

**I'd like to stop working someday.  
Seems like my broker already has.**



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## Swiss Banker Pleads Guilty in U.S. Tax Case

By BRENT KENDALL

A Swiss banker pleaded guilty Wednesday to advising a wealthy U.S. client to hide an account at a regional bank in Switzerland, a development that could mark a new chapter in the U.S. crackdown against offshore tax evasion.

The case appears to be the first in the U.S. crackdown in which prosecutors charged a banker with helping U.S. clients conceal funds in a Swiss cantonal bank. Cantonal banks are a network of government-controlled regional Swiss banks that account for 30% of the Swiss banking sector.

Prosecutors said Renzo Gadola, a former UBS AG banker who became an independent investment adviser in 2009, traveled to Miami last month to encourage a U.S. client to hide from the Internal Revenue Service an account held at Basler Kantonalbank. A UBS spokeswoman declined to comment.

A spokesman for Basler Kantonalbank wasn't reached for comment.

Mr. Gadola, who was charged last week, pleaded guilty in a Miami federal court to one count of conspiring to defraud the U.S. He is cooperating with U.S. authorities.

That cooperation could help U.S. officials gain insight into the activities of the cantonal banks.

A person close to the investigation said U.S. authorities believe that vast sums of undisclosed U.S. assets remain in Switzerland, even after the U.S. government's ground-breaking pursuit of UBS for helping U.S. clients hide assets.

Authorities are now seeing undisclosed U.S. assets being transferred from larger Swiss institutions like UBS to the cantonal banks, this person said.

According to criminal charges filed in the case, Mr. Gadola and another former UBS banker, who isn't named, helped U.S. clients close undeclared UBS accounts and open new ones at Basler Kantonalbank.

Prosecutors also said Mr. Gadola serviced hundreds of undeclared UBS accounts when he worked for the Swiss banking giant. He left the bank in 2008. Mr. Gadola's lawyer declined to comment.

Attorney Bryan Skarlatos of Kostelanetz & Fink LLP in New York, who represents 200 former UBS account holders, said the case shows the U.S. government "is willing to go beyond the large Swiss banks in search of undeclared accounts, even into the regional cantonal banks where many thought it was safe to hide their money because those banks do not do business in the United States."

UBS admitted in February 2009 to conspiring to defraud the U.S. government of billions in taxes by helping wealthy Americans hide assets. The bank paid \$780 million in a deal to avoid prosecution and eventually released the names of more than 4,000 U.S. clients.

—Laura Saunders contributed to this article.

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