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# Russian Accounts Frozen at Credit Suisse

By **BILL ALPERT**

*Swiss authorities have apparently closed bank accounts held by Russians alleged to have been part of a giant Russian tax swindle.*

Swiss law enforcement officials have apparently frozen the **Credit Suisse** (ticker: CS) bank accounts of the Russians alleged to have participated in Russia's largest reported tax swindle.

Records from those bank accounts formed the basis of a *Barron's* story ("**Crime and Punishment in Putin's Russia**," April 18) which showed that the family of an influential Russian tax official, Olga Stepanova, became fabulously wealthy after she approved part of a \$230 million tax refund to scammers in 2007 who used corporate identities stolen from the well-known Russia-focused hedge fund Hermitage Capital. When Hermitage and its attorney Sergei Magnitsky presented evidence that the conspiracy involved Stepanova and police officials in Russia's Internal Ministry, the police instead arrested Magnitsky and kept him in detention until he died in prison in November 2009.

Sources close to the Swiss investigation tell *Barron's* that after conducting a preliminary examination of the Credit Suisse records, Swiss prosecutors took "emergency" measures.

"That means that they have frozen the accounts in question," says Mark Pieth, the University of Basel law professor and money laundering expert who first brought the bank records to the attention of Swiss regulators in March, on Heritage's behalf.

Those sources confirm that a goodly number of Russian accounts at Credit Suisse were forcibly closed and the proceeds frozen, as Swiss authorities pursue an investigation of possible money laundering violations on behalf of corrupt Russian officials.

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