Mount Wirecard
About Swiss Wirecard entanglements and the remains of Crypto AG

#Wirecard   #Munich

Unknown to many, one of the biggest post-war intelligence scandals began to unravel in the 1970s when a salesman for the Swiss company "Crypto AG" was suddenly arrested in Iran on espionage charges. The Swiss national's routine visit in Iran to promote the latest diplomatic cable and telegram encryption machines ended in a nine-month prison sentence, from which he was released only after much diplomatic effort.

Only a few years earlier in June 1970, the German Bundesnachrichtendienst BND and the CIA jointly and secretly bought a majority stake in Swiss company Crypto AG through an offshore fund. Founded in the 1950s by Russian-born Swede Boris Hagelin, who had close friends in the highest circles of the NSA and CIA, the Swiss company exclusively manufactured machines for almost every government in the world to encrypt their highly sensitive diplomatic and internal government cables. However, some engineers at Swiss Crypto AG were explicitly instructed to solder technical components into the machines that would allow both the BND headquarters and the CIA to read the supposedly fully protected messages whenever they wanted. For example, during the short-lived Falklands War, the BND and CIA provided the British government with detailed position plans of the Argentinean armed forces, and also supported the coup d'état of dictator Pinochet in Chile, who was promptly informed of all the intentions of the Chilean government.

The scandal shook many in the intelligence community. The actors involved mostly denied any involvement of the CIA and BND. Recently declassified documents finally prove the early central role of the Swedish innovator Hagelin and his Crypto AG in Switzerland, which even received orders for the construction of its machines in part directly from CIA headquarters in Langley.

Fast forward to the turn of the century, Crypto AG's last CEO from 2001 until its liquidation in 2018 was a person named Giuliano Otth, an IT security expert who worked at Google early in his career. He apparently supported the liquidation of Crypto AG and the transfer of its key components to two other companies, when it became clear that the digital revolution would render the old and heavy encryption machines obsolete. Swedish industrial engineering giant Linde snapped up the brand name, along with its international product rights and sales networks. The second company that bought key pieces of Crypto AG was a more interesting Swiss cybersecurity company: "CyOne Security AG", just like Crypto AG also based in Steinhausen. As of 2018, CyOne Security AG is in charge of Crypto AG's former Swiss domestic sales channels and customers.

When the assets of the scandal-ridden Crypto AG were finally transferred and the company was liquidated in 2018, its last former CEO, Giuliani Otth, swung over with the remaining pieces of Crypto AG. He immediately became the new CEO of CyOne Security AG. But not long after, on September 17, 2020, Giuliani Otth's CyOne Security AG announced that it was merging with another Swiss company with explicit interests in various IT and cybersecurity companies: Zurich-based "Monterosa Group," a privately held Swiss corporation, or *Aktiengesellschaft*. The value of the deal was not disclosed, but insiders believe it to be in the hundreds of millions of dollars.

Things get a bit shady, like in a light-protected valley at the bottom of a Swiss mountain, when trying to get hold of news articles about the merger that were clearly distributed on the Internet between September 17 and October 3, 2020, when Monterosa Group's acquisition of CyOne Security AG was completed. The long list of previous press releases and articles about the merger have literally all been deleted from the web. Only a handful of Internet archives allow text-only retrieval of some articles. Someone has obviously been very busy - and successful - in the recent past to erase all traces of Monterosa Group's 2020 acquisition of Swiss successor to scandalous Crypto AG in Steinhausen, CyOne Security AG.

Perhaps this is due to a gigantic ball of fire that seems to have struck the otherwise shady valley of the Swiss mountain, where light is scarce, around the end of March 2023. In Munich's brand-new Stadelheim prison courtroom, the legal defense of Wirecard's former CEO Dr. Markus Braun had only a few months ago read out a procedural motion to the court, requesting it should immediately act on the results of intensive searches of Wirecard's financial transaction records. In particular, the defense named three companies that were allegedly used to silently and secretly siphon off almost 340 million euros from Wirecard's accounts in the years and months prior to its insolvency in mid-2020. One of these three companies mentioned in Munich's courtroom is a "Monterosa Services AG" - along with CyOne Security AG one of a total of 9 wholly owned subsidiaries of the above mentioned Monterosa Group; both Monterosa's having the same legal business address in Zurich. Only very recently, on July 1, 2023, and hence roughly two months after the fireball was mentioned in Munich, did major technology partner of the Swiss Armed Forces RUAG MRO Holding AG announce it had completed a full acquisition of CyOne Security AG and is since its single only shareholder.

The list of Monterosa Services AG's senior advisors meanwhile, all of whom are apparently still active today, is quite impressive. It includes prominent Swiss names such as Dr. Hans-Ulrich Rihs, a former member of the Group Executive Board of UBS AG who also served as Chairman of the Board of Directors of Swiss Re and as a member of the Board of Directors of Credit Suisse. Or the Swiss billionaire Dr. Peter Spuhler, founder and CEO of Stadler Rail, who is also a member of the Board of Directors of ABB AG and a former member of the Board of Directors of Swisscom. Also noteworthy is the senior advisor of Monterosa Services AG, Dr. Thomas Minder, a former member of the Swiss

National Council and a former member of the Board of Directors of Swisscom. Then there is Dr. Christoph Blocher, a former member of the Swiss Federal Council and a former member of the Board of Directors of Ems-Chemie, whose family is one of the top 5 richest in Switzerland. And last but not least, Dr. Hans-Rudolf Merz, a former member of the Swiss Federal Council, a candidate for the Swiss presidency in 2009, and a former member of the Board of Directors of Credit Suisse. He is also a former Chairman of the Board of UBS AG.

Perhaps the biggest secret service scandal that ever came to light in the 1970s, involving Crypto AG, the BND and the CIA, pales in comparison to what lies in Switzerland's dark, shady mountain valleys.

https://www.sun24.news/en/mount-wirecard-about-swiss-wirecard-entanglements-and-the-remains-of-crypto-ag.html