

MARKETS

# Credit Suisse Launches Probe Into Its Surveillance of Top Executive

Inquiry follows reports that the bank put former wealth-management head Iqbal Khan, who is set to join UBS, under surveillance



Iqbal Khan, who ran Credit Suisse's wealth-management arm, left the bank abruptly in July. He was hired by crosstown rival UBS. PHOTO: ARND WIEGMANN/REUTERS

*By Margot Patrick and Jenny Strasburg*

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Credit Suisse Group AG has launched an investigation into its surveillance of a departing top executive who is joining crosstown rival UBS Group AG [UBS 1.22% ▲](#), after the executive filed a report with Zurich police.

Credit Suisse said Monday in a memo to employees that its board launched a “detailed inquiry” following Swiss and German media reports that the bank put former wealth-management head Iqbal Khan under surveillance, leading to a confrontation with three unidentified men last week outside a restaurant in Zurich. Mr. Khan left Credit Suisse abruptly in July. In August, he was named head of wealth management at UBS, starting next week.

A spokesman for the Zurich public prosecutor’s office said Monday that prosecutors opened a criminal investigation into possible assault and threat based on a complaint made by Mr. Khan.

The spokesman said the investigation led to “temporary arrests” and declined to provide further details, citing a continuing investigation.

Credit Suisse had Mr. Khan under surveillance based on suspicions he was trying to poach someone from the bank for UBS, according to a person familiar with the decision. An outside spokesman for Mr. Khan, who is still a Credit Suisse employee, said any such suggestion is “totally absurd.”

Credit Suisse on Monday said representatives carrying out the investigation will report directly to its chairman, Urs Rohner. “As soon as the investigation is completed, the board of directors will inform of its findings,” the bank said.

Mr. Khan left Credit Suisse after having been considered by some insiders and investors a potential successor to Chief Executive Tidjane Thiam. That relationship soured as Mr. Khan sought more responsibility, according to people close to Credit Suisse. In August, UBS said it had hired Mr. Khan to oversee its wealth-management arm. He is due to start at UBS on Oct. 1. The job was part of a broad reshuffling that lined up several UBS executives and Mr. Khan as potential internal CEO successors.

According to Swiss and German media accounts, led by an initial report by Swiss finance blog InsideParadePlatz.ch, Mr. Khan was followed last week by car and on foot while with his wife and child. Mr. Khan reported the alleged incident to Zurich police, according to reports and the public prosecutor’s office.

**Write to** Margot Patrick at [margot.patrick@wsj.com](mailto:margot.patrick@wsj.com) and Jenny Strasburg at [jenny.strasburg@wsj.com](mailto:jenny.strasburg@wsj.com)