

# HSBC leaker Falciani freed on bail in Spain

April 5 2018, by Marianne Barriaux

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Herve Falciani, seen here in 2015, is known as the "the man who terrifies the rich" for leaking documents that alleged HSBC helped clients evade billions of dollars in taxes

A Spanish judge on Thursday released on bail Herve Falciani, a former HSBC computer analyst detained in Madrid at the request of Switzerland for leaking documents alleging widespread tax evasion.

The National Court judge seized Falciani's passport and said the 46-year-old French-Italian national would not be able to move from his home in Spain while his extradition request is considered, according to the ruling seen by AFP.

He also said Falciani would need authorisation to leave the town where he lives and must appear before court once a week.

Falciani worked for the Swiss branch of HSBC and became known as the "the man who terrifies the rich" after leaking information in 2008 that alleged HSBC helped clients evade billions of dollars in taxes—a scandal that became known as "Swiss Leaks."

The information he leaked indicated that HSBC's Swiss private banking arm helped more than 120,000 clients to hide 180.6 billion euros (\$222 billion) from tax authorities.

## **Minister denies Catalan link**

A Swiss court in 2015 convicted Falciani of aggravated industrial espionage and handed him a five-year jail sentence.

But he did not attend his trial and has avoided Switzerland since.

He was arrested in Madrid on Wednesday at the request of Switzerland just as he was on his way to a conference about the need to protect whistleblowers.

Spanish police had initially said the Swiss arrest warrant was issued last month but Switzerland's justice ministry clarified Thursday it was actually put out in May 2017, raising questions as to why the detention only happened now.

Falciani's arrest comes as two prominent Catalan separatist leaders have fled to Switzerland to avoid legal proceedings over their role in the region's independence drive, one of whom is targeted by a Spanish international arrest warrant.

Justice Minister Rafael Catala on Thursday denied the two issues were linked.

"There is no political decision, there is no government involvement in these issues," he told reporters.

## **'Snowden of tax evasion'**

Falciani became an IT worker for HSBC in 2000 and moved to the bank's offices in Geneva in 2006.

There, he obtained access to encrypted customer information.

In 2008, he went to Lebanon with the information planning to sell the data, without success. Swiss authorities described it as "cashing in".

He then came back to Switzerland where he was under investigation and ended up leaving for France, where he passed on the pilfered information to tax authorities.

This led to the prosecution of tax evaders including Arlette Ricci, heir to France's Nina Ricci perfume empire, and the pursuit of Emilio Botin, the late chairman of the Spanish bank Santander.

He rejects that he was only seeking financial gain, insisting he had wanted to expose how banks support tax evasion and money laundering.

Since then, he has become known as the "Snowden of tax evasion," in

reference to former intelligence contractor Edward Snowden who in 2013 revealed the scope of the US government's electronic surveillance programme.

Falciani had already been arrested in Barcelona in July 2012 on an international warrant issued by Switzerland after he arrived by boat from a French port.

He then spent several months in a Spanish prison.

But in 2013, the National Court ended up refusing his extradition on the grounds that the charges he faced in Switzerland are not considered crimes under Spanish law.

The court's ruling was very critical towards HSBC, accusing it of "seriously irregular" behaviour and defending Falciani, "who thanks to his collaboration allowed information to be handed over to various authorities in various states including Spain."

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