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United States Senate

COMMITTEE ON THE BUDGET
WASHINGTON, DC 20510-6100
TELEPHONE: (202) 224-0642

July 20, 2023

VIA ELECTRONIC TRANSMISSION

Ms. Barbara Levi
Group General Counsel
Member of the Group Executive Board
UBS Group AG

Mr. Jake Scrivens
General Counsel
Member of the Executive Board
Credit Suisse AG

Dear Ms. Levi and Mr. Scrivens:

We write to you in your roles as Group General Counsel for UBS Group AG, the successor in interest to Credit Suisse Group AG, and General Counsel for Credit Suisse AG.¹ As you know, in March 2023, the Senate Committee on the Budget commenced an investigation after receiving credible allegations of potential wrongdoing related to Credit Suisse's internal review of allegations that the bank had held potential Nazi-linked accounts that had not previously been disclosed, including during the many Holocaust-related investigations of the 1990s. Based on information provided to the Committee, we understood that the bank agreed to investigate these allegations, retaining forensic research firm AlixPartners Ltd to conduct the review and later engaging Neil Barofsky of Jenner & Block LLP to oversee that review and serve as Independent Ombudsperson. On April 18, 2023, as part of its investigation, the Committee released two reports that it had obtained: one prepared by Mr. Barofsky, whom Credit Suisse had terminated prior to the conclusion of the internal review, and one prepared by AlixPartners.²

Neither report was complete. Although both reports revealed nearly 100 previously undisclosed Nazi-linked accounts and related information, they raised new questions, including ones about the bank's potential support for Nazis fleeing justice following World War II via so-

¹ "UBS completes Credit Suisse acquisition," June 12, 2023, <https://www.ubs.com/global/en/media/display-page-ndp/en-20230612-ubs-credit-suisse-acquisition.html>.

² See Related Materials to Press Release: <https://www.budget.senate.gov/chairman/newsroom/press/credit-suisse-maintained-nazi-linked-accounts-into-21st-century-subpoenaed-records-show#:~:text=In%20March%20of%202020%2C%20the,related%20investigations%20of%20the%201990s.>

called “Ratlines”—a subject that was not explored fully due to scoping restrictions imposed by Credit Suisse. Indeed, shortly before the Committee’s release, on April 13, 2023, Credit Suisse sent the Committee a letter pledging to expand the scope of its review to include Nazi ratlines, asserting its “hope that the results of . . . further work – as well as the results of AlixPartners’ continuing work under the supervision of the new Ombudsmen – will help inform your inquiry into these matters.”³ The bank’s commitment to do so followed a discussion with Committee staff on April 6, 2023, during which our staff conveyed our displeasure that Credit Suisse had unnecessarily narrowed the scope of its investigation and that it had failed to investigate ratlines allegations despite possessing evidence that allowed it to do so.⁴

Despite Credit Suisse’s commitments, our staff has received little in the way of updates despite requests for additional information. On May 9, 2023, our staff requested a status update on the second AlixPartners report and its anticipated production to the Committee. On May 18, 2023, Credit Suisse’s external counsel acknowledged the email and responded only that further work was ongoing. On the same day, our staff followed up requesting tentative or expected timelines for the issuance of the second report. Credit Suisse’s external counsel failed to answer. On May 24, 2023, our staff followed up on its request and specifically asked whether the second report would include the promised review of the ratlines allegations. On May 25, 2023, Credit Suisse’s external counsel responded that a draft of the report might be available by the end of the summer but failed to address the ratlines question. As of the date of this letter, neither we nor our staff have received any substantive update.

On the same day the Committee released the reports, Credit Suisse issued a press release stating, in pertinent part, that it was “fully cooperating with an inquiry by the U.S. Senate Committee on the Budget.”⁵ To date, despite our staff’s repeated requests, Credit Suisse (and, presumably, UBS as its successor in interest) has not dropped its objections to the production of a fully unredacted version of Mr. Barofsky’s report and has failed to provide simple answers concerning the timing and scope of the expected second AlixPartners report. Accordingly, Credit Suisse’s statement asserting that it is “fully cooperating” strains credulity.

As we said when the Committee released the reports, when it comes to investigating Nazi matters, righteous justice demands that no stone be left unturned. Accordingly, we fully expect that UBS, as successor in interest to Credit Suisse, will abide by the commitments of its predecessor and ensure that this investigation is full and complete, leaving no stone unturned,

³ Letter to the Senate Committee on the Budget Staff from Markus Diethelm, Credit Suisse General Counsel and Member of the Executive Board, and Joachim Schaffner, Director, titled “Re: Credit Suisse’s Voluntary Historical Investigation” (April 13, 2023).

⁴ Notably, the investigation failed to identify the value of assets of certain accounts apparently held by Nazis at Credit Suisse during the post-1945 period. During the meeting, in addition to committing to consider expanding the scope of the investigation to cover ratlines, Credit Suisse representatives noted that the second AlixPartners report would cover the post-1945 accounts.

⁵ Credit Suisse Press Release. *Credit Suisse Group announces that key findings of investigation sought by Simon Wiesenthal Center did not support the Center’s claims* (Zurich, April 18, 2023). <https://www.credit-suisse.com/about-us-news/en/articles/media-releases/csg-announces-key-findings-investigation-simon-wiesenthal-center-did-not-support-claims-202304.html>.

and that it will fully cooperate with this Committee.⁶ Holocaust survivors and their families deserve nothing less.

In order for the Committee to continue its independent and objective review, please provide the following by no later than August 2, 2023:

1. A fully unredacted version of the Barofsky Report;
2. Information on the scope of AlixPartners' second report, including specifically whether it will include both information about the post-1945 accounts and the ratlines allegations;
3. Updated timelines for the issuance of the second AlixPartners report;
4. A brief interim update on preliminary observations that AlixPartners will make in its second report; and
5. A description of the role of the new Ombudsperson supervising AlixPartners' work and whether you expect the Ombudsperson to provide any deliverables in connection with the delivery of the second report. In your answer, please also describe how the new Ombudsperson's role is different from Mr. Barofsky's role.

Should you have any questions, please contact Senate Budget Committee Majority Staff and Minority Staff at (202) 224-0642.

Sincerely,



Sheldon Whitehouse
Chairman
Committee on the Budget



Charles E. Grassley
Ranking Member
Committee on the Budget

cc: Mr. Michael D. Bopp, Partner, Gibson, Dunn & Crutcher LLP

⁶ For purposes of this letter, Credit Suisse includes Credit Suisse AG as of March 2023 and its past predecessor banks. See findings from AlixPartners' first investigative report, as released by the Senate Budget Committee here: <https://www.budget.senate.gov/chairman/newsroom/press/credit-suisse-maintained-nazi-linked-accounts-into-21st-century-subpoenaed-records-show>.