

AUSTRIA MONEY SECRETS

UPDATES & CORRECTIONS, February 2008

Please note: page numbering refers ONLY for the version of this report sold by The Nestmann Group, Ltd. Page numbering for other versions may differ.

Inside facing cover page, next-to-last paragraph, replace with the following text:

You may order books and reports by Mark Nestmann through the bookstore at <http://www.nestmann.com>.

p. 5, bullet beginning "Securities Laws," replace the phrase "U.S. securities" with "foreign securities" in line four.

p. 16, replace first paragraph with the following text:

The process of European unification continues, with the addition of 10 new countries to the EU in 2004, including Hungary, the Czech Republic, Slovakia, and Slovenia, all nations on Austria's borders. In 2007, Bulgaria and Romania joined the EU, bringing the total number of member states to 27. As former communist states, the economies of the newest EU members lag Western Europe by most measures, and their inhabitants are eager to achieve prosperity. Dealing with the economic competition from these newly emerging economies is a continuing challenge for Austria.

p. 16, third paragraph. Cypress and Malta adopted the euro as their official currency on Jan. 1, 2008.

p. 18, first full paragraph, replace second sentence with the following text

As of February 2008, €1 had a value of about US\$1.48. US\$1 had a value of about €0.67.

p. 30, delete paragraph under Figure 11.

p. 33, replace first full paragraph with the following text:

The penalty provided in Section 101(1) of the Banking Act for malicious violations of bank secrecy is imprisonment of up to one year, or a monetary fine. The affected depositor may also sue the offending bank and bank employees involved, up to the amount of actual damages caused by the violation. Anyone else harmed by a violation of bank secrecy may bring a lawsuit to recover damages. Violations of banking secrecy obligations constitute grounds for dismissal of bank employees involved in

the breach. An even more severe possible consequence is the withdrawal of the bank's banking license.

p. 33, replace second sentence in fourth full paragraph with the following text:

This type of account reinforces Austrian bank secrecy, because only a few officers at the bank know your real name. You conduct all transactions by account number and password.

p. 42, replace last sentence in fourth bullet point with the following text:

You can also take a taxi or walk from your hotel, if the bank is centrally located—and all the banks reviewed in this chapter are in downtown Vienna.

p. 42, second paragraph in "How Safe is Your Bank?" sidebar, replace first sentence with the following text:

The Bank for International Settlements (BIS), the world's "central bank for central banks," has mandated that all banks, worldwide, maintain minimum capital adequacy ratios.

p. 43, second full sentence, replace with the following text:

The minimum deposit is US\$100,000, although this threshold may be negotiable.

p. 47, replace first sentence with the following text:

In 1997, the historically socialist-dominated "red" Bank Austria purchased the historically business-dominated "black" Creditanstalt in an uneasy merger between Austria's two largest banks.

p. 48, under "Account Opening Procedure," replace second and third sentences of the first paragraph with the following text:

It's generally necessary to visit Austria to open an account, and if you want a numbered account, a personal visit is always mandatory. There's also a €50,000 deposit minimum for a numbered account.

p. 50, third paragraph, first sentence, replace with the following text:

To reach this branch by subway, take the #1 U-Bahn from Karlsplatz in the direction of Leopoldau to the Kaisermühlen-Vienna International Center stop.

p. 51, second paragraph. Bank Vontobel has now imposed significant trading restrictions for U.S.-resident clients.

p. 51, third paragraph, replace with the following text:

A suggested minimum deposit is US\$400,000.

p. 68, second bulleted item, second sentence, replace with the following text:

Or you can use a debit card issued by Visa (Austria) to purchase goods or services.

p. 80, third full paragraph, second sentence, replace with the following text:

If the property is your primary residence, this period is reduced to one year.

p. 82, last paragraph. The Schengen zone now comprises 24 countries. In addition to the countries listed on this page, travelers with a Schengen visa can visit Hungary, Latvia, Lithuania, Estonia, Malta, Poland, Slovakia, Czech Republic, and Slovenia.