



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

-v.-

MICHAEL REISS,

Defendant.

-x

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-x

INFORMATION

11 Cr. _____ (RMB)

11 CRIM 668

COUNT ONE

**(Willful Failure to File Reports of
Foreign Bank and Financial Accounts)**

The United States Attorney charges:

The Defendant

1. At all times relevant to this Information, MICHAEL REISS, the defendant, resided in the State of Connecticut or the State of New Jersey. REISS was a medical doctor, professor, and medical researcher. REISS was a lawful permanent resident of the United States.

**Obligations of United States Taxpayers
With Respect to Foreign Financial Accounts**

2. Citizens and residents of the United States who have income in any one calendar year in excess of a threshold amount ("U.S. taxpayers") are obligated to file a U.S. Individual Income Tax Return, Form 1040 ("Form 1040"), for that calendar year with the Internal Revenue Service ("IRS"). On such return, U.S. taxpayers are obligated to report their income from any source, regardless of whether the source of their income is

[Faint signature or stamp]

inside or outside the United States. In addition, on Schedule B of Form 1040, the filer must indicate whether "at any time during [the relevant calendar year]" the filer had "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." If the taxpayer answers that question in the affirmative, then the taxpayer must indicate the name of the particular country in which the account is located. At all times relevant to this Information, MICHAEL REISS, the defendant, was a U.S. taxpayer.

3. Separate and apart from the obligation to file Forms 1040, U.S. taxpayers 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 at any time during a particular calendar year are required to file with the IRS a Report of Foreign Bank and Financial Accounts, Form TD F 90-22.1 ("FBAR"). The FBAR for any calendar year is required to be filed on or before June 30 of the following calendar year. The FBAR requires that the filer identify the financial institution with which the financial account is held, the type of account (either bank, securities, or other), the account number, and the maximum value of the account during the calendar year for which the FBAR is being filed.

**Swiss Financial Institutions at Which REISS
Had Accounts and REISS's Financial Advisor**

4. At all times relevant to this Information, Swiss Bank No. 1 was a bank organized under the laws of Switzerland. At all times relevant to this Information, Swiss Bank No. 1 did not maintain an office in the United States.

5. At all times relevant to this Information, UBS AG ("UBS") was a bank organized under the laws of Switzerland and Switzerland's largest bank.

6. At all times relevant to this Information, a European bank maintained a branch in Zurich, Switzerland (the "Swiss Branch"). The Swiss Branch was organized under the laws of Switzerland.

7. At all times relevant to this Information, Beda Singenberger ("Singenberger") was a citizen and resident of Switzerland. Singenberger was a Certified Public Accountant. Singenberger owned, operated, and controlled a financial advisory firm called Sinco Treuhand AG ("Sinco"). Sinco maintained its principal place of business in Zurich, Switzerland. Acting directly and indirectly through Sinco and its employees, Singenberger provided wealth management and tax advice to individuals around the world.

REISS's Undeclared Accounts at Swiss Banks

8. From at least in or about 2000 until at least in or about 2010, MICHAEL REISS, the defendant, was the beneficial

owner of various undeclared accounts at Swiss banks. An "undeclared account" is a financial account maintained outside the United States and beneficially owned by a U.S. taxpayer, such as REISS, but that would not be disclosed to the IRS on Schedule B of Form 1040 or on an FBAR and the income generated in which would not be reported to the IRS on Form 1040.

9. In each year from in or about 2000 until at least in or about 2010, MICHAEL REISS, the defendant, was the beneficial owner of one or more undeclared accounts at Swiss banks that, in each year from in or about 2000 until at least in or about 2010, had an aggregate value of more than \$10,000.

10. From in or about 2000 until in or about 2010, Singenberger advised MICHAEL REISS, the defendant, regarding various undeclared accounts of which REISS was the beneficial owner, including an account containing assets that REISS had inherited from another person.

11. Starting at least in or about 2000, MICHAEL REISS, the defendant, was the beneficial owner of an account held at UBS AG in Switzerland ("UBS"). The assets in the UBS account had previously been held at UBS in the name of the Lifeline Trust, a foundation that had previously been formed under the laws of Liechtenstein.

12. In or about November 2002, MICHAEL REISS, the defendant, caused to be opened an undeclared account at the Swiss

Branch in the name of Vistamar. Shortly after REISS caused the account in the name of Vistamar to be opened, the assets of REISS's account at UBS were transferred into REISS's account at the Swiss Branch in the name of Vistamar.

13. In or about September 2003, MICHAEL REISS, the defendant, caused to be opened an undeclared account at Swiss Bank No. 1 with the assistance of Singenberger. The account was opened in the name of the Floranova Foundation, a foundation that had previously been formed by Singenberger under the laws of Liechtenstein. The sole beneficiary of the Floranova Foundation was REISS. The purpose of the formation by Singenberger of the Floranova Foundation and the opening of an account in the name at Swiss Bank No. 1 of the account in the name of the Floranova Foundation was to obscure from the IRS to the greatest extent possible the beneficial ownership of the assets in REISS' undeclared account at Swiss Bank No. 1. Shortly after REISS caused the account in the name of the Floranova Foundation at Swiss Bank No. 1 to be opened, the assets of REISS's account at the Swiss branch of a German bank were transferred into REISS's account at Swiss Bank No. 1 in the name of the Floranova Foundation.

14. On or about March 31, 2008, the Floranova Foundation account at Swiss Bank No. 1 held assets valued at approximately \$2.588 million.

15. In or about November 2008, MICHAEL REISS, the defendant, caused to be opened another undeclared account at Swiss Bank No. 1 with the assistance of Singenberger. The account was opened in the name of Upside International Ltd., a corporation previously formed by Singenberger under the laws of Hong Kong. Shortly after REISS caused the account in the name of Upside International Ltd. to be opened, the assets of REISS's account at Swiss Bank No. 1 in the name of the Floranova Foundation were transferred into REISS's account at Swiss Bank No. 1 in the name of Upside International Ltd.

REISS's Tax Returns and FBARs

16. For each of the calendar years from at least 2000 through 2007, MICHAEL REISS, the defendant, filed and caused to be filed with the IRS a U.S. Individual Income Tax Return, Form 1040. On each of these returns, REISS knowingly and willfully failed to report as income dividends, interest, and other income received by him in one or more bank, securities, and other financial accounts at UBS and/or the Swiss Branch. On Schedule B attached to each of these returns, REISS knowingly and willfully failed to disclose that he had an interest in or signature authority over a financial account in Switzerland, when, in truth and in fact, and as REISS then and there well knew, he had an interest in and signature authority over a financial account in Switzerland.

17. For each of the calendar years from at least 2000 through 2007, MICHAEL REISS, the defendant, filed and caused to be filed with the IRS an FBAR. On each of these FBARs, REISS indicated that he had an interest in one or more bank or securities accounts at ABN AMRO Bank in the Netherlands, but knowingly and willfully failed to disclose financial accounts at UBS, the Swiss Branch, or Swiss Bank No. 1.

18. For each of the calendar years 2008 and 2009, MICHAEL REISS, the defendant, filed and caused to be filed with the IRS a U.S. Individual Income Tax Return, Form 1040. On each of these returns, REISS knowingly and willfully failed to report as income dividends, interest, and other income received by him in one or more bank, securities, and other financial accounts at Swiss Bank No. 1. On Schedule B attached to each of these returns, REISS knowingly and willfully failed to disclose that he had an interest in or signature authority over a financial account in Switzerland, when, in truth and in fact, and as REISS then and there well knew, he had an interest in and signature authority over a financial account in Switzerland.

19. For each of the calendar years 2008 and 2009, MICHAEL REISS, the defendant, failed to file and failed to cause to be filed with the IRS an FBAR disclosing his signatory or other authority over his account at Swiss Bank No. 1.

Statutory Allegations

20. On or before the filing due dates listed below, in the Southern District of New York and elsewhere, MICHAEL REISS, the defendant, did knowingly and willfully fail to file with the Commissioner of the IRS an FBAR disclosing that he had a financial interest in, and signature and other authority over, a bank, securities, and other financial account in a foreign country, to wit, at least one foreign bank, securities, and other financial account at Swiss Bank No. 1, which had an aggregate value of more than \$10,000 during each of the years listed below:

Calendar Year	Due Date to File FBAR
2008	June 30, 2009
2009	June 30, 2010

(Title 31, United States Code, Sections 5314 and 5322(a);
 Title 31, Code of Federal Regulations,
 Sections 103.24, 103.27(c, d), and 103.59(b).)


 PREET BHARARA
 United States Attorney

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PREET BHARARA

United States Attorney.

8/5/11

Fld. Information and Waiver of Indictment.

Def. pres. with attorney Paula Junghans

AUSA Dan Levy Court Reporter Present

Interpreter present Def. withdraws plea of not guilty & enters a plea

of guilty to count(s) 1. PSI Ordered. Sentence 11/7/11 at 10 am

Bail Defendant released on Bail

Mag. Judge Pitman recommends Judge Berman

accept the guilty plea.

Pitman, M.J.

(BHT)