug	
		31-Aug	

1 TOTAL

3,000

BEVERLY PARK CORPORATION
GUEST LOG -New York Condo
 Sep-99

Daily Rate: \$1,800

WHL	WCI	DATE	GUEST NAME	
		1-Sep		
		2-Sep		
		3-Sep		
		4-Sep		
		5-Sep		
		6-Sep		
		7-Sep		
		8-Sep		
		9-Sep		
		10-Sep		
		11-Sep		
		12-Sep		
		13-Sep		
		14-Sep		
		15-Sep		
		16-Sep		
		17-Sep		
		18-Sep		
		19-Sep		
		20-Sep		
		21-Sep		
	1	22-Sep	Mark Stefanek	Business
	0	23-Sep	Mark Stefanek	Business
		24-Sep		
		25-Sep		
		26-Sep		
		27-Sep		
		28-Sep		
1		29-Sep	Stephen Johns	Business
0		30-Sep	Stephen Johns	Business

1 1 TOTAL

1,800 1,800

BEVERLY PARK CORPORATION
GUEST LOG -New York Condo
 Sep-99

Daily Rate: \$1,800

WHL	WCI	DATE	GUEST NAME	
		1-Sep		
		2-Sep		
		3-Sep		
		4-Sep		
		5-Sep		
		6-Sep		
		7-Sep		
		8-Sep		
		9-Sep		
		10-Sep		
		11-Sep		
		12-Sep		
		13-Sep		
		14-Sep		
		15-Sep		
		16-Sep		
		17-Sep		
		18-Sep		
		19-Sep		
		20-Sep		
		21-Sep		
	1	22-Sep	Mark Stefanek	Business
	0	23-Sep	Mark Stefanek	Business
		24-Sep		
		25-Sep		
		26-Sep		
		27-Sep		
		28-Sep		
1		29-Sep	Stephen Johns	Business
0		30-Sep	Stephen Johns	Business

1 1 TOTAL

1,800 1,800

BEVERLY PARK CORPORATION
GUEST LOG -NY CONDO
 Oct-99

Daily Rate: \$1,800

WHL	WCI	DATE	GUEST NAME
1		1-Oct	Stephen Johns
1		2-Oct	Stephen Johns
1		3-Oct	Stephen Johns
1		4-Oct	Stephen Johns
1		5-Oct	Stephen Johns/Frank & Shirley Lowy
1		6-Oct	Frank/Shirley Lowy
1		7-Oct	Frank/Shirley Lowy
1		8-Oct	Frank/Shirley Lowy
1		9-Oct	Frank/Shirley Lowy
1		10-Oct	Frank/Shirley Lowy
1		11-Oct	Frank/Shirley Lowy
1		12-Oct	Frank/Shirley Lowy
1		13-Oct	Frank/Shirley Lowy
0		14-Oct	Frank/Shirley Lowy
		15-Oct	
		16-Oct	
		17-Oct	
		18-Oct	
		19-Oct	
		20-Oct	
		21-Oct	
		22-Oct	
		23-Oct	
		24-Oct	
		25-Oct	
		26-Oct	
		27-Oct	
		28-Oct	
		29-Oct	
		30-Oct	
		31-Oct	

13 TOTAL

\$23,400

BEVERLY PARK CORPORATION
GUEST LOG -New York Condo
 Dec-99

Daily Rate: \$1,650 Rent
 \$ 150 Food

WHL	WCI	DATE	GUEST NAME	
		01-Dec		
		02-Dec		
		03-Dec		
	0	04-Dec	Leon/Sharon Janks	Guest
	1	05-Dec	Peter/Janine Lowy-Leon/Sharon Janks	Guest
	1	06-Dec	Peter/Janine Lowy-Leon/Sharon Janks	Guest
	0	07-Dec	Peter/Janine Lowy-Leon/Sharon Janks	Guest
	0	08-Dec	Janine Lowy	Guest
	0	09-Dec	Janine Lowy	Guest
		10-Dec		
		11-Dec		
		12-Dec		
		13-Dec		
		14-Dec		
		15-Dec		
		16-Dec		
		17-Dec		
		18-Dec		
		19-Dec		
		20-Dec		
		21-Dec		
		22-Dec		
		23-Dec		
		24-Dec		
		25-Dec		
		26-Dec		
		27-Dec		
		28-Dec		
		29-Dec		
		30-Dec		
		31-Dec		

2

\$3,300
 \$300
 \$3,600 TOTAL DUE

BEVERLY PARK CORPORATION
 GUEST LOG -NY CONDO
 Jan-00

Daily Rate: \$1650 Rent
 \$150 Food

WHL	WCI	DATE	GUEST NAME
		01-Jan	
		02-Jan	
		03-Jan	
		04-Jan	
		05-Jan	
		06-Jan	
		07-Jan	
		08-Jan	
		09-Jan	
		10-Jan	
		11-Jan	
1		12-Jan	Frank/Shirley Lowy
1		13-Jan	Frank/Shirley Lowy
0		14-Jan	Frank/Shirley Lowy
		15-Jan	
		16-Jan	
		17-Jan	
		18-Jan	
		19-Jan	
		20-Jan	
		21-Jan	
		22-Jan	
		23-Jan	
	1	24-Jan	Richard Green
	1	25-Jan	Richard Green
	1	26-Jan	Richard Green
	0	27-Jan	Richard Green
		28-Jan	
		29-Jan	
		30-Jan	
		31-Jan	

2	3	
\$3,300	\$4,950	
\$300	\$450	
<hr/> \$3,600	<hr/> \$5,400	TOTAL DUE

LOWY-PSI-003922
 CONFIDENTIAL

"REVISED"

WHL	WCI	DATE	GUEST NAME	
		01-Jan		
		02-Jan		
		03-Jan		
		04-Jan		
		05-Jan		
0		06-Jan	David Lowy	
0			Margo/Daniel/Noah/Emila Lowy/Orly	Guest
0		07-Jan	David Lowy	
0			Margo/Daniel/Noah/Emila Lowy/Orly	Guest
0		08-Jan	David Lowy	
0			Margo/Daniel/Noah/Emila Lowy/Orly	Guest
		09-Jan		
		10-Jan		
		11-Jan		
		12-Jan		
		13-Jan		
1		14-Jan	Frank/David Lowy	
0			Shirley/Margo/Daniel/Noah/Emila/Orly	Guest
0		15-Jan	David Lowy	
0			Shirley/Margo/Daniel/Noah/Emila/Orly	Guest
1		16-Jan	Frank/David Lowy	
0			Shirley/Margo/Daniel/Noah/Emila/Orly	Guest
1		17-Jan	Frank/Shirley Lowy	
1		18-Jan	Frank/Shirley Lowy	
1		19-Jan	Frank/Shirley Lowy	
0		20-Jan	Frank/Shirley Lowy	
0		21-Jan	Shirley Lowy	Guest
0		22-Jan	Shirley Lowy	Guest
		23-Jan		
		24-Jan		
		25-Jan		
		26-Jan		
		27-Jan		
		28-Jan		
		29-Jan		
		30-Jan		
		31-Jan		

5 TOTAL

\$13,750
 \$1,250
 \$15,000

BEVERLY PARK CORPORATION
GUEST LOG -NY CONDO
 Jan-00

Daily Rate: \$1650 Rent
 \$150 Food

WHL	WCI	DATE	GUEST NAME
		01-Jan	
		02-Jan	
		03-Jan	
		04-Jan	
		05-Jan	
		06-Jan	
		07-Jan	
		08-Jan	
		09-Jan	
		10-Jan	
		11-Jan	
1		12-Jan	Frank/Shirley Lowy
1		13-Jan	Frank/Shirley Lowy
0		14-Jan	Frank/Shirley Lowy
		15-Jan	
		16-Jan	
		17-Jan	
		18-Jan	
		19-Jan	
		20-Jan	
		21-Jan	
		22-Jan	
		23-Jan	
	1	24-Jan	Richard Green
	1	25-Jan	Richard Green
	1	26-Jan	Richard Green
	0	27-Jan	Richard Green
		28-Jan	
		29-Jan	
		30-Jan	
		31-Jan	

2	3	
\$3,300	\$4,950	
\$300	\$450	
\$3,600	\$5,400	TOTAL DUE

BEVERLY PARK CORPORATION
 GUEST LOG -Beverly Hills House
 Mar-00

REVISED"

Daily Rate: \$2,750 RENT
 250 FOOD

WHL	WCI	DATE	GUEST NAME
		01-Mar	
		02-Mar	
		03-Mar	
		04-Mar	
		05-Mar	
		06-Mar	
		07-Mar	
		08-Mar	
		09-Mar	
0		10-Mar	Andrew Briggs
0		11-Mar	Andrew Briggs/Shirley Lowy
0		12-Mar	Andrew Briggs/Shirley Lowy
0		13-Mar	Shirley Lowy
0		14-Mar	Shirley Lowy
0		15-Mar	Shirley Lowy
1		16-Mar	Frank Lowy/Shirley Lowy
1		17-Mar	Frank Lowy/Shirley Lowy
1		18-Mar	Frank Lowy/Shirley Lowy
1		19-Mar	Frank Lowy/Shirley Lowy
1		20-Mar	Frank Lowy/Shirley Lowy
1		21-Mar	Frank & Shirley Lowy/Andrew Briggs
1		22-Mar	Frank & Shirley Lowy/Andrew Briggs
1		23-Mar	Frank & Shirley Lowy/Andrew Briggs
0			Daniel Lowy
1		24-Mar	Frank & Shirley Lowy/Andrew Briggs
0			Daniel Lowy
1		25-Mar	Frank & Shirley Lowy/Andrew Briggs
0			Daniel Lowy
0		26-Mar	Frank & Shirley Lowy/Andrew Briggs
0			Daniel Lowy
		27-Mar	
		28-Mar	
		29-Mar	
		30-Mar	
		31-Mar	

10

TOTAL

\$27,500 RENT
\$2,500 FOOD
\$30,000

BEVERLY PARK CORPORATION
 GUEST LOG -NY CONDO
 Mar-00

"REVISED"

Daily Rate: \$1,650 - RENT
 \$ 150 - FOOD

WHL	WCI	DATE	GUEST NAME
		01-Mar	
		02-Mar	
		03-Mar	
		04-Mar	
		05-Mar	
		06-Mar	
		07-Mar	
		08-Mar	
		09-Mar	
		10-Mar	
		11-Mar	
		12-Mar	
		13-Mar	
		14-Mar	
1		15-Mar	Frank Lowy
		16-Mar	
		17-Mar	
		18-Mar	
		19-Mar	
		20-Mar	
		21-Mar	
		22-Mar	
		23-Mar	
		24-Mar	
		25-Mar	
		26-Mar	
		27-Mar	
		28-Mar	
		29-Mar	
		30-Mar	
		31-Mar	

1 TOTAL

\$1,650 RENT
 \$150 FOOD
\$1,800

BEVERLY PARK CORPORATION
GUEST LOG - New York Condo
Apr-00

Daily Rate: \$1,650 Rent
 150 Food

WHL	WCI	DATE	GUEST NAME
		01-Apr	
		02-Apr	
		03-Apr	
		04-Apr	
		05-Apr	
		06-Apr	
		07-Apr	
		08-Apr	
		09-Apr	
		10-Apr	
		11-Apr	
		12-Apr	
		13-Apr	
		13-Apr	
		14-Apr	
		15-Apr	
		16-Apr	
	1	17-Apr	Richard Green
	0	18-Apr	Richard Green
		19-Apr	
		20-Apr	
		21-Apr	
		22-Apr	
		23-Apr	
		24-Apr	
		25-Apr	
		26-Apr	
		27-Apr	
		28-Apr	
		29-Apr	
		30-Apr	

0 1 TOTAL

\$0 \$1,800

BEVERLY PARK CORPORATION
 GUEST LOG -New York Condo
 May-00

Daily Rate: \$1,650 Rent
 150 Food

WHL	WCI	DATE	GUEST NAME
		01-May	
		02-May	
		03-May	
		04-May	
		05-May	
		06-May	
1/2	1/2	07-May	Frank Lowy/Peter Lowy
		08-May	Frank Lowy/Peter Lowy
		09-May	
		10-May	
		11-May	
		12-May	
		13-May	
		14-May	
		15-May	
		16-May	
		17-May	
		18-May	
		19-May	
		20-May	
		21-May	
		22-May	
		23-May	
		24-May	
		25-May	
		26-May	
		27-May	
		28-May	
		29-May	
		30-May	
		31-May	

1/2 1/2 TOTAL

\$900

\$900

BEVERLY PARK CORPORATION

GUEST LOG -Beverly Hills House

May-00

Daily Rate: \$2,750 Rent
250 Food

WHL	WCI	DATE	GUEST NAME
		01-May	
		02-May	
		03-May	
1		04-May	Frank Lowy/Andrew Briggs
1		05-May	Frank Lowy/Andrew Briggs
1		06-May	Frank Lowy/Andrew Briggs
0		07-May	Frank Lowy/Andrew Briggs
		08-May	
		09-May	
		10-May	
		11-May	
		12-May	
		13-May	
		14-May	
		15-May	
		16-May	
		17-May	
		18-May	
		19-May	
		20-May	
		21-May	
		22-May	
		23-May	
		24-May	
		25-May	
		26-May	
0		27-May	David Lowy
		28-May	
		29-May	
		30-May	
		31-May	

3 TOTAL

\$8,250
\$750
\$9,000

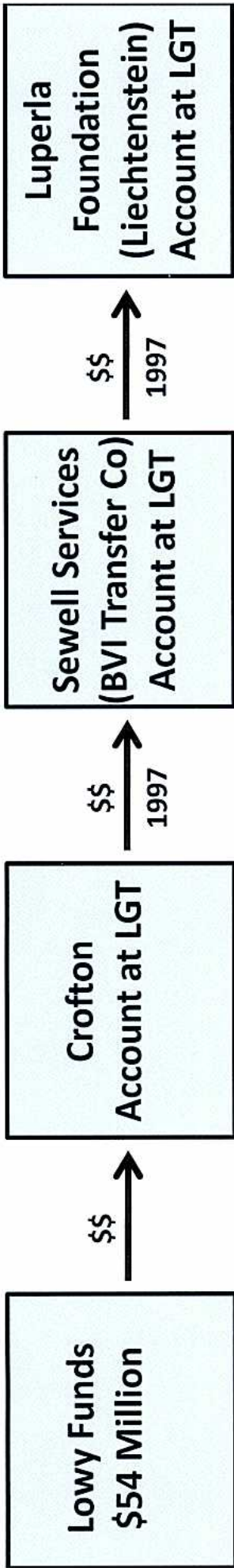
BEVERLY PARK CORPORATION
GUEST LOG -New York Condo
May-00

Daily Rate: \$1,650 Rent
 150 Food

WHL	WCI	DATE	GUEST NAME
		01-May	
		02-May	
		03-May	
		04-May	
		05-May	
		06-May	
1/2	1/2	07-May	Frank Lowy/Peter Lowy
		08-May	Frank Lowy/Peter Lowy
		09-May	
		10-May	
		11-May	
		12-May	
		13-May	
		14-May	
		15-May	
		16-May	
		17-May	
		18-May	
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		20-May	
		21-May	
		22-May	
		23-May	
		24-May	
		25-May	
		26-May	
		27-May	
		28-May	
		29-May	
		30-May	
		31-May	

1/2 1/2 TOTAL
 \$900 \$900

Hidden Money Trail



Permanent Subcommittee on Investigations

EXHIBIT #114

Hidden Instruction Trail

