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By Email and Mail

**Re: *Hamed v. Yusuf and United Corporation***

Dear Counsel:

While we filed a motion to enforce compliance with the preliminary injunction yesterday, there are other on-going matters of concern. We did not include these matters in the motion to compel filed yesterday because we had not previously addressed these matters with you and would like to work this out amicably. With your help, we can put this operation back on the right track and avoid injecting the lawyers into the everyday functioning of the Plaza Extra Supermarkets.

In this regard, your clients have been making unilateral decisions with regard to third-parties, such as vendors, advertisers, and contractors. As you know, such unilateral action is prohibited under the Preliminary Injunction Order, which states in part as follows:

**ORDERED** that the operations of the three Plaza Extra Supermarket stores **shall continue as they have throughout the years prior to this commencement of this litigation**, with Hamed, or his designated representative(s), and Yusuf, or his designated representative(s), jointly managing each store, **without unilateral action** by either party, or representative(s), affecting the management, employees, **methods, procedures and operations**. It is further. . . (Emphasis added.)

Additionally, your clients have also been representing that the Yusufs (Mike Yusuf or United) are "in charge", telling these third parties that business transactions have to be done with them and not the Hameds, again contrary to past practices and the Preliminary Injunction.

I will not go into a long litany of the times this has happened recently -- but it is happening with increasing frequency and intensity. These are just a few, recent examples:

### **1. Security at St. Thomas Plaza Extra Store**

Willie Hamed has run security at the St. Thomas store for the past 20 years. Some security is on the clock and some on contract. NejeH Yusuf has suddenly decided that he wants to unilaterally put them all on payroll. Moreover, and more concerning, he has been speaking to the security personal without letting Willie know what he is doing.

When Willie was going to the rest room yesterday, January 22<sup>nd</sup>, he heard NejeH say to a security person that "he [NejeH] had decided that everyone must be on the payroll." Willie reminded him that he [Willie] has been the person with responsibility for that department and that changes need to be made together, indicating that he would certainly discuss the matter, but that the decision-making needs to be made together.

NejeH stated that Mike Yusuf had "overridden you [Willie] on this." Also that "it's the corporation that is in charge here, not you Hameds." Willie reminded him that Mike cannot make that decision and then asked that NejeH put the proposed changes in an email, to which NejeH responded that he would not. Instead he said "United Corporation owns all of the St. Thomas store, and therefore Mike can override you."

### **2. Radio Advertising**

For many years Wally Hamed has always negotiated and signed the contracts for radio advertising for all three stores, which are renewed annually. On January 17<sup>th</sup> Shawn Hamed (at the West store) was presented with checks to sign and a contract for radio advertising signed by Mike Yusuf. Every very year in the past, Jonathon Cohen from the radio stations calls Wally and sets an appointment. This year he did not call Wally because he was contacted directly and apparently told that Mike was in charge as the president of United. He was then told he had to deal with Mike, not Wally. Of course, by the time Wally got in touch with Jonathon, Mike had already worked out numbers that were higher than Wally had projected to use in the negotiations, which would not have happened if Mike had just consulted Wally.

### **3. Tropical Shipping**

Consistent with the radio advertising issue, Willie Hamed got a call from Tropical Shipping's manager, stating that he had been told "Mike is the president of the

corporation and he is the only one that can sign contracts", when in fact Willie has always been the one to deal that contract (Tropical Shipping). Although clearly the Yusufs are part of the decision makers in addressing the contract terms with any vendor/contractor, it has to be a joint decision **consistent with past practices**. Moreover, statements to third parties that are contrary to the Court's Order similarly constitute a violation.

#### **4. ATT cellphone account**

In the same way, Mike Yusuf also changed the stores' ATT cellphone account administrator status to himself, with no Hamed administrator. This needs to be corrected as well so they can make changes or get equipment/service upgrades, as they have always done in the past.

#### **5. Accounting matters**

While we have addressed some of the accounting issues with the Court in the motion (which we still would like to resolve without requiring the Court to rule), Mr. Gaffney has (and continues to) seek Mike Yusuf's approval of any requests for information, access and documents. Often access or information is just refused outright.

By way of example, Shawn Hamed only has limited online access to the Plaza West Scotia Telecheck account. With that access he can only get general information. He recently realized he was not getting critical information when he spoke with Mr. Gaffney about some checks that were written totaling approximately \$900,000. Mr. Gaffney showed Shawn limited information such that Shawn could only see the amounts with no check numbers. When Shawn asked for the monthly statements, Gaffney said Scotia was unreliable in sending the statements on a timely basis. When this was discussed with Scotia they said that was a system administrator issue and that the Yusufs are the system administrators.

As you know, aside from the PI Order quoted above, the clarifying May 31<sup>st</sup> Order stated:

**ORDERED** that only **mutual access of all sensitive financial data, records and financial statements** shall be permitted according to a process to be determined by the Parties. (Emphasis added.)

In short, this conduct must stop. Both Mr. Gaffney and third party bankers who deal with Plaza Extra need to know the court order requires joint access to all financial information.

#### **6. Conclusion**

In summary, these are just a few examples that need to be corrected. On a more global level you need to remind your clients that the Preliminary Injunction needs to be

adhered to in all respects, but let's start with these items. Please assure me that this will be addressed immediately, or call me to discuss further.

Yours,



Joel H. Holt  
JHH/jf

cc: Carl J. Hartmann III