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BY: Federal eRulemaking Portal: (www.regulations.gov)

TO: Office of Exemption Determinations
 Employee Benefits Security Administration
 U.S. Department of Labor
 200 Constitution Avenue N.W., Washington, DC 20210

Request to Testify, Docket ID: EBSA–2022–0008

I hereby request an opportunity to testify at the Department of Labor’s (DOL’s) public hearing on the Proposed Amendment to Prohibited Transaction Class Exemption 84-14, to be held November 17, 2022.

MY BACKGROUND

I am an expert in financial crime and Credit Suisse wrongdoing. I have assisted law enforcement, government agencies, government securities and banking regulators in many countries at a high level. In my criminal investigations, I have lawfully obtained criminal investigation files from several countries including documents unavailable to the DOJ.

My team used specialized local procedures to obtain internal documents which are not available to US or UK law enforcement agencies. I have personally met with high-ranking law enforcement officials in the USA and several foreign countries, and with Credit Suisse Legal and Compliance Department to share the results of my investigations.

Despite multiple offers to work with the Credit Suisse internal fraud investigation team and supply them with overwhelming evidence of very serious wrongdoing BEFORE the bank was criminally convicted, all such offers were declined. In parallel with trying to help Credit Suisse, I cooperated fully with multiple US and foreign law enforcement agencies, including supplying detailed evidence and reports to all four US agencies which ultimately criminally convicted the bank.

Concurrently with these efforts in the USA, I similarly offered such help to the Swiss securities and banking regulator FINMA (f.k.a. SFBC) and went to their offices in

Berne Switzerland. All such efforts were unsuccessful. They refused to accept my reports (except for a few minor letters around 2002). I had to depart their office in Berne merely leaving a calling card. I likewise attempted to alert the Swiss government to the extremely serious problems which had been unequivocally established. They promised that my initial summary letter would be acted upon.

However, my team's last communication with the Swiss embassy in Washington DC was rudely rebuffed – and my assistant was told stop calling them. About a month after that incident, the bank was officially criminally convicted.

Since then, it has been penalized over \$10 billion, lost over \$7 billion and criminally convicted again. It lost around 97% of its market capitalization relative to the S & P 500. Yet it has the title of a “systemically important bank” which is therefore “too big to fail”.

Yet it might fail – for it and its Swiss regulator refuse to act on our reports. The world financial situation is desperate, unstable & unsustainable. US pension funds will be affected.

I was instrumental in instigating a public hearing by the Department of Labor to consider Credit Suisse's waiver application to permit it to continue managing pension funds as a QPAM (qualified professional asset manager) under the Employee Retirement Income Security Act (ERISA). I travelled to Washington DC and testified at the hearing. I have met with and discussed the nature of Credit Suisse's wrongdoing with scores of attorneys and believe that I have not yet met anyone with such knowledge and background as I possess.

Undoubtedly, my assistance in these matters has made a major impact for the better and a substantial improvement in understanding, regarding how we should deal with high level corporate wrongdoing.

Proposed Testimony Synopsis

The immediate problem is how the DOL can best protect pension funds from illegal financial activity which is becoming increasingly sophisticated.

The 2008 Financial Crisis nearly destroyed the financial system through corrupt compliance, near zero risk management, cheap debt, unmarketable collateral, and fraud.

The 2021 [Archegos collapse wiped \\$100 billion off shareholder value through corrupt compliance, near zero risk management](#), cheap debt, unmarketable collateral, and fraud.

The next financial crisis will happen. The same problems continue.

The DOL is now trying to reduce the risk to pension funds by expanding its ability to identify, exclude and remediate “bad financial actors” in a timely manner.

The DOL’s proposals represent a significant improvement.

Further improvements will be proposed in my testimony based on my extensive direct experience at all levels of the problem.

Respectfully submitted,

Dr Paul Morjanoff

Swiss bank expert

Head of criminal investigations

Chief liaison executive with international law enforcement agencies

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