Exhibit C to Deferred Prosecution Agreement with Banque Pictet & Cie SA

STATEMENT OF FACTS

The following Statement of Facts is incorporated by reference as part of the Deferred Prosecution Agreement between the United States Attorney's Office for the Southern District of New York (the "USAO"), the Tax Division of the Department of Justice (together with the USAO, the "Department"), and Banque Pictet & Cie SA. As used herein, and unless otherwise specified, the "Bank" and the "Pictet Group" refer collectively to Banque Pictet & Cie SA, its subsidiaries, affiliates, branches, representative offices, and predecessors in interest. The parties agree and stipulate that the following is true and accurate:

I. Background

Founded in 1805, the Pictet Group is a privately held Swiss financial institution, headquartered in Geneva, that has historically operated as a general partnership and, since 2014, as a corporate partnership. The Pictet Group is owned and managed by a limited number of partners (each a "Managing Partner"), generally no more than eight at a time, known collectively as "The Salon." As of December 31, 2014, the Pictet Group had approximately 3,800 employees in various locations, primarily in Switzerland, but also in Luxembourg, Hong Kong, Singapore, and the Bahamas. The Pictet Group operates two main business divisions: institutional asset management and private banking for individuals. Managing Partners are assigned responsibilities for each of these business divisions. The conduct described in this Statement of Facts occurred from 2008 through 2014 (hereinafter, the "Relevant Period") and concerns the Pictet Group's private banking division.

During the Relevant Period, the Pictet Group's private banking division served private clients from around the world, including U.S. citizens and residents of the United States ("U.S. taxpayers"). Some private clients were advised by client relationship managers employed by the Pictet Group directly; other clients were advised by external asset managers for which the Pictet Group provided predominantly administrative and custodial services. During the Relevant Period, the private banking business was operated by the following banking entities of the Pictet Group: the Swiss bank (Banque Pictet & Cie SA); Pictet & Cie (Europe) SA, headquartered in Luxembourg; Bank Pictet & Cie (Asia) Ltd in Singapore; and the Bahamian bank, Pictet Bank & Trust Ltd. The Pictet Group provided offshore corporation and trust formation and administration services to certain U.S. taxpayers, first through the Estate Planning and Trust Services unit and later through a wholly owned subsidiary called Rhone Trust and Fiduciary Services SA ("Rhone"). Certain trustee services were provided by Rhone Trustees (Bahamas) Ltd., Rhone Trustees (Singapore) Ltd., and Rhone Trustees (Switzerland) SA—all subsidiaries of Rhone.

As of December 31, 2014, the Pictet Group's private banking division managed and/or held custody of approximately $165 billion in assets under management

("AUM"). During the Relevant Period, the Pictet Group served approximately 3,736 private accounts that had U.S. taxpayers as beneficial owners, whose aggregate maximum AUM (including declared assets) was approximately $20 billion.

II. The Offense Conduct

A. Overview

During the Relevant Period, despite adopting early measures aimed at confirming that U.S. clients complied with U.S. law, the Pictet Group assisted certain U.S. taxpayers with accounts at the Pictet Group ("U.S. taxpayer-clients") in evading their U.S. tax obligations and otherwise hiding accounts held at the Pictet Group from the Internal Revenue Service ("IRS") (hereinafter, the "undeclared accounts"[1]). The Pictet Group did so by opening and maintaining undeclared accounts for U.S. taxpayer-clients at the Pictet Group, either directly or through external asset managers. The Pictet Group also maintained accounts of certain U.S. taxpayer-clients within the Pictet Group in a manner that allowed the U.S. taxpayer-clients to further conceal their undeclared accounts from the IRS. The Pictet Group and certain of its employees knew or should have known that some of their U.S. taxpayer-clients were evading United States taxes. In every instance, Managing Partners approved the opening of new private client relationships and were informed of the closing of U.S. taxpayer-clients' accounts, which included some undeclared accounts.

As further detailed below, the Pictet Group used a variety of means to assist U.S. taxpayer-clients in concealing their undeclared accounts, including by:

- providing traditional Swiss banking products such as hold-mail account services, where account-related mail is held at the bank rather than sent to the client, and coded or numbered accounts;

- forming and/or administering offshore entities in whose name the Pictet Group opened and maintained accounts, some of which were undeclared, for U.S. taxpayer-clients;

- opening and maintaining undeclared accounts in the names of offshore entities formed by others for U.S. taxpayer-clients;

- opening and maintaining Private Placement Life Insurance ("PPLI") policy accounts (colloquially known as "insurance wrappers"), held in the name of insurance companies but beneficially owned by U.S. taxpayers and improperly managed or funded through undeclared accounts at the Pictet Group;

[1] An "undeclared account" was a financial account beneficially owned by an individual subject to U.S. tax obligations and maintained in a foreign country that had not been reported by the individual account owner to the U.S. Government on an income tax return or an FBAR—a Report of Foreign Bank and Financial Accounts, FinCEN Form 114 (formerly known as Form TD F 90 22.1).

- transferring funds from undeclared U.S. taxpayer-client accounts to accounts nominally held by non-U.S. clients but still controlled by U.S. taxpayer-clients via fictitious donations, thus assisting U.S. taxpayer-clients in continuing to maintain undeclared funds offshore; and

- accepting IRS Forms W-8BEN[2] (or Pictet Group's substitute forms) that the Pictet Group knew or should have known falsely stated or implied under penalty of perjury that offshore entities beneficially owned the assets in the undeclared accounts.

In total, during the Relevant Period, the Pictet Group held 1,637 U.S. Penalty Accounts,[3] with aggregate maximum AUM of approximately $5.6 billion, on behalf of U.S. taxpayer-clients, who collectively evaded approximately $50.6 million in U.S. taxes.

B. The Pictet Group's Business with U.S. Taxpayer-Clients

The Pictet Group's private banking division has never had branches, subsidiaries, affiliates, or operations in the United States. As early as June 2008, the Pictet Group also prohibited private bankers from visiting U.S. clients in the United States, with the exception of employees of Pictet North America Advisors SA ("PNAA"), a Swiss-based SEC-registered investment adviser formed in 2007. However, a few private banker trips to the United States occurred after the ban was enacted.

While the Pictet Group did not maintain a U.S. desk and did not historically target U.S. clients, over time, it acquired a number of U.S. taxpayer-clients, both before and during the Relevant Period. These client relationships largely resulted from direct referrals, walk-ins, business arrangements with external asset managers who had U.S. taxpayer-clients among their clients, and intergenerational transfers.

When the Pictet Group decided in 2006 to actively develop a U.S. private wealth business, the Pictet Group set up PNAA. Beginning in 2007, the Pictet Group directed its employees to do any U.S. resident business through PNAA, which always required Forms W-9[4] as a condition of opening an account. With the establishment of PNAA, the Pictet Group adopted a policy of requiring all U.S. clients to provide Forms W-9, without regard to whether their accounts held U.S. securities—a policy that went beyond the requirements of the Qualified Intermediary regime. Prior to public reports of the Department of Justice's investigation of UBS, the Pictet Group began adopting a number of measures that—although imperfectly implemented—gradually sought to ensure the tax

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[2] The IRS Form W-8BEN is a tax form that identifies the foreign status of non-U.S. persons for U.S. tax withholding purposes.

[3] "U.S. Penalty Accounts" are defined as U.S. accounts valued over $50,000 that the parties agree should be subject to a penalty for the offense conduct.

[4] The IRS Form W-9 is a tax form that identifies an individual as a U.S. taxpayer for U.S. tax purposes.

compliance or remediation of all accounts held by U.S. taxpayer-clients. In some instances, however, Pictet closed out undeclared U.S. taxpayer-client accounts in ways that did not ensure that the accounts were declared to the United States, as detailed below. The handful of undeclared accounts that remain open are blocked.

Because the Pictet Group, before the establishment of PNAA in 2007, did not maintain a separate U.S. desk or employ private bankers who focused solely on U.S. clients, U.S. taxpayer-clients were spread out across the Pictet Group's private banking division. More than 90 private bankers were responsible for managing at least one U.S. taxpayer-client account during the Relevant Period. These private bankers (also referred to as "relationship managers") served as the points of contact for U.S. taxpayer-clients at the Pictet Group and were responsible for opening and servicing U.S. taxpayer-client accounts. Certain relationship managers assisted some U.S. taxpayer-clients, including certain individuals located in the Southern District of New York, in establishing and maintaining undeclared accounts in a manner that concealed the U.S. taxpayer-clients' ownership and beneficial interest in said accounts from the U.S. Government.

In addition, during the Relevant Period, more than 100 external asset managers were responsible for independently managing at least one U.S. taxpayer-client account held at the Pictet Group. The Pictet Group compensated certain of these external asset managers for the business they generated for the Bank based on a negotiated fee structure regardless of the nationality or tax status of the external asset managers' clients.

C. The Pictet Group's Awareness of U.S. Taxpayer Obligations Under U.S. Law and Its Facilitation of Tax Evasion by U.S. Taxpayer-Clients

At all relevant times, the Pictet Group was aware that it was a crime under U.S. law for U.S. taxpayers to evade paying taxes and for the Pictet Group to assist them in doing so. The Pictet Group knew that certain U.S. taxpayer-clients were maintaining undeclared accounts at the Pictet Group in order to evade their U.S. tax obligations, in violation of U.S. law. The Pictet Group knew this, in part, because some U.S. taxpayers requested coded and numbered accounts and hold-mail agreements when they opened their accounts, employed offshore entities to hold their accounts, and expressly relayed concerns to Pictet Group relationship managers regarding their accounts being detected by the IRS.

The Pictet Group was aware that U.S. taxpayers had a legal duty to report to the IRS, and pay taxes on, all of their worldwide income, including income earned in accounts that these U.S. taxpayers maintained at the Pictet Group. Despite being aware of the U.S. taxpayers' legal duty, the Pictet Group opened and maintained undeclared accounts for U.S. taxpayer-clients and knew that, by doing so, the Pictet Group was helping these U.S. taxpayer-clients violate their legal duties. The Pictet Group was aware that this conduct violated U.S. law. Managing Partners approved the opening of new private client relationships and were informed of the closing of private banking accounts, including U.S. taxpayer-client accounts.

Certain U.S. taxpayer-clients of the Pictet Group used the U.S. mails, private or commercial interstate carriers, or interstate wire communications to submit individual federal income tax returns to the IRS that were materially false and fraudulent in that these returns failed to disclose the existence of such U.S. taxpayers-clients' undeclared accounts or the income held or earned in such accounts. The Pictet Group understood that it was helping U.S. taxpayer-clients evade paying taxes to the IRS, including by allowing U.S. taxpayer-clients to use services like hold-mail agreements.

D. Methods Used to Conceal U.S. Assets & Income

In furtherance of the scheme to help U.S. taxpayer-clients hide assets from the IRS and evade taxes, the Pictet Group undertook, among other actions, the following:

- The Pictet Group held bank statements and other mail relating to accounts of U.S. taxpayer-clients at the Pictet Group, rather than sending them to the U.S. taxpayer-clients in the United States, which helped ensure that documents reflecting the existence of the accounts remained outside the United States and beyond the reach of U.S. tax authorities.

- The Pictet Group opened and maintained accounts for U.S. taxpayer-clients in the names of non-U.S. corporations, foundations, trusts, or other offshore entities (collectively, "offshore entities"), thereby helping those U.S. taxpayer-clients conceal their beneficial ownership of the accounts from the U.S. Government. Many of the offshore entities had no business purpose but existed solely to help the Pictet Group's U.S. taxpayer-clients hide their offshore accounts and assets from U.S. tax authorities. Typically, such offshore entities were located in offshore tax haven jurisdictions such as Panama and the British Virgin Islands. In some cases, U.S. taxpayer-clients used multiple non-U.S. corporations or trusts to create ownership layers that were designed to conceal, or had the effect of concealing, assets from the United States. During the Relevant Period, the Pictet Group maintained approximately 529 offshore entities for U.S. Penalty Accounts.

- The Pictet Group assisted 108 U.S. taxpayer-clients in forming and/or administering offshore entities. Beginning before the Relevant Period, the Pictet Group made available to all existing clients, including certain U.S. taxpayer-clients, formation and administration services for offshore entities through its Estate Planning and Trust Service ("EPTS"). In 2011, the Pictet Group spun off EPTS to Rhone, a Geneva-based dedicated affiliate, with offices in Nassau, Luxembourg, and Singapore, and in 2016, sold it to that affiliate's management. During the Relevant Period, the Pictet Group formed and/or administered approximately 57 offshore entity U.S. Penalty Accounts.

- The Pictet Group maintained accounts at the Bank in the name of non-U.S. insurance companies. Such accounts, known commonly as PPLI policy or "insurance wrapper" accounts, held assets of insurance policies purchased from the insurance companies by individuals, including U.S. taxpayers. These insurance companies included Swiss Life. In or about November 2009, the Pictet

Group opened a premium account for Swiss Life (Liechtenstein)'s Singapore branch to accept insurance wrapper policy premiums. Insurance wrapper accounts were marketed to Swiss banks, including the Pictet Group, by third-party providers, such as insurance companies and external asset managers, in the wake of the UBS investigation as means of disguising the beneficial ownership of U.S. clients. Employees of Rhone also introduced some clients to insurance wrapper policies. In certain cases, the assets funding the insurance wrapper policy accounts originated from undeclared accounts at the Bank beneficially owned by U.S. taxpayers. For example, as discussed below (*see* Example 1 below), in 2009, the Pictet Group worked with a third-party service provider to assist a U.S. taxpayer-client in restructuring one existing undeclared account he held at the Bank in the name of a nominee Isle of Man entity into three accounts owned by an insurance company. Although the Pictet Group had no duty to report such accounts, the Pictet Group understood that those insurance wrapper accounts that were funded with known undeclared funds or that were improperly managed were held in violation of U.S. law. Certain Pictet Group employees further understood that, notwithstanding the identification of the insurance companies as the bank's clients, U.S. persons were the ultimate beneficial owners of the funds. The Pictet Group also accepted dozens of insurance wrapper accounts from other Swiss banks that were exiting those accounts. The Pictet Group, consistent with Swiss law, expressly asked that the policyholder names be omitted from Forms I, which documented the beneficial ownership of the account. During the Relevant Period, the Pictet Group maintained approximately 130 insurance wrapper U.S. Penalty Accounts.

- The Pictet Group allowed U.S. taxpayer-clients and third-party asset managers to make structured withdrawals by checks from undeclared accounts in amounts of less than $10,000, in an attempt to conceal the transactions from U.S. authorities.

- As part of its faulty implementation of its measures to "exit" undeclared U.S. taxpayer-client accounts, the Pictet Group processed closures by numerous U.S. taxpayer-clients that aided them in continuing to conceal their undeclared account funds by making fictitious donations to other accounts at the Bank held nominally by non-U.S. persons but, in fact, controlled in whole or in part by the U.S. taxpayer-clients. Typically, the former U.S. taxpayer-clients either maintained signature authority over the donee's account or had the funds returned to them after the fictitious donation was completed (*see* Example 2 below), sometimes after the U.S. taxpayer-client renounced their U.S. citizenship. In some instances, the U.S. taxpayer-client acted as a U.S. "hidden" beneficial owner outside of the context of any fictitious donations (*see* Example 3 below). During the Relevant Period, the Pictet Group allowed fictitious donations or situations where a U.S. taxpayer-client acted as a U.S. "hidden" beneficial owner for approximately 131 U.S. Penalty Accounts.

- In connection with its remediation efforts, the Pictet Group also processed other improper exits by U.S. taxpayer-clients from the Pictet Group that facilitated the continued concealment of U.S. undeclared assets, sometimes within the Pictet

Group (*see* Example 4 below). During the Relevant Period, the Pictet Group processed such "improper exit/entry" transactions for at least 75 U.S. Penalty Accounts. Approximately 21 accounts were exited via refills of Swiss Bank Travel Cards, a type of prepaid debit card that could be refilled via transfers from the U.S. taxpayer-clients' accounts at Pictet.

- On occasion, Pictet Group employees opened accounts for U.S. taxpayer-clients who were exiting UBS, Credit Suisse, and other Swiss banks, and assisted these U.S. taxpayer-clients in continuing to conceal their undeclared assets at the Pictet Group. During the Relevant Period, the Pictet Group opened 51 U.S. Penalty Accounts for U.S. taxpayer-clients who were exiting relationships at UBS, Credit Suisse, and other Swiss banks. These accounts reached an aggregate maximum AUM of $217 million during the Relevant Period.

Set forth below are some examples of the services the Pictet Group provided to assist U.S. taxpayer-clients in evading their U.S. tax obligations:

Example 1: In one instance, the Pictet Group maintained entity accounts holding more than $130 million in undeclared assets belonging to a U.S. taxpayer-client. In the course of implementing the "W-9 or Leave Policy," which required U.S. resident clients (but not U.S. clients living outside the U.S.), whether or not they held U.S. securities in their accounts, to provide Forms W-9 to the Bank or leave the Bank, (discussed in more detail below), the U.S. taxpayer-client declined to either declare the assets or leave the Bank. As a result, the U.S. taxpayer-client and Pictet Group employees decided to circumvent the W-9 or Leave Policy and maintain the undeclared assets at Pictet Group. To implement this plan, with the assistance of a trust company in Singapore, the undeclared funds were moved out of Pictet Group to accounts at a bank in Singapore before being returned to Pictet Group cloaked as insurance wrapper accounts opened by Swiss Life (Liechtenstein). Certain Pictet Group Managing Partners and Executives approved the opening of the insurance wrapper accounts used to hold the undeclared funds, knowing that the undeclared funds belonged to a pre-existing U.S. taxpayer-client. The Bank voluntarily disclosed these accounts to the Department in 2014. At the urging of the Pictet Group, the accountholder subsequently disclosed all relevant accounts to the U.S. Government pursuant to the IRS Offshore Voluntary Disclosure Program ("OVDP"). As an additional remedial measure, the principal private banker involved in Example 1 was dismissed.

Example 2: During the implementation of the Bank's W-9 or Leave Policy, three undeclared entity accounts ("Source Accounts") holding more than $12.5 million owned by U.S. resident family members ("U.S. BOs") were closed by means of internal exit to a pre-existing entity account owned by a non-U.S. family member ("Destination Account"). The exit transfers were falsely identified as "donations." The assets were, however, preserved in separate sub-accounts ("Containers") in the Destination Account, an indication that the U.S. BOs still owned and controlled the funds. More than $1.5 million in cash was withdrawn from ATMs in the United States at locations near the U.S. BOs' residences. One of Pictet Group's private bankers was responsible for both the Source and Destination Accounts. In 2013, the Bank closed the Destination Account. The Bank

encouraged the undocumented U.S. BOs to participate in OVDP and provided account documentation to the U.S. BOs' U.S. counsel so that they could prepare a voluntary disclosure.

Example 3: One Pictet Group account was opened in 2005 in the name of a Greek national and resident with a power of attorney granted to a U.S. national ("U.S. POA") who was the business partner of the account holder in a joint shipping business. The U.S. POA, by definition, had no ownership right to the account. Nonetheless, during the lifetime of the account, the account holder instructed the Bank to execute transfers to U.S. bank accounts held by persons with the last name of the U.S. POA or by trusts of which the U.S. POA's family members were beneficiaries. Almost all inflows to the account—more than $26.4 million—were transferred out of the account shortly after being deposited. For example, in March 2009, over $21.1 million in assets were transferred into the account from a Greek bank. However, in May 2009, several transfers (totaling roughly $20 million) were made from the account to U.S. bank accounts held in the name of, or for the benefit of, family members of the U.S. POA. The account was closed in 2010 and the remaining assets transferred to a bank account of the account holder outside the Pictet Group. Even though the U.S. POA did not appear to instruct the Bank with respect to the transfers, the Pictet Group's investigation revealed strong indicia of hidden U.S. beneficial ownership, such as the fact that the account was used almost exclusively to transfer assets to U.S. accounts held by the U.S. POA's relatives. In addition, one internal email from the Pictet Group relationship manager confirmed that the assets transferred to the United States were owned by the U.S. POA and his relatives.

Example 4: One Pictet Group account was opened in Switzerland in 2006 in the name of a Panama entity ("Source Account"). The beneficial owner on the account was identified as a dual Indonesian and U.S. national. The funds were transferred to the Source Account from EFG Bank AG and Lombard Odier & Co. Ltd. in two tranches: one for $50 million in 2006, and one for $105 million in 2007. The Source Account also received the balance of cash and securities (approx. CHF 470,000) from the closure of a pre-existing individual account held at the Bank in the name of the U.S. national (and identified as such), which had been closed in December 2006. The Bank agreed to maintain the Source Account without requiring a Form W-9, on the condition that the U.S. national would relinquish his U.S. nationality, but he did not provide the Bank with proof of expatriation, which in fact did not occur. In 2011, the U.S. national instructed the Bank to close the Source Account and transfer all assets to Pictet Group's Singapore bank ("Destination Account"). The Destination Account was opened in in March 2012 in the name of a BVI entity ("Entity 2"), with the U.S. national identified as the sole beneficial owner. The Pictet Group private banker—who was responsible for both accounts—had originally suggested in October 2010 that the U.S. taxpayer open an account with the Pictet Group's Singapore bank, but that suggestion was not acted upon until January 2011. The account opening file for the Destination Account did not contain any indication of the beneficial owner's U.S. nationality and only his Indonesian passport was provided at opening. Entity 2 instructed the Bank to close the Destination Account in June 2013. During the investigation, the Pictet Group identified both accounts as U.S. taxpayer-client accounts. The Bank reached out to the U.S. taxpayer-client in 2014 to obtain evidence of tax compliance and recommend participation in the OVDP. The U.S. taxpayer-client

provided the Bank with confirmation that both accounts were either declared to the IRS or disclosed as part of OVDP, and provided waivers of bank secrecy.

Example 5: The Pictet Group maintained accounts belonging to U.S. national mother and son ("Mother" and "Son"). The Mother's account reflected her U.S. nationality and residency, but the Son's account only reflected his Greek nationality (but not his U.S. nationality). The Son had a relationship with a Pictet Group Managing Partner, who introduced the Son to the Bank. In the course of implementing the W-9 or Leave Policy (*see* below), the Mother closed her account and transferred the funds, totaling approximately $500,000, to her Son's account. Although the Son's U.S. citizenship was known to at least the relationship manager and the Partner, the Son's account was not subjected to W-9 or Leave Policy and continued to be falsely recorded as an account held by a Greek national. Although the Managing Partner was no longer serving as a partner at the time of the Mother's transfer to the Son and the non-application of W-9 or Leave Policy to the Son's account, the Managing Partner was nevertheless involved in meetings with the Son and was aware of the account's circumvention of bank policy. The private banker managing both the Mother's and Son's accounts, who was still employed at the time of the investigation, received a formal reprimand as a result of his conduct.

E. The Pictet Group's Circumvention of the Qualified Intermediary Agreement

In April 2002, the Pictet Group entered into a Qualified Intermediary Agreement with the IRS (the "QI" or "QI Agreement"), with retroactive effect to January 1, 2001. The QI regime provided a framework for non-U.S. financial institutions to report information relating to U.S. securities and arrange for tax withholding. The QI was designed to help ensure that, with respect to U.S. securities held in accounts at the Pictet Group, non-U.S. persons were subject to the proper U.S. withholding tax rates and that U.S. persons were properly paying U.S. tax. Under the QI, the Pictet Group was generally obligated to identify and document any accounts that held U.S. source income, including U.S. securities, by collecting either an IRS Form W-9 for U.S. persons or IRS Form W-8BEN or equivalent documentation for non-U.S. persons.

As a consequence of the Pictet Group entering into the QI Agreement with the IRS, in certain instances in the early 2000's, the Bank allowed existing U.S. taxpayer-clients to create and open accounts in the name of offshore entities and PPLI policy accounts. In connection with these accounts, the Pictet Group accepted and included in its account records Forms W-8BEN (or the Pictet Group's substitute forms) provided by the directors of the offshore entities that falsely stated or implied under penalty of perjury that such entities were the beneficial owners of the assets in the accounts for U.S. federal income tax purposes. At the same time, in the case of offshore entity accounts, the Pictet Group maintained Forms A that disclosed the U.S. taxpayer-clients as the true beneficial owners.

The Pictet Group maintained records in its files in which certain U.S. taxpayer-clients expressly instructed the Bank not to disclose their identity to the IRS. For

example, the Pictet Group accepted instructions not to invest in U.S. securities, which would have required disclosure to the IRS under the QI. Certain Bank employees assisted U.S. taxpayer-clients in executing the instruction forms.

Finally, certain Bank employees caused the Pictet Group to certify compliance with the QI Agreement event though the true beneficial owners were not reflected in the IRS Forms W-8BEN in the account files.

III. The Impact of Undeclared Accounts on the Pictet Group's Assets under Management, Fees, and Profits

In total, the 1,637 U.S. Penalty Accounts, including accounts held by offshore entities, resulted in approximately $50.6 million in U.S. taxes evaded during the Relevant Period. The Pictet Group earned approximately $52.2 million in gross revenues from these undeclared U.S. taxpayer-client accounts, including accounts held through offshore entities.

The Pictet Group now agrees to pay $31,844,192 in restitution, $52,164,201 in forfeiture, and a fine of $38,950,998, for a total of $122,959,391, for the tax years 2008 through 2014, as result of the conduct described herein.

IV. The Pictet Group's Efforts to Promote Tax Compliance Prior to the UBS Investigation

Before 2007, apart from its obligations under the QI Agreement with the IRS and the internal policies it introduced to implement them, the Pictet Group, like other Swiss banks, did not have sufficient cross-border tax policies for U.S. clients. The Pictet Group acknowledges that its compliance policies, although consistent with the QI agreement, prevented it from effectively managing the risks posed by its cross-border banking business with U.S. taxpayers.

However, even before the UBS investigation became public, the Pictet Group evaluated its policies and practices for conducting business with U.S. taxpayer-clients. The Pictet Group then took additional steps, beyond those required by U.S. law, to promote the tax compliance of its existing U.S. taxpayer-clients. Those steps came in addition to the establishment in 2007 of the Pictet Group's SEC-registered investment adviser, PNAA.

In the spring of 2008, Pictet Group management adopted a general policy referred to as "W-9 or Leave" that required U.S. resident clients (but not U.S. clients living outside the U.S.), whether or not they held U.S. securities in their accounts, to provide Forms W-9 to the Bank. The intention of the policy was to ensure that all of the Bank's U.S. clients were tax compliant. Pictet Group employees were instructed to contact their U.S. taxpayer-clients who had not provided Forms W-9 and to provide them with two options: sign a Form W-9 or close their accounts. The Pictet Group's W-9 or Leave Policy was one of the first adopted by any Swiss bank, and predated UBS's public announcement in July 2008 that it would exit non-compliant U.S. clients and the exit

policy the Department of Justice required UBS to undertake as part of its February 2009 deferred prosecution agreement.

The W-9 or Leave Policy was officially extended to U.S. clients of external asset managers in September 2008. And, in February 2009, the Bank created a dedicated task force to accelerate the implementation of the policy, and extended it to non-U.S.-resident U.S. clients. Notwithstanding these efforts, approximately 64 U.S. taxpayer-client accounts with an aggregate AUM of $469 million, of which more than half accounted for Examples 1 and 5 above, were opened in breach of this policy. During the Relevant Period, the Bank opened more than 1,900 U.S. taxpayer-client accounts.

Also in 2008, the Pictet Group began encouraging U.S. taxpayer-clients to participate in OVDP if they were not tax-compliant, in many instances referring clients to U.S. lawyers who could assist them with the process. In this effort, the Pictet Group spent over $8 million on outside counsel fees—including by covering approximately $1.5 million of attorney's fees for clients who sought to bring their accounts into compliance with U.S. law. Since the inauguration of the OVDP, the Pictet Group has reason to believe that the Bank actively assisted in bringing into compliance approximately $2.7 billion of previously untaxed funds held in accounts at the Pictet Group that the U.S. taxpayer-clients had failed to declare. In many instances, the decision to participate in the OVDP came about at the Pictet Group's suggestion and with its encouragement.

Since March 2012, well before the Department's Swiss Bank Program was announced or FATCA came into effect, the Pictet Group began to request FBARs and other evidence of tax compliance for all new U.S. clients. Since 2014, the Bank has requested Forms W-9 and bank secrecy waivers for all U.S. taxpayer-client accounts, in compliance with FATCA.

V. The Pictet Group's Cooperation Throughout the Department's Investigation

The Pictet Group has made comprehensive, voluntary disclosures regarding its U.S. cross-border business and cooperated fully with the Department's investigation. With the assistance of U.S. and Swiss counsel, and forensic investigators, the Bank took the following steps, among others, as part of its cooperation:

- conducted an internal investigation which included but was not limited to (i) interviewing over 90 relationship managers, other employees, and Managing Partners, (ii) reviewing more than 4,850 account files and correspondence, (iii) analyzing relevant policies and procedures; and (iv) conducting email searches;

- made over 20 factual presentations to the Department on a wide variety of topics, including providing relevant information regarding misconduct by Bank employees and others, including the examples above, and responded to all of the Department's requests for information;

- collected, analyzed, and organized voluminous new evidence and information for the Department, and produced over 66,000 pages of documents, including producing documents from foreign countries in ways that did not implicate foreign data privacy laws and producing translations of foreign language documents;

- facilitated the Department's interviews of over a dozen current and former Bank employees and a former Managing Partner;

- collected and disclosed waivers and documents evidencing tax compliance of certain PPLI policy accounts and otherwise produced identifying information for 1,109 accounts, including 1,236 names, and with an aggregate maximum AUM of almost $9 billion;

- facilitated the testimony of a Bank employee in connection with criminal proceedings against two U.S. citizens; and

- assisted the Department in making treaty requests to the Swiss competent authority for U.S. taxpayer-client account records.

Overall, the Bank provided the Department with substantial information concerning all of the conduct described in the Statement of Facts.