

**IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS
DIVISION OF ST. CROIX**

**HISHAM HAMED, individually,
and derivatively for
SIXTEEN PLUS CORPORATION,**

Plaintiffs/Counterclaim Defendant,

v.

MANAL MOHAMMAD YOUSEF,

Defendant/Counterclaim Plaintiff.

CIVIL NO. SX-16-CV-00065

**ACTION FOR
DECLARATORY JUDGMENT
CICO and FIDUCIARY DUTY**

JURY TRIAL DEMANDED

**MANAL MOHAMMAD YOUSEF a/k/a
MANAL MOHAMAD YOUSEF, *Plaintiff***

v.

SIXTEEN PLUS CORPORATION,

Defendant.

CIVIL NO. SX-17-CV- 00342

**ACTION FOR DEBT AND
FORECLOSURE**

**COUNTERCLAIM FOR
DAMAGES**

JURY TRIAL DEMANDED

SIXTEEN PLUS CORPORATION,

Counterclaim Plaintiff,

v.

**MANAL MOHAMMAD YOUSEF a/k/a
MANAL MOHAMAD,**

Counterclaim Defendants, and

FATHI YUSUF,

Third Party Defendant.

**FIRST REQUESTS FOR ADMISSIONS TO
THIRD-PARTY DEFENDANT FATHI YUSUF**

COMES NOW Joel H. Holt, counsel for Sixteen Plus, and propounds the following requests to admit on Third-Party Defendant, Fathi Yusuf.

If any of the following requests cannot be answered in full, please answer to the extent possible, specify the reason for your inability to answer the remainder and state whatever information or knowledge you have concerning the unanswered portion. Where your investigation is incomplete, give all information known as of the date of signing your answer. Where exact data is unavailable, supply estimated data, indicate that you have done so, and explain the basis on which the estimate was made.

If you decline to answer any request, or portion of any request, on a claim of privilege or other basis for withholding an answer, such as the work product doctrine, state each privilege or other basis for withholding claimed and describe in detail all foundational facts upon which you base such claim of privilege or basis for withholding.

Please take notice that these Requests are deemed to be continuing up to and including the first day of trial of this action. If at any time you or any person acting on your behalf obtains additional information called for by these Requests between the time of your response and the time set for trial, please serve supplemental sworn answers setting forth such information.

The words "**and**," as well as "**or**," shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the specifications all responses which might otherwise be construed to be outside its scope.

Terms in the plural include the singular and terms in the singular include the plural; the use of one gender shall include all others as appropriate in the context. These requests are continuing in nature so as to require **you** to file supplemental answers if any additional or different information responsive to these requests is discovered or obtained subsequent to the filing of answers to these requests.

TERMS AND MEANINGS

The terms used in this Discovery have the following meaning:

As used herein, the term "**document(s)**" is used in its broadest sense to include, by way of illustration only and not by way of limitation, all originals and non-identical copies of any writing or any other tangible thing or data compilation in the custody, possession or control of the Defendant - whether printed, typed, reproduced by any process, written or produced by hand, including any graphic matter however produced or reproduced, or produced by any other mechanical means and all data, either electronic, magnetic, chemical, mechanical, or other form of data storage capable of being transformed into written or oral matter, including, but not limited to, CD-ROMs, DVDs, computer disks, Hard-drive computer storage mediums — including e-mails, letters, affidavits, filings, engineering studies and/or tests, reports, agreements, communications, correspondence, permits, accounting records, business records, contracts, letters of agreements, telegrams, mailgrams, memoranda, summaries and/or records of personnel or telephone conversations, diaries, calendars, forecasts, photographs, tape recordings, facsimiles, models, statistical statements, graphs, charts, plans, drawings, service and/or

pump data, logs, minutes or records of meetings, minutes or records of conferences, reports and/or summaries of interviews, reports, conversations, summaries of investigations, opinions or reports of consultants, topographical or geological maps or surveys, appraisals, records, reports or summaries of negotiations, drafts of any document, revisions of drafts of any document, purchase orders, invoices, receipts, original or preliminary notes, financial statements, accounting work papers, promissory notes, film, microfilm, microfiche, punch cards, slides, pictures, videotapes, moving pictures, computer programs, laboratory results, magnetic tapes or any other matter which is capable of being read, heard or seen with or without mechanical or electronic assistance.

"Communication" means any correspondence, contact, discussion, exchange, contract, or agreement between any two or more persons. Without limiting the foregoing, "communication" includes all documents, as defined above, telephone conversations, internet communications, e-mail, facsimile transmissions, voice mail, face-to-face conversations, meetings, and conferences.

"Relevant time period" means 1995 to present.

"Manal Mohammad Yousef" or **"Manal"** shall mean the party herein.

Prior Factual Allegation by Hamed Related to Requests 1-4:

Hamed has alleged that:

While the criminal case continued over the next years, **various third parties attempted to buy the Land from Sixteen Plus at substantially higher prices than was paid for the property, with the highest offer exceeding \$22 million.**

Recognizing this substantial increase of 500% in value in less than 10 years, Fathi Yusuf began to try to figure out how to pocket these funds for himself. In this regard, the Federal Government agreed that it would remove its lien and the Land could be sold - but only if the proceeds of any such sale were escrowed pending the outcome of the criminal case and not paid to Manal Yousef.

Contrary to the best interests of Sixteen Plus and its shareholders, Fathi Yusuf began to formulate a plan to embezzle from and defraud Sixteen Plus of the value of the Land, and thus rejected offers for the Land unless the sham Manal Yousef note and mortgage were paid -- so he could then get sole control of these funds.

The Federal Government refused to agree to the request that the Manal Yousef mortgage be paid first, asserting its own doubts about the validity of the sham mortgage.

Fathi Yusuf could also, pursuant to the POA she had granted him, have had Manal Yousef agree to an escrow of the sales proceeds while preserving her alleged mortgage rights, which would have allowed the sale to take place and fully protect the debt allegedly owed to her

Indeed, once the funds were escrowed, Fathi Yusuf would lose his opportunity to keep the funds for himself pursuant to his Plan.

Request #1

ADMIT or DENY that you have had communications with third parties who were inquiring about some or all of the property subject to the note and mortgage herein.

Request #2:

ADMIT or DENY that you have had communications orll correspondence with third parties seeking to buy, offering to buy or expressing interest in buying the property subject to the note and mortgage herein.

Request #3:

ADMIT or DENY that you have had communications or correspondence with the federal government, the Territorial government, the Department of Justice, the U.S. Attorney or the USVI Attorney General or their office or employees discussing inquiries or offers to buy the property subject to the note and mortgage herein.

Request #4:

ADMIT or DENY that you have had communications or correspondence with the federal government, the Territorial government, the Department of Justice, the U.S. Attorney or the USVI Attorney General or their offices or employees discussing the lifting, altering, or modification of the federal lien that was placed on the subject property.

Request #5:

ADMIT or DENY that you have had communications or correspondence with Jamil, Isam or Manal regarding discussions or inquires or offers to purchase the subject land or any part thereof.

Request #6:

ADMIT or DENY that you have had communications or correspondence with any bank or bank officials in the USVI, St. Martin, St. Marteen, Jordan, the West Bank or elsewhere regarding:

1. the funds used for the note and mortgage herein.
2. the funds used by Sixteen Plus for the purchase of the property subject to the note and mortgage herein.
3. Inquiries or offers to purchase part or all of the subject property.

Request #7:

ADMIT OR DENY that the Board of Directors of Sixteen Plus currently consists of two directors, Fathi Yusuf, a named defendant, and Waleed Hamed. An original third director voluntarily withdrew from the Board before the acts complained of here when he sold all of his stock in the corporation to the Hameds and Yusufs.

Request #8:

ADMIT OR DENY that Fathi Yusuf and Hisham Hamed and their families are in intractable litigation in several other matters.

Request #9:

ADMIT OR DENY that on February 10, 1997, Sixteen Plus was formed as a corporation.

Request #10:

ADMIT OR DENY that the Bank of Nova Scotia ("BNS") -- obtained its ownership interest subject to rights of redemption through a foreclosure sale conducted on February 13, 1996.

Request #11:

ADMIT OR DENY that a contract to buy the Land subject to the rights of redemption was then entered into between Sixteen Plus and BNS on February 14, 1997.

Request #12:

ADMIT OR DENY that at the time it was formed and at all times up to the present, all of the stock of Sixteen Plus has been owned 50% by family members of Fathi Yusuf and 50% by family members of Mohammad Hamed.

Request #13:

ADMIT OR DENY that At the time Sixteen Plus was formed in the late 1990's, Fathi Yusuf and Mohammad Hamed were 50/50 partners in a grocery business known as Plaza Extra Supermarkets.

Request #14:

ADMIT OR DENY that in the two years prior to the purchase of the target land the partners did evade gross receipt taxes due to the USVI government on sales from the Plaza Extra stores.

Request #15:

ADMIT OR DENY that in the two years prior to the purchase of the target land Fathi Yusuf did participate in the actions to evade gross receipt taxes due to the USVI government on sales from the Plaza Extra stores.

Request #16:

ADMIT OR DENY that in the two years prior to the purchase of the target land one of the actions taken by the partner to evade gross receipt taxes due to the USVI government on sales from the Plaza Extra stores was to remove cash from the stores before it was accounted as sales receipts—thus lowering the total of gross receipts on which such taxes were paid.

Request #17:

ADMIT OR DENY that the practice of removing cash before gross receipt accounting is referred to as “Skimming”.

Request #18:

ADMIT OR DENY that In 2003, the Federal Government filed felony money laundering and tax evasion criminal charges based in part on the practice of removing cash before gross receipt accounting, against Fathi Yusuf and Isam Yousuf, among others, and that eventually led to United Corporation pleading guilty to one count of tax evasion.

. Request #19:

ADMIT OR DENY that after removing cash before gross receipt accounting, the partners or their agents then caused those funds to be deposited in financial institutions outside of the USVI and the US.

Request #20:

ADMIT OR DENY that after removing cash before gross receipt accounting, when the partners or their agents caused those funds to be deposited in financial institutions outside of the USVI and the US, the names of the account holders included:

- A. Fathi Yusuf
- B. Waleed Yusuf
- C. Jamil Yousef or a business owned by him
- D. Isam Yousef or a business owned by him

Request #21:

ADMIT OR DENY that large sums of skimmed cash were delivered to Isam Yousuf on St. Martin,

Request #22:

ADMIT OR DENY that the note and mortgage in the amount of \$4,500,000 at issue here were executed by Sixteen Plus in favor of Manal Yousef on or about September 15, 1997

Request #23:

ADMIT OR DENY that the September 1997 execution of the note and mortgage occurred at a time when

even though the Land in question had actually not been purchased yet

Request #24:

ADMIT OR DENY that the amount transferred from the appliance store account on St. Martin was only \$4 million, and that no document or transfer writing exists as to another \$500,000 being transferred from St. Martin.

Request #25:

ADMIT OR DENY that on December 24, 1997, BNS finally was entitled to a conveyance of the Land from the Marshal of the Territorial (now Superior) Court of the Virgin Islands, as the rights of redemption in the foreclosure sale had expired.

Request #26:

ADMIT OR DENY that instead of taking title to the subject land,, BNS assigned its right to this conveyance from the Marshal to Sixteen Plus.

Request #27:

ADMIT OR DENY that on or about February 22, 1999, Sixteen Plus received and recorded the deed to the subject land.

Request #28:

ADMIT OR DENY that on February 22, 1999, Sixteen Plus recorded the mortgage dated September 15, 1997) in favor of Manal Yousef.

Request #29:

ADMIT OR DENY that Fathi Yusuf obtained a “Real Estate Power of Attorney” from “Manal Mohammad Yousef Mohammad”.

Request #30:

ADMIT OR DENY that that POA gave Fathi Yusuf, *personally*, the powers over the Note and Mortgage including releasing the mortgage or foreclosing on the Land for his own benefit

Request #31:

ADMIT OR DENY that the POA gave no rights or benefits to Sixteen Plus or the Hameds.

Request #32:

ADMIT OR DENY that

The POA stated that Fathi Yusuf was also released and indemnified as to all actions he might take in regard to his personal power of attorney

Request #33:

ADMIT OR DENY that the existence of this power of attorney were not disclosed by Fathi Yusuf to the Hameds prior to litigation in this matter

Request #34:

ADMIT OR DENY that in 2013, the Federal Government reached a settlement in the criminal case, which included *inter alia* a lump sum \$10 million payment of taxes to the Government of the Virgin Islands for previously unreported income from the Plaza Extra Supermarkets—and a fine in excess of \$1,000,000.

Request #35:

ADMIT OR DENY that as a condition of the plea and settlement, the Federal Government removed its lien on the subject land.

Request #36:

ADMIT OR DENY that In the course of the Hamed v. Yusuf (370) litigation, Fathi Yusuf was required to produce all when documents he had exchanged with Manal Yousef, including any powers of attorney, but Fathi Yusuf did supply what he represented to be all such documents on July 26, 2016, the power of attorney was not disclosed.

Request #37:

ADMIT OR DENY that Hamed’s counsel wrote to Yusuf’s counsel pursuant to Fed. R. Civ. P. 34 and 37 specifically asking for verification under the Rules that there was no such “power of attorney”, stating:

Stefan - I reviewed these new responses and there are still several deficiencies:

* * *

Supplemental Document Response #13-The documents you referenced as documents exchanged with Manal Yousef only include the deed, mortgage, mortgage note and certain wire transfers from someone else—**please confirm** there are no letters, faxes, emails, documents showing any interest payments to her (as alleged were made), **powers of attorney**, pre-mortgage negotiations or any other documents exchanges with your client and her or her agent. (Emphasis added.)

Request #38:

ADMIT OR DENY that on August 5, 2016, Fathi Yusuf’s counsel responded that he had initiated a “reasonable search” as to his client and his client’s documents, and falsely represented – on behalf of Fathi Yusuf -- there was no such power of attorney, stating:

Joel,Here are my responses to your numbered paragraphs:

* * *

I stand by my statement in the supplemental Rule 34 response that **based on a reasonable search there are no other documents responsive to your request**. I believe that supplemental response to your request is sufficient under the Rules (and I thought from our meet and confer that is what you wanted), and that I am not under any duty to go into more detail. (Emphasis added.)

Request #39:

ADMIT OR DENY that During the same Superior Court litigation, Fathi Yusuf was also required to answer an interrogatory about the note and mortgage on the Land. He did not reveal the power of attorney.

Request #40:

ADMIT OR DENY that Fathi Yusuf personally arranged for and signed, under the penalty of perjury -- tax and other governmental filings showing that no outstanding obligations were due to Manal Yousef, and, to the contrary, that the \$4.5 million had been advanced by – and was due to – the shareholders, Hamed and Yusuf,.

Request #41:

ADMIT OR DENY that Fathi Yusuf filed tax returns for Sixteen Plus during the relevant time period (as defined), including 2012. In those filings he personally signed \$4.5 million held by Sixteen Plus was stated as having been received from shareholders and due to them – and there was no loan or mortgage to a third person.

Request #42:

ADMIT OR DENY that Fathi Yusuf also prepared and filed annual corporate filings for Sixteen Plus during this time period, including 2012, and In those filings he stated that \$4.5 million held by Sixteen Plus was received from shareholders and due to them – and was not a loan or mortgage to a third person.

Request #43:

ADMIT OR DENY that in 2013 Fathi Yusuf created and requested Waleed Hamed sign, an annual corporate filing that showed \$4.5 million due as a mortgage and loan and not money due to the Shareholders as had been reported for the prior 13 years. He also

inserted his family members as the directors on the document, which he signed and proffered to Hamed.

Dated: August 17, 2022

/s/ _____

Joel H. Holt. (Bar # 6)

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Carl J. Hartmann III, Esq.

Co-Counsel for Defendants

CERTIFICATE OF SERVICE

I hereby certify that this document complies with the page or word limitation set forth in Rule 6-1(e) and that on August 17, 2022, I served a copy of the foregoing by email, as agreed by the parties, as well as a copy mailed to James Hymes at the address below,

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