**Affidavit**

I, the undersigned, Shmuel Wise, US Passport No. 211540853, having been warned that I must state the truth, and that I could be subject to the penalties prescribed by law should I fail to do so, do hereby declare in writing as follows:

1. I make this Affidavit of mine as an affidavit of evidence-in-chief in the principal legal action and counterclaim in the setting of *Civil Action* 34552-07-15.
2. In this Affidavit, I will elaborate on the unfortunate chain of events in which I fell victim to a sophisticated scam, and lost millions of dollars, which to this day I do not know what happened to them.
3. I am a US resident and deal in real estate.
4. At the end of 2007, a bank official became privy to the amount of money managed in my bank accounts in the US. That representative contacted me, and told me that he could introduce me to world-renowned experts in financial investments, who could invest my money in non-bank investment channels, which would generate higher profits for me than what the bank was offering.
5. I agreed to the offer of said bank official, and subsequently met with a man named Irwin Goldstein, who told me about a prestigious closed club run by the best financial experts, which financiers from all over the world who are interested in unique high yield investments can join.
6. On Mr. Goldstein’s recommendation, and with his mediation, I began to meet with other people who were introduced to me as the bankers, lawyers, and investment professionals behind the “mysterious” club. It later transpired that all those “investment club” “representatives” were merely impostors trying to gain my trust, in order to rob me of my money. In any case, those “representatives” presented me with misrepresentations of successful investments made by them, that produced astronomical profits for the club’s members.
7. The people I met suggested that I become a partner in the club’s investments, executed via trading institutions in Switzerland through a trading company called Optimal. They explained to me, that these were unique but solid investments, in which I would be asked to freeze funds in my personal accounts, while the club’s investment experts would trade securities against those funds used as collateral for the investment, without leaving the account. I was told that this was a risk-free investment, since the funds remain protected in my personal account.
8. I was initially hesitant about the proposed investment, and my ability to generate high returns from it, but after realising that the funds that would be frozen in my account would be fully protected, I agreed to cooperate and take part in that “investment” for a trial period, thinking I had nothing to lose.
9. Within a short time, I began to receive false reports of large profits from the institutions in Switzerland, which soothed my hesitancy, and started to instil in me both confidence and appreciation.
10. However, when I sought to withdraw the earnings accrued to my credit in Switzerland, I was told that there were regulatory difficulties to release the funds, and it was suggested that I consult with an “expert” living in Canada whose name was Shmuel Rabinowitz, or Sam Rabin (hereinafter: “**Rabin**”), who could help with releasing the funds.
11. I contacted Rabin, but the latter informed me that he could not help to release the funds. However, the he recommended the Plaintiff (*sic*) meet with the top “Guru” for such financial investments – who was none other than Reuben Malek who lives in Israel (hereinafter: “**Malek**”).
12. As a result, I came to Israel in early 2008 specifically to meet Malek, and find a way to release the profits I was told had accrued to my name at Optimal.
13. During my visit to Israel, I met with Malek several times, and he introduced himself as a global specialist in unique financial instruments, who successfully manages hundreds of millions of dollars in investments through a company he owns called IBC (hereinafter: “**IBC**”). Malek even presented me with misrepresentations and forged documents regarding said investments, including hundreds of millions of dollars worth of bonds which he placed on his desk in front of my eyes.
14. Malek told me, that he was able to assist him (*sic*) in releasing the lost funds in Switzerland, due to his close relationship with the banking system in Switzerland, and the many businesses he manages.
15. At the same time, Malek told me that he was willing to share additional financial investments with me, which he called “Private Placement” investments. Malek explained to me, that these are very unique investments, in the setting of which a limited number of financiers jointly invest in blocks of $100 million each.
16. Malek mentioned to me, that he had already raised $70 million to invest in a new block, and offered me to join as the last investor in the group, completing the remaining $30 million, with the profits accruing from the investment being shared equally between me and IBC, through which the contractual engagement would be managed.
17. Malek explained that this is a safe investment, as it is made within private designated bank accounts, and promised that the funds I transfer for the purpose of the investment will not leave those accounts.
18. I should note, that in addition to the business conversations we had at the time, Malek took care to display great warmth and friendship to me, and to express appreciation and respect for my ultra-Orthodox lifestyle, despite our differences. In this context, Malek asked to speak with a rabbi with whom I consult often, and even suggested that I receive his blessing before deciding on the investment.
19. Malek’s investment offer was very appealing to me, in light of the representations he presented to me about his previous successes in the field of investments, and the investment mechanism operating from within closed accounts. Furthermore, Malek made a very positive impression on me, and I felt I could trust him, in light of his friendly and respectful manner. Today, I can say that I was captivated by Malek’s charm. Due to this, I decided to deposit $30 million dollars in his possession for the purpose of the investment.
20. I should note, that Malek, as a condition to my becoming a party to the new investment “block” required me to prove my financial strength, by transferring my bank account statements, and so I did.
21. In accordance with the foregoing, Malek instructed me to divide the $30 million dollar investment funds in equal shares between three different banks with which he works, according to the following details:
	1. **Saxo Bank in Denmark** (hereinafter: “**Saxo Bank**”) – Malek told me that due to regulatory constraints, Saxo Bank was not prepared to allow US citizens to manage investments through the bank. In light of the foregoing, trading would be carried out via a bank account in the name of IBC, which he controlled. However, Malak assured me that I would be given direct access to view all the transactions in the account at any given time, through the Bank’s website. Malek claimed that he and Rabin would execute the investments, as Rabin was also well versed in the field of Private Placement investments. Pursuant to the aforementioned, I opened an account in my name with Saxo Bank, and I transferred $10 million dollars to it from my US bank account. Immediately thereafter, the entire amount was transferred, on Malek’s instructions, to an IBC account at the bank which Malek controlled.

**A letter from Saxo Bank, dated February 25, 2008, confirming receipt of $10 million dollars from my US account, and transferring them to an account in IBC’s name, and under Malek’s exclusive control, is enclosed herewith as Appendix 1.**

* 1. “**Liechtensteinische Landesbank**” **in Switzerland** (hereinafter: “**LLB Bank**”) – Also with respect to this bank Malek explained that I would not be able to open an account in my name due to my being a US citizen. Therefore, and in accordance with instructions I received from Malek, I opened an account at LLB Bank in the name of a foreign company called “Zichron Avraham” which I owned, and transferred to it $10 million dollars from my US account. Moreover, and in accordance with Malek’s instructions, I signed a power of attorney permitting him to act in the account.

**Proof, dated February 27, 2008, evidencing the transfer of $10 million dollars to LLB Bank is enclosed herewith as Appendix 2.**

**The power of attorney granted to Malek to act in the account at LLB Bank, is enclosed herewith as Appendix 3.**

* 1. **“P&P Private Bank AG” in Switzerland** (hereinafter: “**P&P Bank**”) – Malek instructed me to deposit the remaining $10 million in a P&P Bank investment account, to be managed by the bank’s investment man Peter Lutcher (hereinafter: “**Lutcher**”). I note, that I was weary of depositing money with a person I did not know, but Malek reassured me that he was an experienced banker who is highly regarded in Switzerland. Malek even offered me to meet with Lutcher, in Malek’s presence, in Switzerland, which indeed happened. At the meeting, Lutcher presented misrepresentations about his experience and success in banking and investing. Also with respect to this instance, I was told that the bank would not allow the opening of an account in my name, because I am a US citizen, and so the only way to make the investment is via an account in the name of Lutcher himself. In accordance with the foregoing, I transferred an additional $10 million dollars to the bank account in Lutcher’s name at P&P Bank.

**Proof, dated February 22, 2008, evidencing the transfer of $10 million dollars to P&P Bank, is enclosed herewith as Appendix 4**.

1. This is the place to note, that during my meetings with Malek in Israel, and after Malek realised that I had a lot of faith in him, Malek asked me for a personal loan of $500,000. He told me that the loan was temporarily required in light of the fact that his many assets were illiquid at the time, and that it would be repaid to me within a short space of time. Accordingly, we, Malek and I, signed a loan agreement for the sum of $500,000 USD, after which I transferred the abovementioned amount to his account at the Postal Bank in Israel (hereinafter: the “**Loan**”).

**The loan agreement for the amount of $500,000 USD, dated February 12, 2008, is enclosed herewith as Appendix 5.**

1. Immediately afterwards, Malek explained to me that on second thought, the amount of the Loan he needed was greater than the amount he had asked for initially, and that he actually needed an additional $296,000 USD, for a total of $796,000 USD. Malek requested that I transfer the additional $296,000 USD as follows: $175,000 dollars to his bank account at the Postal Bank, $100,000 dollars to Lutcher’s account at P&P Bank, and an additional $21,000 dollars to a company called Noamax.
2. I acted immediately upon his request, and transferred the funds, including the amount of $175,000 dollars to Malek’s account at the Postal Bank in Israel.
3. Since the Loan agreement was only for $500,000 dollars, I requested that Malek sign a deed of transaction permit, as customarily used in the ultra-Orthodox community of which I am a member, which would reflect the full amount of the $796,000 USD Loan, and so he did.

**The transaction permit deed Malek signed for the sum of $796,000 USD is enclosed herewith as Appendix 6.**

1. Thus, in a short time, circumstances were created in which Malak held $30 million dollars of my money, and hundreds of thousands of additional dollars given to him as the Loan. This is a very important fact in order to understand the mental state in which I found myself later.
2. At the outset, the “investment” with Malek seemed to be running smoothly, with Malek taking care to report to me with respect to very good earnings accruing in the accounts. He also told me that he had set up an advanced digital trading room, where he and Rabin jointly operate, and manage the investments while constantly monitoring investment opportunities on world markets.
3. At one point, I was in urgent need of about $10 million dollars to invest in a US real estate deal. The problem was, that the large sum of money I gave to Malek as an investment caused me to experience liquidity difficulties. I reached out to Malek on the point, and he replied that he would send me the amount needed within a short space of time.
4. I waited patiently for the funds, but these were not transferred to me. Due to this, I decided to contact the banks myself to request the funds I needed back.
5. Then, I learned for the first time, that Malek had breached his commitment to keep the funds in the accounts, and that he had transferred millions of dollars of my money to various destinations around the world, without my knowledge or consent.
6. Thus, for example, it transpired that of the funds transferred to Saxo Bank, Malek transferred, on February 29, 2008, a sum of $137,400 dollars to a Taiwanese account in the name of a company called Focus Financial Management; On March 3, 2008, he transferred $22,460 dollars to a US account in the name of a man called Gibson Oluytan; on March 3, 2008, he transferred €125,000 Euro to an account in the Netherlands in the name of a company called Snel; and on March 5, 2008, he transferred $385,000 dollars to an unknown destination.

**Saxo Bank transfer requests signed by Malek are enclosed herewith as Appendix 7.**

1. I also learned, that from the funds I transferred to the account at LLB Bank, on March 13, 2008, Malek transferred a sum of $970,950 dollars from my funds, to a Taiwan account in the name of a company called Stellite Vetures Co. (*sic*); On March 20, 2008, he transferred $768,000 dollars to an account in China in the name of a company called Zhejiang Yueweida Textile Co.; On April 1, 2008, he transferred $1,130,000 USD to an account in China in the name of a company called Zhuji Yuemei Fabric Co.

**LLB Bank transfer requests signed by Malek are enclosed herewith as Appendix 8.**

1. Furthermore, I later learned that Malek had transferred a sum of $350,000 dollars to his account at the Israeli Postal Bank.

**The $350,000 dollar transfer request sent by Malek to LLB Bank is enclosed herewith as Appendix 9.**

1. When I asked Malek to understand why he had taken money out of the account and where the money had been transferred to, Malek replied that it was various investments in the energy sector, that would generate large profits, and which could not have been done from the accounts. However, Malek pledged that the funds and profits accrued would be returned to the accounts shortly.
2. Concerning the transfer of $350,000 dollars to his account at the Postal Bank in Israel, Malek explained that this was an investment in an energy venture, which he called the “Millennium Project” and that the funds had to be transferred through his account. Later, I saw that the transfer request sent to the bank did indeed indicate that the transfer was for the purpose of the “Millennium Project.”
3. At the same time, when he realised that I had made contact with the banks, he admonished me severely, and warned me that the calls I had made to the banks could result in the investments being frozen, and the loss of millions of dollars. Malek very aggressively demanded that I no longer contact the banks, and that he was working on restoring the funds I needed.

**A letter sent to me by Malek on April 4, 2008, in which he threatens me that contacting the banks could lead to the loss of funds, is enclosed herewith as Appendix 10.**

1. On the one hand, the trust I had in Malek began to crack in the light of the breach of the agreement between us regarding the non-withdrawal of the funds from the accounts. On the other hand, I still believed that Malek was a first-rate investment man, who invested my money professionally, and I was anxious not to lose the huge amount I deposited with him in light of his unequivocal warnings.
2. In light of the foregoing, I complied with Malek’s demand not to contact the banks, and even wrote him an apology letter.

**The letter of apology I conveyed to Malek on April 4, 2008, is enclosed herewith as Appendix 11.**

1. Needless to say, that from the contents of the letter I received from Malek and the letter of apology I sent him, one can learn of the severe mental pressures I was under at the time, and the way Malek exploited that to create complete dependence on him and his demands.
2. To alleviate my concerns, Malek transferred to me a sum of $3 million dollars out of the moneys deposited with Saxo Bank on March 3, 2008, back to my account in the US. In this sophisticated manner, Malek succeeded in “putting me to sleep” and instil in me the false hope that the balance of the funds that I needed for the US deal would be returned to me soon.

**The transfer order that Malek sent to Saxo Bank in which he requests to transfer to me $3 million dollars, is enclosed herewith as Appendix 12.**

1. During the month of April 2008, the level of stress I was under increased dramatically, since the balance of the funds I needed had not been returned, and I was at high risk with respect to the business commitment I had assumed in the US. I started contacting Malek every day to get back the funds I needed. Each time, Malek said that the funds are invested in various investments which cannot be opened, and that he was working on finding a solution that would facilitate the transfer of funds without losing those “investments”.
2. When Malek realised the magnitude of the pressure I was under, he decided to take advantage of it to extract more money from me, and to further deepen my dependence on him.
3. Malek told me that he was holding a fund of $68.7 million dollars (no less!!), that would soon be released into his private bank account at the Israeli Postal Bank, and that he would be able to transfer funds to me from that Fund, as soon as the monies are released, instead of the money deposited in the various accounts in Europe. Malek even handed me documents indicating his entitlement to the monies deposited in the Fund.

**The documents that Malek presented to me regarding his entitlement to the Fund’s money, is enclosed herewith as Appendix 13.**

1. I was very pleased to see that the liquidity problem that I suffered from would soon be alleviated, upon the release of the monies from the Fund.
2. However, soon after, Malek informed me that he was having regulatory difficulties in releasing the Fund’s money, since he was required to pay $1.7 million dollars in fees and charges as part of the money release process, but that he did not have a liquid sum for that purpose.
3. In view of the foregoing, Malek suggested that I bear the intermediary financing of the fees, in consideration of receiving the full amount of my $30 million dollar investment out of the Fund’s monies, as soon as the funds are released, giving me enough liquid money for the real estate transactions I entered into in the US.
4. Malek added, that even after I get back the initial investment amount, he would continue to invest the funds I transferred to European banks, and continue to be entitled to half of the profits accrued on those investments.
5. In addition, Malak sent me a letter of irrevocable instructions, signed by a branch manager at the Postal Bank, confirming that upon receipt of the sum of $68.7 million dollars in Malek’s bank account in Israel, a sum of $30 million dollars would be transferred to my US bank account. This letter, signed by the Postal Bank, made me believe that Malek was indeed managing funds on a substantial scale in his account, and that I would soon receive the funds to be released from the Fund.

**The letter from the Postal Bank sent to me regarding the Fund’s money, dated April 29, 2008, is enclosed herewith as Appendix 14.**

1. At this point, I was already in desperate need of the funds I transferred to Malek, since I was at risk of breaching the obligations I had assumed in the US, relying on Malek to meet his obligation and repay me the funds I needed.
2. Due to the foregoing, and after Malek gave me detailed written instructions on how to transfer the funds to release the Fund money, I transferred $1.7 million dollars from the US account to accounts details of which I received from Malek.
3. I waited patiently for the release of the funds, but a few days later Malek contacted me again and explained to me that the authorities were now demanding an additional fee of $700,000 as a condition for the release of the funds. Malek promised me that this was the last payment standing between him and the funds, and that he had also received a written commitment with respect thereto from the fund managers. Accordingly, I transferred the extra amount in accordance with instructions I received from Malek. In total, I transferred about $2.5 million dollars for the purpose of release the funds from the Fund.

**Evidence of the payment instructions I received from Malek, and the transfers I made pursuant thereto, are enclosed herewith as Appendix 15.**

1. However, despite Malek’s undertaking, and the millions of dollars I spent out of pocket, the Fund money was not released, which further raised the level of stress I was under, and increased my dependence on Malek, as well as the questions I had about how he managed the funds I deposited in his possession.
2. I should note, that Malek was aware of these questions, and in order to allay my concerns, he instructed Saxo Bank to send me a small sum, half a million dollars, claiming that the balance would be transferred very soon.

**Evidence of Malek’s request to Saxo Bank to transfer me half a million dollars on May 15, 2008, is enclosed herewith as Appendix 16.**

1. With hindsight, I can now see how Malek was acting with great smarts and sophistication, on the one hand he was able to get me to panic, and create tremendous fear about the fate of my money, and on the other, he knew how to ensure that I would not lose faith in him for the slightest moment, for example through such transfers and repeated promises that in a short time the rest of the funds would be transferred to me.
2. In light of the fact that the Fund’s monies were not released, and that I did not receive a refund of the funds I needed, on May 21, 2008, I sent a letter to Malek detailing the urgent need to receive the $10 million of the funds I transferred to him, back within a week. In my letter, I described the transaction I entered into in the US in reliance on the funds held by him, and my ability to receive them back based on his commitment. I also noted the significant financial damages that could be caused to me, if I did not recover the funds, as well as the severe damage to my reputation in the US banking system. I wrote that the damages I would probably incur would be greater than the handsome profits he said he accrued on the investments he was managing. I further stated in my letter, that in all my years of work I had never been under such great pressure, and pleaded with him to help me recover the money.

**The letter I sent Malek on May 21, 2008, is enclosed herewith as Appendix 17.**

1. My letter speaks for itself, and shows how I was “like clay in the hands of the potter” in Malek’s hands, when on the one hand, I believed he was making investments and generating good profits for me, and on the other hand, I was entirely dependent on his desire to repay my money.
2. Following the foregoing, Malek wrote me on May 23, 2008, that he was “working” on finding a way to release the funds and transfer them to me, and that he even spoke to Lutcher in order to transfer the funds from P&P Bank. In the same letter, Malek reiterated that we are in a $100 million dollar investment block with other investors, and that if we withdraw funds from the investment we will have to compensate the other investors for the termination of the investment. He also stated in the letter, that the funds deposited at P&P Bank had already accumulated a profit of $8.7 million dollars, and that if we withdrew funds from there, a financial loss of $13.3 million dollar would ensue. Malek further claimed, that the withdrawal of the funds would cause him irreparable damage within the Swiss banking system.
3. Malek did not settle for this, and even contacted a rabbi with whom I usually consult, by the name of Rabbi Werner, and pressed him to convince me not to withdraw the funds. Malek noted this in a letter he sent to me. It is perfectly clear that Malek knew full well how to exploit my weaknesses as a Haredi Jew, who consults with rabbis.

**The letter Malek sent me on May 23, 2008, is enclosed herewith as Appendix 18.**

1. Of course, this letter only intensified the pressure I was under.
2. Later, I talked to Malek over the phone, and he promised to transfer me $10 million dollars within a few days. In conversation, Malek complained that my children, who work with me in the real estate business, contacted him and demanded the restitution of the funds. He also warned me once again not to contact the banks where the funds were located, as this may lead to a freezing of the accounts, and the loss of the investments he made. Malek further noted, that he was working hard to release the $68.7 million dollar Fund monies, and that that process would end soon.
3. Following the foregoing, I corresponded with Malek, and thanked him for his willingness to transfer $10 million out of the funds I transferred to him. Moreover, I apologised for my children calling him, and expressed my complete confidence in him. In response, Malek wrote me that the amount was already on its way to my US account.

**My correspondence with Malek, dated May 28, 2008, is enclosed herewith as Appendix 19.**

1. The problem was, that a few days had passed, and I saw that the money Malek had promised was on its way, did not reach my bank account. I also realised that the Fund money had not been released.
2. Due to the foregoing, I began to worry that I had actually fallen victim to a con, and asked to meet with agents of the “Funds” managing body. However, Malek informed me that due to the Fund’s discretion, the body’s representatives would not meet with me, and even sent me a letter from the Fund which stated as much. The letter I received, also stated that further appeal to the Fund in this regard would result in a loss of profits.

**The letter, dated May 30, 2008, sent to me by Malek regarding the refusal of the Fund’s representatives to meet with me, is enclosed herewith as Appendix 20.**

1. This letter caused me paralysing fear, as I was very worried about losing the millions of dollars I transferred from my own money for the purpose of the release of the funds. Therefore, I abandoned my request to meet the representatives of the “governing body” and the “denial” mechanism I was caught up in, made me continue to believe that the Fund would be released soon.
2. At the same time, Malek continued to fool me, claiming that he was working on releasing the Fund’s monies, and at the same time trying to find a solution that would permit a withdraw of money from the investments without causing any losses, as he continued to claim that the invested money was already making huge profits. At this point, Malek claimed that he and Lutcher were working to transfer the funds from those I had transferred to an account at P&P Bank.
3. In order to convince me of this, Malek made sure that Lutcher send me a letter stating that the P&P bank account profit is $7.3 million dollars, and that he was negotiating the release of funds, as the bank requires large-scale fines to “break” the investment before its end.

**Lutcher’s letter to me and to Malek, dated June 5, 2008, is enclosed herewith as Appendix 21.**

1. Later, Malek contacted me, claiming that he and Lutcher had found an alternative investor who agreed to take my place in the investment, and return the funds I transferred to P&P Bank with an additional $5 million dollars in profits. As evidence, a letter was sent to me by that anonymous “investor” under the name “Alderman Finance” (hereinafter: “**Alderman**”).

**The letter I received from Alderman, dated June 18, 2008, is enclosed herewith as Appendix 22.**

1. I should note, that some time before then, I contacted Lutcher about the release of the funds at P&P Bank, and Lutcher told me that he had already transferred $1.2 million dollars to me, pursuant to Malek’s instructions, through his accounts. Needless to say, I did not receive said amount. When I contacted Malek, and asked him to comment, he denied that he had given such an instruction and/or that such a sum had been transferred to him, and in fact hinted that Lutcher was not telling the truth.
2. At this point, I was in complete uncertainty about the tens of millions of dollars I had deposited with Malek. An accumulation of events, including the fact that the funds I transferred to Malek were not returned to me despite my repeated demands, the non-release of the Fund’s monies, the withdrawal of the funds from Malek’s accounts despite his clear undertaking not to do so, and Lutcher’s claims regarding the $1.2 million dollar transfer with Malek’s denial, resulted in a complete loss of my trust in Malek and his associates, and an understanding that my money is at high risk with people who cannot be trusted.
3. To which I should add, the fact that I contacted P&P Bank to find out why my funds were not being released, and then I learned that, contrary to what was presented to me, Lutcher did not work at the bank at all. Let me point out, that Lutcher’s impersonation made me believe Malek’s version regarding the $1.2 million dollars that Lutcher claimed to have passed on to me, according to Lutcher’s version of events.
4. I realised that I must act quickly to try to minimize the damages, and restore the significant funds I deposited with Malek and his partners. To that end, I performed several actions. First, I asked my secretary to prepare an orderly table of all the transfers that were known at the time from my accounts, in order to create a complete picture, as far as possible, of the financial situation.

**The table prepared by my office on June 1, 2008, is enclosed herewith as Appendix 23.**

1. As one can see, I note in the table said $1.2 million dollars that Lutcher claimed to have passed on to me through Malek; however, since I was inclined to believe that Lutcher was not telling the truth about that, I noted next to the amount that: “According to Peter, R. Malek withdrawed But we are not sure (*sic*)”.
2. Moreover, I retained the services of a private investigator for the purpose of investigating the Fund. Said investigator informed me that there was no Fund in Malek’s name, and that this was a “Nigerian Sting” con, that had already duped numerous victims. Naively, I contacted Malek and shared these findings with him.
3. Malek told me that he was amazed by the findings, and that if it was indeed a con, he also fell victim to it. Malek also added, that some of the funds he had transferred from LLB Bank and from Saxo Bank were also intended to release the Fund’s monies, and that he intended to contact Saxo to repay the funds transferred. I note again, that at the time the funds were transferred, this was not with my approval and/or knowledge.
4. On June 28, 2008, Malek did in fact contact a company called Finexo, which worked with Saxo Bank, and through which he performed the transfer operations at the bank, demanding that the funds he transferred as he “claimed” for the purpose of releasing the Fund, be returned on the grounds that he fell victim to a Nigerian Scam.

**The letter Malek sent to Saxo Bank through Finexo on June 28, 2008, is enclosed herewith as Appendix 24.**

1. Given Malek’s efforts to recover the funds, I tended to believe that he too fell victim to the same scam, but I was not sure.
2. At the same time, I also retained an attorney from the United States for the purpose of tracing the funds that Malek claimed to have transferred to release the scam money. Both I personally, and said attorney, contacted, in my name, and on behalf of Malek, the banks to whom the funds were transferred, demanding their return.

**An example of the letters sent by me and by my Counsel, regarding the recovery of funds, is enclosed herewith as Appendix 25.**

1. The very fact that the appeals were in my name and in Malek’s name, indicates that at that stage I believed that Malek was also a victim of the scam.
2. At any rate, after contacting those banks, I was informed that the accounts to which the funds were transferred, had been emptied out by unknown persons shortly after the funds arrived at their destination. At this point, I realised that the those funds were probably lost, and so I concentrated on recapturing the funds still left in the accounts.
3. Moreover, and in light of the questions I had regarding Malek’s management of the funds, I informed LLB Bank and Saxo Bank that the exclusive power-of-attorney I granted Malek to operate in my accounts was revoked, and I requested that the funds in the accounts be returned. At the same time, my Counsel contacted Malek and Lutcher demanding restitution of the funds. Some of my children also contacted Malek on the matter.
4. Malek, as usual, was able to take advantage of the situation to press me on my major weaknesses. He wrote me a long letter calling me “my brother”, claiming that my children were trying to take control of my business, employing Jewish and biblical motifs to cause me to identify with him as a believer. If that were not enough, Malek said in that letter that he met my late father in a dream, and he claimed that he expressed a strong desire that I continue my investments with him. He also said that when he woke up he asked for a sign from the heavens to the correctness of the dream, and that then a prophet revealed himself to him confirming it. Later, he told me about the huge profits that he generated for me, and that if I only allowed him to continue to manage the funds everything would fall into place. On the other hand, he warned him (*sic*) in the letter that if I did not listen to him, I would suffer “**great and irreversible damages**.”

**The letter Malek sent me on June 23, 2008, is enclosed herewith as Appendix 26.**

1. The manipulative use of my late father and children, the claim that he received a sign from the heavens for the success of his investments, and the threats of irreparable damages if I did not cooperate with him, put me in severe emotional and mental turmoil.
2. The forgoing notwithstanding, I was determined to withdraw the funds back to my accounts in the United States, and I refused to continue the business relationship with Malek.
3. As a result, Malek informed me shortly afterwards that my appeal to the banks had “damaged” the various investments, and caused the funds I deposited in his possession, and which were transferred by him to various investments, to be lost.
4. I felt that my world was collapsing, and I had completely lost the natural faith I had in humans until that time. The harsh sense of betrayal I experienced, led me to almost never leave my home for several months. Part of the great difficulty, was because I didn’t know what really happened to the money.
5. Due to the foregoing, and in order to discover the truth, I decided to file complaints with the Israeli and Swiss law enforcement authorities, so that they could investigate the persons involved, and get to the root of the matter.
6. Following an investigation in Switzerland which involved Lutcher’s arrest, the authorities there managed to put their hands on some of the funds transferred to his account at P&P Bank, and these funds were returned to me with Lutcher’s consent. Overall, I received a refund of $3.5 million dollars from the P&P bank account, out of the $10 million dollars deposited in that account.

**Evidence of the funds returned to me from P&P Bank is enclosed herewith as Appendix 27.**

1. I should note, that in Clause 51 of the Statement of Claim, my Counsel stated that a sum of $6 million dollars was returned to me from P&P Bank. This figure is incorrect, and was written due to a misunderstanding on behalf of Counsel, since, as abovementioned, I only received $3.5 million dollars from that bank. I further point out, that at the time I did not know what was the fate of the other funds deposited into that account, in light of the fact that Lutcher claimed that they were lost in investments that went down the drain due to my decision to terminate the investments.
2. Of the $10 million dollars transferred to LLB Bank, I managed to regain possession of a total of only $6.8 million dollars. It is noted, that the remaining $3.2 million dollars were transferred from the account by Malek, in various transfers, to a number of destinations around the world, including a transfer of $350,000 dollars to his account at the Postal Bank in Israel.

**Evidence of the funds returned to me from LLB Bank, is enclosed herewith as Appendix 28.**

1. As stated, Malek claimed that these were transfers for the purpose of various investments, as well as the release of the monies locked in the Fund, and I had no evidence to prove otherwise, despite my attempts to trace the funds with the assistance of various professionals. In retrospect, I can say that Malek acted in a very sophisticated way so that I could not discover the truth.
2. Out of the $10 million dollars I deposited with Saxo Bank, I was able to withdraw initially $4.5 million dollars back into my accounts in the United States, and an additional $6.4 million dollars remained at Saxo Bank (for a total of $10.9 million dollars).
3. When I cancelled Malek’s power of attorney in my personal account, and asked to withdraw the funds back to the US, Rabin, who was, as stated, Malek’s money management partner, claimed that he was not involved in any transfers made by Malek from the account, and therefore that I could count on him to continue to manage the funds with Saxo Bank in light of the profits accrued in the account. At the same time, I naively thought that he was telling the truth, and allowed him to continue to manage the funds remaining at Saxo Bank. In retrospect, I can say with a high degree of certainty that Rabin continued to cooperate with Malek.
4. In any case, Rabin continued to carry out various transactions with the funds remaining in the bank, and at the end of the day, the sum of $6.4 million dollars remaining in the account incurred investments losses of $3.2 million dollars, and I was refunded only $1.2 million dollars. In other words, in total, of the $10 million dollars I transferred to Saxo Bank, only $4.5 million dollars and another instalment of $1.2 million dollars, for a total of $5.7 million dollars, were returned to my U.S. accounts. The balance of the funds were lost in investments and transfers made by Malek from the account.

**Evidence of the funds returned to me from Saxo Bank, is enclosed herewith as Appendix 29.**

1. In this context, I would like to state, that I previously made an affidavit stating that I had gained profits of $900,000 USD in the bank account with Saxo Bank. Today, after fully analysing the accounts, I can say that this number is incorrect, since, as abovementioned, I incurred millions of dollars in losses with respect to the funds transferred to Saxo Bank. As abovementioned, I previously thought that profits were generated in the account, because I naively thought that the investments made by Rabin in the account at a later stage, and which resulted in millions of dollars in losses, did not relate to Malek, whereas today I understand that this is not the case.
2. I would also like to point out in this regard, that the data presented by Malak in his legal action are misleading, as he presented a printout of only one bank statement with Saxo Bank in the name of IBC, when in actual fact he managed a large number of accounts and sub-accounts at the bank to make it difficult to keep track of the funds that came in and out of all accounts. It is clear that the fate of the funds cannot be understood from reading a single bank statement, when there were countless transactions in other accounts and sub-accounts. Moreover, Malek may have made roundabout transfers between the various accounts, in order to present supposed profits in the account at Saxo Bank, however I have not been able to prove this.
3. So there we have it, in all, of the $30 million dollars that I deposited with Malek, only $15.8 million dollars were returned to me, while the balance of the $14.2 million dollars disappeared without me knowing to this day what happened to most of the money. In addition, I transferred another approx. $2.5 million dollars to release the Nigerian scam fund, and that sum was also lost.
4. I note, that the amounts I have set out above are accurate, and have been stated following careful examination of all relevant bank statements by a professional on my behalf. I should also point out, that in previous proceedings, I may have stated slightly different sums than the aforementioned sums. To the extent that I did so, same was born of an estimate of the amounts I lost, but as stated, these are the exact amounts after careful examination.
5. In any case, and as I mentioned above, I filed a complaint with the Israel Police Force against Malek, on account of the funds that disappeared, so that it could help investigate the truth employing the means of investigation at its disposal.
6. At the same time, and after Malek did not repay the personal loan I gave him, I filed a legal action against him in 2009, demanding the repayment of the $796,000 Loan (*Case* 13972-09-09) (hereinafter: the “**Loan Claim**”).

**The Statement of Claim I filed in *Case* 13972-09-09, is enclosed herewith as Appendix 30.**

1. As stated, at the aforementioned time I did not know what was the fate of the funds that had disappeared, I did not know whether they were lost in failed investments as Malek and Lutcher claimed, or whether they were stolen in a sophisticated sting, and if so by whom. I certainly I did not have any evidence to prove how the funds were lost, and therefore, absent choice, I had to settle at that time only for a legal action pertaining to the Loan which was not repaid. Needless to say, if I had complete knowledge and evidence of the theft of the funds by Malek at the time, I would have sued for them as well.
2. In the Defence filed by Malek, he claimed that the Loan he had taken was only for $500,000 dollars, and that IBC repaid the Loan for him through the profits that were due to the company from the investments made for me.
3. Furthermore, Malek claimed that the balance of the funds I transferred to him on his instructions, were not given as a loan, but for my various needs. Thus, for instance, he claimed that the $175,000 dollars I transferred to his personal account at the Postal Bank was used to purchase equipment for setting up a “transaction room” to manage the investments as well as various payments to Rabin for his work. In addition, Malek claimed that he transferred some of the money on my instructions as donations to various institutions, including Rabbi David Grossman’s society and yeshiva in Jerusalem. Of course, these claims are utterly baseless.

**Malek’s testimony-in-chief in the Loan Claim, in which details his claims, is enclosed herewith as Appendix 31.**

**Minutes of Malek’s testimony, dated January 5, 2014, are enclosed herewith as Appendix 32.**

1. After several years, and many hearings, judgment in the Loan Claim was handed down on July 21, 2014. In the judgment, Malek’s claim as if he had repaid the Loan through profits that would reach IBC, was rejected, and the Court made serious findings about Malek’s lack of credibility. Unfortunately, the Court held that it was not proven that the rest of the money I had transferred to Malek, to the tune of $296,000 dollars was given as a loan, and therefore rejected my claim for the aforementioned amount.

**The Judgment awarded in the Loan Claim, is enclosed herewith as Appendix 33.**

1. It should be noted, that in the years during which the Loan Claim legal proceedings were in progress, the Israeli police continued to conduct its own investigation into the millions of dollars that disappeared from the funds I transferred to Malek. I further point out, that during 2013, my attorney in the Loan Claim filed a motion to instruct the district prosecutor to permit him to review the police investigative materials gathered by that time, thinking there might be information in said materials that might help clarify the truth regarding the Loan Claim.
2. Due to an error on behalf of the prosecution service, my attorney accidentally received one document of the many investigative materials, without any judicial decision permitting same. Upon the discovery of the incident, my attorney immediately returned the document to the prosecutor’s office, and at the same time, the prosecutor’s office informed the Court that it refused to permit perusal of the investigative materials, because the investigation was still underway, and the State Attorney’s directive forbid perusal of a criminal file before the investigation is completed and a decision is made.

**The district prosecutor’s notice to the Court in the Loan Claim, dated July 14, 2013, is enclosed herewith as Appendix 34.**

1. In any event, although the Court ruled that Malek had to repay the money of the Loan he borrowed, Malek evaded repayment of the debt, and at the same time appealed the judgment to the Supreme Court.

**Notice of the appeal filed by Malek to the Supreme Court from the Judgment in the Loan Claim, is enclosed herewith as Appendix 35.**

1. Eventually, after a hearing at the Supreme Court, Malek withdrew the appeal, but refused to repay the Loan, even though the Judgment became final.
2. Left with no choice, on July 13, 2015, I was forced to instigate a collection action against Malak with the Bureau of Effectuation of Judgements.
3. A short time later, and apparently to try to dissuade me from continuing the collection proceedings against him, Malek, via IBC, filed against me the principal legal action in these legal proceedings.
4. In order to evade payment of the debt in the judgement effectuation proceedings, Malek applied for an order for payment of 150 NIS per month, claiming that he and his wife Sarit were desperately poor and out of work, and living off a meagre pension Sarit was receiving from her work as an employee, as well as a Social Security stipend. Needless to say, this request was in complete contradiction to the presentations he presented to me of being an international investment “Guru,” who successfully manages investment portfolios worth hundreds of millions of dollars.

**The petition for a Payment Order filed by Malek on January 26, 2016, is enclosed herewith as Appendix 36.**

1. My Counsel started to look into the financial situation of Malek and his wife Sarit, and it transpired that the couple were living a extravagant lifestyle that included living in a luxury apartment, driving a luxury vehicle, and owning real estate that gained them thousands of shekels in income each month. However, it turned out that all of the properties that the Malek couple enjoyed the benefits of, were all registered in the name of Sarit, whereas Malek himself did not have any property registered to his name. It also transpired, that Malek inherited real estate from his deceased parents, but avoided listing the property in his name, so that none would know anything about his ownership of the property, and I could not collect the debt from him by agency of that property.
2. As part of the collection proceedings, my Counsel motioned for an order to receive information from the National Insurance Institute, at which point it became clear that Malek’s annual reported income was only a small sum of 6,000 NIS.

**A printout of Malek’s income from the National Insurance Institute for 2013, is enclosed herewith as Appendix 37.**

1. It also transpired that Malek had a considerable number of collection cases pending against him with the Bureau of Effectuation of Judgements.

**A list of the collection actions against Malak, is enclosed herewith as Appendix 38.**

1. Moreover, it became clear that IBC did not bother to submit annual reports to the authorities in accordance with the law, and that its bank account was restricted. Thus, for instance, it transpired that in 2006 – 2008 and 2010 – 2012, the company did not submit annual financial statements, and therefore received a warning notice prior to being declared a company in breach of the law. Immediately after receiving the letter, the company filed an annual financial statement for 2013. In other words, it transpired that IBC was in fact a front company, that was absent any activities.

**The warning letter, confirmation of a restricted bank account, and a report on the submission of an annual financial statement for 2013, are enclosed herewith as Appendix 39.**

1. My Counsel directed the attention of the Honourable Registrar at the Bureau of Effectuation of Judgements, to the fact that Malek’s petition for a payment order was based on a false affidavit regarding the extent of his property and his wife’s property, and that the couple concealed their ownership of many real estate assets and rent income worth thousands of shekels per month.
2. In the light of the foregoing, Malek filed an updated application for a payment order, in which he had to admit that his wife owned a large number of real estate assets. However, Malek claimed that he and Sarit maintained a regime of complete separation of property, and therefore that he had nothing to do with those assets. Needless to say, Malek did not bother to explain in his application how he “forgot” to state these facts in his first petition for a payment order.

**The second petition for a payment order filed by Malek on March 01, 2016, is enclosed herewith as Appendix 40.**

1. Later, Malek was summoned, on March 14, 2016, to a hearing to determine his financial circumstances at the Bureau of Effectuation of Judgements. In said hearing, Malek continued to claim that he lacked property, and that his wife Sarit provided for his living. On the other hand, he could not explain how his wife managed to purchase so many real estate assets worth millions of shekels, from her job as a low-income employee.

**Minutes of Malek’s cross-examination relating to his financial ability, at the Bureau of Effectuation of Judgements, dated March 14, 2016, are enclosed herewith as Appendix 41.**

1. Following the cross-examination, the Honourable Registrar at the Bureau of Effectuation of Judgements rejected, on March 29, 2016, Malek’s petition for a payment order, stating that he must pay me the sum of 10,000 monthly, until the debt was repaid. In her decision, the Honourable Registrar stated that Mr. Malek’s testimony was full of contradictions, and that an attempt to conceal the truth was evident in it.

**The Decision of the Bureau of Effectuation of Judgements’ Honourable Registrar, dated March 29, 2016, is enclosed herewith as Appendix 42.**

1. However, Malek did not relent, and on April 10, 2016, he filed a third petition for a payment order, in which he continued to claim that he suffered from a difficult financial situation, and a complete property separation from Sarit. This petition was also rejected.

**Malek’s third petition for a payment order, dated April 10, 2016, is enclosed herewith as Appendix 43.**

1. At the same time, and with the discovery of information regarding the assets of the Malek couple, my Counsel instituted an Originating Summons in which they sought to secure a declaration that the registration of the real estate assets in Sarit’s name was a fiction, and that in fact they were Malek’s own property. My Counsel sought and received temporary attachment orders on the aforementioned real estate assets.
2. Malek and Sarit denied in those legal proceedings that Malek had rights in the real estate properties, claiming yet again that the assets belonged to Sarit alone, and were covered by a regime of complete property separation between the couple.

**Malek’s Reply to the Originating Summons is enclosed herewith as Appendix 44.**

**Sarit’s Reply to the Originating Summons is enclosed herewith as Appendix 45.**

**Sarit’s affidavit of document discovery in the Originating Summons is enclosed herewith as Appendix 46.**

1. My Counsel intensified their efforts at collection against the Malek couple, and sent a contractor on their behalf to foreclose chattels from their apartment.
2. Due to the foregoing, and in another attempt to prevent the collection proceedings, Sarit instituted proceedings in which she applied to the Court to declare her absolute ownership of the real estate in the Malek couple’s residence.

**The Statement of Claim filed by Sarit regarding ownership of the chattels in the apartment is enclosed herewith as Appendix 47.**

1. As part of the collection efforts, and the attempt to divulge information about the Malek couple and their assets, my Counsel, over the course of June 2016, reached out to the Central District Prosecutor’s Office, with another request to peruse the Malek investigation file. Then, they first learned that during July 2015, the police decided to close the case on grounds of “lack of sufficient evidence to prosecute” (this is different from lack of guilt).

**The police decision regarding closure of the investigation file, dated July 30, 2015, is enclosed herewith as Appendix 48.**

1. Needless to say, I was very disappointed to hear about the closure of the case, and even more about the cause of its closure, as I had hoped that with the help of its considerable resources, the Israel Police Force would be able to discover the truth, and find relevant evidence to prove the fate of my money.
2. However, since the investigation file was closed, my Counsel, for the first time, was able to peruse the materials in it. And indeed, during May 2016, the Central District Prosecutor’s Office informed my Counsel that they were entitled to review the investigation file.

**Notice from the Central District Prosecutor’s Office regarding a perusal of the police investigation file, dated May 22, 2016, is enclosed herewith as Appendix 49.**

1. Numerous documents were discovered in the investigation file, including records of Malak’s police investigations, printouts of Malak’s and IBC’s accounts with the Postal Bank from the relevant period, as well as correspondence between police investigators and Postal Bank representatives.

**Minutes of Malek’s police investigation during 2011, are enclosed herewith as Appendix 50.**

**Account printouts with respect to Malek and IBC, found in the investigation file, are enclosed herewith as Appendix 51.**

**Correspondence between police investigators and Postal Bank representatives, is enclosed herewith as Appendix 52.**

1. My Counsel and I were stunned by the findings of the police investigation. Thus, from Malek’s account statements, it transpired that there was no activity in the accounts except for during the period when I was depositing funds with him. It further transpired, that Lutcher’s claim that he transferred to Malek a sum of $1.2 million dollars out of the funds I deposited with P&P Bank was correct, since on April 8, 2008, Malek’s account received a sum of 4,311,600 NIS, which is equal to $1.2 million dollars.
2. And as if all that were not enough, during his investigation by the police, Malek admitted that the same $1.2 million was indeed transferred to his account at the Postal Bank, and that these were funds belonging to me, and that he even transferred them to me (which is obviously not true). As abovementioned, when I contacted Malek about the matter during 2008, he utterly denied that he received the funds.

**The relevant page from the police investigation, is enclosed herewith as Appendix 53.**

1. Moreover, from the investigative documents it further became clear that the sum of $350,000 dollars (1,191,253 NIS) which Malek transferred to his account at the Postal Bank on May 15, 2008 out of the funds I deposited with LLB Bank, was not used to invest in an energy project known as the “Millennium Project” as Malek claimed at the time.
2. This transpired beyond any doubt, when we realised that the abovementioned sum, as well as the $1.2 million dollars, were withdrawn by Malek in several cash instalments shortly after the funds were received in the account, and were used by Malek and Sarit for personal expenses, including for the purchase of two luxury apartments on HaTomer Street in Holon in Sarit’s name, laundering the stolen funds.
3. Thus, amongst the Postal Bank cashier vouchers conveyed to the police investigators over the course of 2010, used to withdraw funds from the account, there were cheques for a person named Joseph Zerger, who according to documents presented by Sarit in Court, is the person from whom she bought two apartments on HaTomer Street in Holon.
4. It should be noted, that during the police investigation Malek attended on May 23, 2011, those cashier vouchers were presented to him, and he admitted that these were: “***Cheques given as payment for the purchase of the apartment.***” Malek also explained, that although he was the beneficiary of some of the cheques, it was in fact an: “***Internal cheque – a cashier voucher with which they paid the money to the contractor.***”

**The cashier vouchers for withdrawing the stolen money from the account and laundering it, are enclosed herewith as Appendix 54.**

1. Another thing that amazed me and my Counsel, is the fact that although it was perfectly clear that the deposit of millions of dollars from foreign accounts into Mr. Malek’s account, and the withdrawal thereof within days, by means of large withdrawals, constitutes extremely unusual events in relation to Malek’s ordinary course of business, and raise a clear suspicion of committing the criminal act of money laundering, The post office clerks who handled Malek’s account did nothing to stop the transactions, and in fact allowed Malek and Sarit to launder and dispose of the money stolen from me.
2. Once the foregoing became clear, I realised for the first time, that I knew for sure that Malek is responsible for stealing at least those $1.55 million dollars transferred to the Postal Bank in Israel, and that I am in possession of conclusive evidence to prove the fraud and theft.
3. I further realised for the first time, that Sarit was a full partner in the theft, in that she worked with her husband to launder the stolen money through the purchase of assets in her name. In addition, I realised for the first time, that the Postal Bank was also responsible for the theft and laundering, by being aware that Malek and IBC had not conducted any financial activities at the bank for many years, and yet the bank allowed Malek to transfer millions of stolen dollars into his account, and withdraw the funds from the bank without interruption. The documents from the police investigation also show that the bank actually served as a platform for the theft and fraud acts committed by Malek and Sarit.
4. According to legal advice I have taken, the bank’s actions constituted a grave breach of mandatory provisions with respect to the prevention of money laundering, as well as criminal negligence.
5. As a result, I decided to file this legal action with the Court, in an attempt to recover the funds that Malek and Sarit stole from me under the bank’s nose. I will point out, that the amount I am now claiming is only a small amount in relation to the total amount I lost at the time, but unfortunately, even today, I have no evidence to prove any further acts of theft on behalf of Malek or others, and therefore I cannot claim larger sums.
6. To complete this Affidavit of mine, I note a number of other facts relevant to the proceedings.
7. First, before I filed the legal action, the Malek couple realised that their considerable efforts to conceal their property, and evade repayment of the Loan to me had failed, and that if they did not repay the debt in full, my Counsel would act to realise the property they owned. Due to this, the couple agreed, with no choice, to repay the debt.
8. Accordingly, during August – November 2016, Sarit paid the full amount of the debt pertaining to the file pending at the Bureau of Effectuation of Judgements (after my waiver of a very small portion of the debt).

**Evidence of the transfers made by Sarit to repay the Loan, is enclosed herewith as Appendix 55.**

1. Following the institution of these legal proceedings, my Counsel and Malek’s Counsel reached an agreement on the granting of mutual powers-of-attorney for receipt of information from the relevant banks in which I deposited my money. As a result, my Counsel contacted Saxo Bank, and obtained full bank statements of the accounts being managed at the bank at that time. My Counsel also received letters from the bank, specifying who owned all the accounts.

**Confirmation of ownership of the accounts at Saxo Bank, is enclosed herewith as Appendix 56.**

**Printouts of the account statements at Saxo Bank, are enclosed herewith as Appendix 57.**

1. Another fact worthy of noting, is that when Malek realised that he could not deny receiving the $1.2 million dollars in his account, he began to claim that the statement he gave to the police, that it was my money, was wrong, and that after investigation, he remembered that they were funds that had nothing to do with me, and that they came from another source not related to the money I deposited with P&P Bank through the Alderman account, which is a clearing house for transfers between large banks.
2. Later he told a new story, whereby the money came from a man named Warner Meisburger owing to a business relationship he had with him. Malek also added that said Meisburger had passed away, and therefore could not testify to the fact.
3. Owing to the foregoing, we understood that we must find evidence to refute the new false claim which Malek had now provided in these proceedings. My Counsel contacted a Swiss law firm that managed to put its hand on the printouts of the account opened by Lutcher at P&P Bank from that time, as well as on the Alderman account bank statements with UBS Bank, to which it later transpired the funds had been transferred from P&P Bank.
4. From those statements, we can see how Lutcher transferred the funds I deposited into the account of the Alderman Company, while Alderman transferred $1.2 million dollars to Malek’s account.

**Lutcher’s bank account statements from P&P Bank, are enclosed herewith as Appendix 58.**

**Bank account statements relating to the Alderman Company at UBS Bank, are enclosed herewith as Appendix 59.**

1. The aforementioned bank account statements essentially closed the circle, and showed most clearly how the theft was carried out, and how Malek and Lutcher acted in a sophisticated way, first transferring the funds to a third party, and only then taking the money for themselves.
2. In this regard, I would point out, that said Alderman Company to which the funds were transferred, and that Malek now claims to be a clearing house, was presented to me at the time by Lutcher and Malek as an alternative “investor”, who would agree to take my place in the investment, at the time that I wanted to withdraw my money. In other words, while the company holds my funds, it writes a letter presenting itself as an alternative investor willing to invest in my place. It is perfectly clear, that the same Alderman Company was in one form or another part of the conspiracy, and certainly not a clearing house as claimed by Malek.
3. In this regard, I would also point out, that my lawyers discovered that legal proceedings were pending against the Alderman Company in Israel, after it transpired that it swindled a group of Israelis for a considerable amount of money.

**The judgment given in *File* 5158-04-10 from which one can learn about the true nature of the Alderman Company, is enclosed herewith as Appendix 60.**

1. Following further new efforts, minutes of investigations of Lutcher and the owner of the Alderman company, Mr. Koby Oren carried out by the Swiss police, also came to me later. In the abovementioned minutes, they both confirmed that the $1.2 million dollars transferred from the Alderman account at UBS Bank, was requested by Malek, and transferred to his account in Israel, in stark contrast to the many tales he told about a fictional character named Mr. Meisburger.

**The minutes of Lutcher’s and Mr. Koby Oren’s investigations, including translation into Hebrew, are enclosed herewith as Appendix 61.**

1. In the course of the proceedings, new facts also came to light regarding the Postal Bank, which reinforced my claims of criminal negligence and breach of statutory duty on the part of the bank. According to advice I received, the bank was required to disclose several documents in the proceedings. In doing so, the bank forwarded to my Counsel an affidavit with a list of relevant documents that they hold, including various documents relating to Malek’s and IBC’s account activity during the relevant period, the procedures for implementation of the Prohibition of Money Laundering Act at the relevant period, as well as proof of reports made by the bank to the Prohibition of Money Laundering Authority.

**The disclosure affidavit from the Postal Bank, is enclosed herewith as Appendix 62.**

**Evidence of the transactions in Malek’s and IBC’s accounts, are enclosed herewith as Appendix 63.**

**The Postal Bank’s procedure for implementation of the Prohibition of Money Laundering Act 2004, is enclosed herewith as Appendix 64.**

**Evidence of the reports made by the bank to the Anti-Money Laundering Authority is enclosed herewith at Appendix 65.**

1. Moreover, my Counsel have discovered a number of legal proceedings in which the Postal Bank made claims which are in complete contradiction to the claims made by it in the proceedings in connection with the duties applicable to the bank when there is a concern about proscribed activity being executed at an account managed at the bank.

**Minutes and affidavits filed by the Postal Bank in *Originating Summons* (Nazareth) 43096-08-15 and in *Civil Action* (Haifa) 42979-03-17, are enclosed herewith as Appendix 66.**

1. Finally, I should note, that I was informed by my Counsel that the Malek couple took care in these proceedings to hide any relevant information about them. In this regard, I learned from my Counsel, that the two had submitted very partial affidavits regarding the relevant documents in their possession pertaining to the proceedings.
2. As a result, my Counsel conveyed to the Malek couple a demand to convey many documents and answer questions, however, Malek refused to answer most of the questions and/or provide the required documents.

**Malek’s affidavit of document discovery, is enclosed herewith as Appendix 67.**

**The request for disclosure sent by my Counsel to Malek, is enclosed herewith as Appendix 68.**

**The reply provided by the Malek couple to the request for disclosure, is enclosed herewith as Appendix 69.**

1. From what I learned, only following a Court hearing, Malek gave my Counsel another affidavit containing a small number of documents. Among those documents, was Malek’s criminal record, which shows that, contrary to what he had previously claimed, Malek has previous convictions for offenses of forgery and fraud. Needless to say, this fact greatly reinforces my claim that Malek was deceiving me and stealing my money.

**The criminal record that Malek conveyed to my Counsel, is enclosed herewith as Appendix 70.**

1. In the margins, I would like to point out that by now, different from how it was in the past, it is perfectly clear to me that I fell victim to a sophisticated fraud and deception by Malek, Sarit, and the rest of the parties in the crooks’ network. I am able to state this with certainty today, in light of all the new information that I have recently received, after my Counsel was given the opportunity to review the Israeli Police’s investigative materials.
2. Unfortunately, even today, I cannot say for sure where the millions of dollars I gave Malek and his partners ended up, and whether the funds were stolen, and if so by whom. The great difficulty in solving the mystery lies in the fact that Malek and his partners deliberately created a branched and cumbersome banking infrastructure, that would not facilitate tracing the funds once they left the accounts.
3. Thus, Malek and his partners succeeded in blurring the money transfer route in a way that the Israeli police also failed to uncover the truth, and find conclusive evidence of how the money was used, and therefore closed the investigation file in the absence of sufficient evidence.
4. This is my name, the following is my signature, and the contents of this, my Affidavit, are true.