

U.S. Department of Justice

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NEWS RELEASE:

Former UBS Client Sentenced to Federal Prison for Failing to Report \$4 Million in Swiss Bank Accounts

Wifredo A. Ferrer, United States Attorney for the Southern District of Florida, Kathryn Keneally, Assistant Attorney General for the Justice Department's Tax Division, and José A. Gonzalez, Special Agent in Charge, Internal Revenue Service, Criminal Investigation Division (IRS-CI), announce that **Luis A. Quintero**, a resident of Miami Beach, Florida, was sentenced yesterday by U.S. District Judge Federico A. Moreno to four (4) months in federal prison for willfully failing to file a Report of Foreign Bank and Financial Accounts (FBAR), in violation of Title 31, United States Code, Sections 5314 and 5322(a). Quintero was also sentenced to three (3) years of supervised release with 250 hours of community service, and a \$20,000 criminal fine. Quintero also paid a \$2 million civil penalty for the FBAR violation.

According to court documents and statements made in court, in October 2004, Quintero caused two offshore corporations to be formed, which Quintero then used to open accounts at UBS AG, a bank in Switzerland. The companies were Murano Development Corp (Murano), incorporated in the British Virgin Islands, and Credimax Corporation, S.A. (Credimax), incorporated in the Republic of Panama. Quintero was listed as the beneficiary of the Murano and Credimax accounts. The total aggregate value in these UBS accounts as of December 31, 2006 was \$4,005,618.

According to documents filed with the court, from 2005 through 2007, Quintero used the Murano and Credimax UBS accounts to conduct financial transactions. For example, Quintero caused a business customer in the U.S. to send \$314,000 to the Credimax UBS account. Quintero also caused the transfer of approximately \$2.4 million from the UBS Swiss accounts to the accounts of U.S. corporations that Quintero controlled.

Quintero knew that he was required to file an FBAR for foreign bank accounts in which he had an interest. Among other things, Quintero had previously filed FBARs relating to bank accounts in Mexico in the name of one of Quintero's U.S. companies.

Mr. Ferrer and Assistant Attorney General Kathryn Keneally commended the investigative efforts of the IRS-CI agents involved in this case. This case is being

prosecuted by Assistant U.S. Attorney Ana Maria Martinez and Trial Attorney Todd Ellinwood of the Tax Division.

In February of 2009, UBS entered into a deferred prosecution agreement under which the bank admitted to helping U.S. taxpayers hide accounts from the IRS. As part of the agreement, UBS provided the United States with the identities of certain United States customers.

United States citizens who have a financial interest in, or signature authority over, a financial account in a foreign country with an aggregate value of more than \$10,000 are required to file with the United States Treasury a Report of Foreign Bank and Financial Accounts on Form TD F 90-22.1 ("the FBAR"). U.S. citizens are also required to disclose the existence of such accounts on their individual income tax returns.

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at www.usdoj.gov/usao/fls. Related court documents and information may be found on the website of the District Court for the Southern District of Florida at www.flsd.uscourts.gov or on <http://pacer.flsd.uscourts.gov>.