

To: Mossack Fonseca & Co. (BVI Corporations Update); Chris Zollinger
Cc: Daphne Durand; Ramón Jurado - Assistant to Chris Zollinger; Adrian Simon - Geneva Office
Subject: Re: 6734 UBS S.A.(SERVICIOS JURIDICOS) (AA2M) 1785431/KJ/JR/CM

Dear Colleagues,

I had a rather unpleasant meeting with UBS on tuesday.

Initially I thought, that the discussion would touch the bearer share problem, which has been discussed now for some months with them.

But the reason for the meeting, which was not explained to me beforehand, were the questions regarding the requirements which are put on us as Registered Agent in the BVI through the DD resp. as a consequence of the Anti-money laundering laws.

Mr. Patrick Küng, legal counsel and Executive Director, of Legal Global Wealth Management & Business Banking opened the round with the words, that our request (see below) is directed to the wrong side resp., that they are not the counterpart resp. the relevant person. He explained, that UBS had never been a contracting partner of ours. I disagreed at this issue and added, that in some cases we even don't know who the BO is. His comment here was, that he is shocked and feels that he has to notify, that we are in violation of the the Swiss money laundering code, and that he seriously is contemplating the fact, if he has to notify this infringement to the relevant authorities.

I answered, that in the past we specifically on demand of UBS and other banks we were not supplied with the identity of the BO.

He vigorously denied this and asked if for this to be proven.

I answered, that if he cannot discuss more cooperative, we can abandon this discussion.

His answer was, that he agrees and sees no point in continuing the discussion.

I then tried to take some tension out of the discussion (I must add that no other person i.e. Ms. Wuerth and another German executive) intervened to streamline the situation.

I argued, that UBS and Mossack Fonseca were cooperating successfully for years and that we are now faced through legal changes in most jurisdictions with new problems, which we also should solve together.

Mr. Küng agreed to this and so we made a new start:

Fundamentally UBS takes the following position:

If Mossfon directors are the nominee directors, we have the right to ask for a copy of the Form A, which gives the ID of the BO. UBS expects us then to contact the BO and clear the open questions.

UBS will also give us indications, if UBS has still contact to the BO through their client advisor. This is specially important, if the Form A is outdated or illegible.

An important point is also, that he mentions if an account is in the "red", and should be closed, he hold us responsible for the "red".

This is all only valid for the cases where Mossfon puts their nominee directors available in the board.

For the cases where a UBS service co. is director they are prepared to give us answers to our questions.

In the few cases where third parties (BO or other persons) are directors they will also try to assist us.

Another problem was the question regarding "strike off". The present legal situation, about which I was informed is, that if a co. is still active it has to comply with the actual legal requirements, i.e. it has to give the information about share holder etc. and cannot be put "now" on out of "internal control" and going for struck-off.

Mr. Küng mentioned, that they had obtained a contradicting legal opinion via Conyers. I asked him to give us a copy of it.

I ask our BVI office for comment on this.

Please have the above discussed and please keep me informed.

Kind regards