



DIVISION OF
ENFORCEMENT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

August 11, 2009

VIA FEDERAL EXPRESS

The Honorable William J. Zloch
United States District Judge
United States District Court for the
Southern District of Florida
299 East Broward Boulevard
Room 202B
Fort Lauderdale, Florida 33301

Re: United States v. Birkenfeld, 08-60099-CR-Zloch

Dear Judge Zloch:

I am writing as Director of the Division of Enforcement of the United States Securities and Exchange Commission to provide this Court with information about Bradley Birkenfeld that the Court may wish to consider in connection with the sentencing of Mr. Birkenfeld in the above-referenced matter.

In October 2007, Mr. Birkenfeld, through counsel, contacted the Division of Enforcement and informed the staff that he had been a salesperson at UBS AG ("UBS") in Switzerland and that he and other UBS salespersons who were not registered as broker-dealers marketed investment vehicles to high net worth individuals in the United States. Following the initial contacts, Mr. Birkenfeld came to the Commission's office in Washington, D.C. and met with the staff and provided documents. During the meeting, which lasted most of a day, Mr. Birkenfeld described a course of conduct in which he and other UBS salespersons who were not associated with a registered broker-dealer or investment adviser travelled to the United States and otherwise communicated with United States persons for the purpose of establishing and maintaining undeclared accounts at UBS that, in many instances, included securities. Following this meeting, Mr. Birkenfeld provided the staff with additional documents and offered to meet again and otherwise to cooperate as requested.

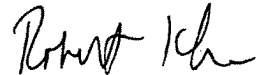
The information that Mr. Birkenfeld provided led the Commission to commence a formal investigation into the conduct that he described. That information also was important in helping the staff question witnesses and formulate requests for documents from UBS and others. The information that the staff has learned in the course of the Commission's investigation has been consistent with the information that Mr. Birkenfeld

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provided. To date, the Commission's investigation has resulted in the institution of a settled civil action against UBS. In that action, UBS consented to the entry of a final judgment permanently enjoining it from violating the broker-dealer and investment adviser registration provisions of the federal securities laws, ordering it to pay disgorgement of \$200 million, and ordering it to comply with its undertaking to exit its unregistered broker-dealer and investment advisory cross-border business with the United States. The Commission's investigation is ongoing as to the conduct of others. For these reasons, we would characterize Mr. Birkenfeld's cooperation as significant to the Commission's investigation.

I hope that the information in this letter is helpful in determining the appropriate sentence for Mr. Birkenfeld.

Respectfully submitted,



Robert Khuzami
Director

cc (by E-Mail):

Jeffrey A. Neiman, Assistant United States Attorney
Kevin M. Downing, Senior Trial Attorney,
United States Department of Justice, Trial Division
David E. Meier, counsel for Defendant Bradley Birkenfeld