

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

**HISHAM HAMED, on behalf of himself  
and derivatively, on behalf of SIXTEEN  
PLUS CORPORATION,**

*Plaintiffs,*

**v.**

**FATHI YUSUF, ISAM YOUSUF,  
JAMIL YOUSUF, and  
MANAL MOHAMMAD YOUSEF,**

*Defendants,*

and

**SIXTEEN PLUS CORPORATION,**

*a nominal defendant.*

**Case No.: 2016-SX-CV-650**

**DERIVATIVE SHAREHOLDER  
SUIT, ACTION FOR DAMAGES,  
CICO RELIEF, EQUITABLE  
RELIEF AND INJUNCTION**

**JURY TRIAL DEMANDED**

**CONSOLIDATED CASES: Civil Case No. SX-2016-CV-650; Civil Case No. SX-2016-CV  
00065; Civil Case No. SX-2017-CV-342**

**SECOND AMENDED COMPLAINT**

The Plaintiff, by counsel, hereby alleges as the basis of his SECOND AMENDED COMPLAINT against the Defendants as follows:

**JURISDICTION AND PARTIES**

1. This Court has jurisdiction pursuant to 4 V.I.C. §76 and 14 V.I.C. §607. On May 9, 2024, the Court (Ross, S.M.) ordered plaintiff Hamed as follows with regard to the original complaint, filed October 31, 2016 and proposed amendments and supplementations:

**ORDERED** that HH's July 26, 2017 motion to amend the FAC and HH's December 19, 2022 motion to amend the FAC are **GRANTED**, however the proposed second amended complaints attached thereto **ARE NOT ACCEPTED**.

It is further:

**ORDERED** that HH's February 28, 2023 motion for leave to file a supplemental complaint is **GRANTED**, however the proposed second amended and supplemental complaint attached thereto **IS NOT ACCEPTED**. It is further:

**ORDERED** that **within thirty (30) days from the date of entry of this Order**. HH shall FILE

- i. A **NEW PROPOSED SECOND AMEND[ED] COMPLAINT** to "eliminate[] two counts Count II (Conversion) and Count V (Civil Conspiracy) against each Defendant [and] correct[] the caption to correct the spelling of the name of the Jamil Yousef to Jamil Yousuf' and to add MY as a defendant, with the factual allegations added therein confined to events that occurred **BEFORE** the action was commenced, and
- ii. **A SEPARATE SUPPLEMENTAL COMPLAINT** with the factual allegations therein confined to events that occurred **AFTER** the action was commenced.

On June 6, 2024, he further ordered that seven items in the Second Amended Complaint be amended as follows:

1	First, for the sake of consistency in the three cases, amend the caption of this document by replacing "Manal Yousef" with "Manal Mohammad Yousef."
2	Second, amend the title of this document by replacing "REVISED PROPOSED SECOND AMENDED COMPLAINT PER THE COURT'S ORDER OF MAY 9, 2024" with "Second Amended Complaint."
3	Third, include the correct exhibit cited in paragraph 11 of the document, which states:  11. Fathi Yusuf and Waleed Hamed and their families are in intractable litigation in several other matters. Both have acknowledged this to be the case, and have filed papers in other proceedings before the Superior Court attesting to this. Moreover, the Superior Court (Willocks, J.) has entered an Order stating that the Hamed and Yusuf families could file a derivative action as to another jointly controlled corporation for the same reason. See Exhibit A.

	<p>However, “Exhibit A” is not a copy of the Superior Court Order referenced in paragraph 11. Instead, “Exhibit A” is an unsigned copy of Waleed Hamed’s statement in support of HH’s reply to MY’s opposition to HH’s motion to compel Fathi Yusuf as to the Fifth Amendment, dated February 21, 2023.</p>
<b>4</b>	<p>Fourth, include the exhibits cited in paragraphs 76a, 76e, and 77 of the document. While these paragraphs cited “Exhibit 8,” “Exhibit 9,” “Exhibit 10,” and “Exhibit 11,” no such exhibits were attached to the document.</p>
<b>5</b>	<p>Fifth, reproduce all factual allegations of HH—by stating “See Exhibit A with regard to the factual allegations herein” in paragraph 13 of the document—intended to incorporate the factual allegations of “Exhibit A” into the new proposed second amended complaint. The Master finds that it would not be procedurally sound to permit HH to incorporate the factual allegations of “Exhibit A” by reference—especially without any specificity as to the portion of “Exhibit A” that HH intended to incorporate—and thereby allowing HH to circumvent the requirement of Rule 15-1 of the Virgin Islands Rules of Civil Procedure to “reproduce the entire pleading as amended specifically delineating the changes or additions and... not incorporate any prior pleading by reference.”<sup>5</sup> See V.I. R. CIV. P. 15-1(a).</p>
<b>6</b>	<p>Sixth, remove “Exhibit A” to the document, which as noted above, is an unsigned copy of Waleed Hamed’s statement in support of HH’s reply to MY’s opposition to HH’s motion to compel Fathi Yusuf as to the Fifth Amendment, dated February 21, 2023. As the Master previously pointed out in the May 9, 2024 order, “the factual allegations ended with the commencement of the action—to wit, the filing of the initial complaint” and “a supplemental pleading is a separate pleading that sets out any events that occurred after the commencement of the action,” and referenced Rule 15(d) of the Virgin Islands Rules of Civil Procedure.<sup>6</sup> (May 9, 2024 Order.) Thus, it is improper for the new proposed second amended complaint to reference a document that was created after the commencement of this matter—to wit, the initial complaint was filed in 2016 and “Exhibit A” is a document created and filed in 2023.</p>
<b>7</b>	<p>Lastly, the new proposed second amended complaint must be verified. See V.I. R. CIV. P. 23.1 (“The complaint [in a derivative action] must be verified...”).</p>

2. Plaintiff Hisham Hamed, (“Hamed”) is an adult resident of St. Croix and is now and at all times relevant to this Complaint has been an owner of stock in nominal defendant Sixteen Plus Corporation (“Sixteen Plus”).
3. Upon information and belief Defendant Fathi Yusuf is an adult resident of St. Croix who was at all times relevant to this Complaint (and still is) a shareholder, officer and director of Sixteen Plus.
4. Upon information and belief Defendant Isam Yousuf is an adult resident of St. Martin and has been at all times relative hereto.
5. Upon information and belief Defendant Jamil Yousef is an adult resident of St. Martin and has been at all times relative hereto.
6. Upon information and belief The Defendant Manal Yousef is an adult resident of either Palestine (West Bank) or St. Martin.
7. The Individual Plaintiff also brings a shareholder’s derivative action on behalf of Sixteen Plus Corporation (“Sixteen Plus”), a Virgin Islands corporation that was formed in February of 1997, which is joined as a nominal defendant, as the cause of action belongs to the corporation, but its Board of Directors is such that the Board cannot be reasonably expected to be able to act to protect its interests to bring suit in the name of the corporation.
8. Individual Plaintiff Hamed was at all times relevant to this Complaint (and still is) a shareholder of Sixteen Plus, as he was an initial shareholder when the corporation was formed and has continuously remained a shareholder during all times relevant.
9. The Plaintiff brings the derivative claim on behalf of the corporation pursuant to Rule 23.1 of the Rules of Civil Procedure, which is applicable to this cause of action.

10. Upon information and belief 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.
11. Fathi Yusuf and Waleed Hamed and their families are in intractable litigation in several other matters. Both have acknowledged this to be the case, and have filed papers in other proceedings before the Superior Court attesting to this. Moreover, the Superior Court (Willocks, J.) has entered an Order deciding a derivative action brought by Yusuf Yusuf against the Hameds regarding directors and board control in favor of the Hamed in a similarly brought derivative action as to another jointly controlled corporation based on the plain control language of the by-laws. See Exhibit A, Memorandum Opinion, *Yusuf Yusuf, derivatively on behalf of Plessen Enterprises, Inc. v. Waleed Hamed, Waheed Hamed, Mufeed Hamed, Hisham Hamed and Five-H Holdings, Inc., SX-13-CV-120, (April 21, 2016)*.
12. Thus, Plaintiff Hamed has not made a demand on the Board of Directors, as it would be futile to make a demand on them to bring this suit on behalf of Sixteen Plus. As was true in the same situation before Judge Willocks (regarding a similar 50/50 Hamed/Yusuf Corporation, Plessen Enterprises, in SX-13-CV-370) there would be no reasonable expectation that Fathi Yusuf would agree to have Sixteen Plus sue him for embezzlement, fraud and a violation of Section 605 of Title 14 of the Virgin Islands Code

## FACTS

### ***a. Background History – 1997-1999: Prior to the Alleged Conspiracy and Alleged Predicate Criminal Acts***

13. Upon information and belief on February 10, 1997, Sixteen Plus was formed as a corporation to purchase a 300 plus acre parcel of land on the South shore of St. Croix, often referred to as Diamond Keturah (hereinafter referred to as the “Land”) from the Bank of Nova Scotia (“BNS”) -- which had obtained its ownership interest subject to rights of redemption through a foreclosure sale conducted on February 13, 1996..
14. Upon information and belief 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.
15. Upon information and belief 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.
16. Upon information and belief 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.
17. Upon information and belief Fathi Yusuf and Mohammad Hamed decided to buy the Land in question by providing the necessary funds to Sixteen Plus -- using only proceeds from the grocery stores they owned – which they did as described below.
18. Upon information and belief Yusuf, acting for the Plaza Extra partners, then directed the business arrangements regarding the purchase of the Land, some of which were

also carried out under that instruction by Fathi Yusuf, Waleed Hamed and Maher Yusuf.

19. Yusuf directed these business arrangements for the partnership as to the purchase of the Land using partnership funds rather than his partner Mohammad Hamed (or his son, Waleed) directing the purchase because, as both the Court in *Hamed v. Yusuf* and Fathi Yusuf himself have stated – at this time, Fathi Yusuf was “in charge” of the business transactions for the partnership and they were under his “exclusive ultimate control”. (See, *Hamed v. Yusuf*, 2013 WL 1846506 (V.I.Super. April 25, 2013)(para. 19 at page \*6, “Yusuf’s management and control of the “office” was such that Hamed was completely removed from the financial aspects of the business. . . .” and Yusuf’s May 9, 2013, *Motion to Stay the Preliminary Injunction* in that same action -- where Yusuf admitted “[Hamed] never worked in any management capacity at any of the Plaza Extra Stores, which role was under *the exclusive ultimate control of Fathi Yusuf.*”)

20. All funds used to buy the Land came from funds removed from the Plaza Extra Supermarkets partnership by the Hamed and Yusuf families, 50/50. *Id.*

21. Upon information and belief, however, Fathi Yusuf decided he did not want either the Government of the Virgin Islands or BNS to know the partnership source of the funds he was using to buy the Land, as he did not want them to know the two families were secretly diverting unreported cash from the Plaza Extra Supermarket to Sixteen Plus as part of a money laundering effort. The following details of that 1996-1997 effort are presented here as background information to the later predicate criminal acts and are not the subject of this Complaint.

22. Fathi Yusuf and Waleed Hamed acted with Isam Yousuf (his nephew who lived on St. Martin) Manal Yusef (his niece) who lived on St. Martin, and Yussra Yusuf (his daughter who was married to one of Isam's brothers, Ayed Yousuf) who lived on St. Martin, to launder in excess of \$4,000,000 in unreported, untaxed partnership funds removed by the two families from the Plaza Extra Supermarkets, to St. Martin -- so that they could then wire these funds back to a Sixteen Plus account at BNS on St. Croix, in order for Sixteen Plus to use these 'laundered' funds to purchase the Land.
23. To accomplish this, Fathi Yusuf had large sums of cash delivered to Isam Yousuf in St. Martin, who thereafter directed and coordinated, with the assistance of Manal and Yussra, the deposit of those funds into various accounts in St. Martin. Fathi Yusuf then directed the process by which he, Waleed Hamed and Isam Yousuf transferred the partnership's funds by wire to an account in the name of Sixteen Plus at BNS on St. Croix. The transfers (which exceeded \$4,000,000) to Sixteen Plus' account at BNS took place between February 13<sup>th</sup> and September 4<sup>th</sup> of 1997.
24. To further cover up the source of these funds, as well as to try to shelter Isam Yousuf, Manal Yusef and Yussra Yusuf from exposure to criminal consequences from the effort to launder and use the cash from the partnership's supermarkets, Fathi Yusuf, Waleed, Isam Yousuf and Manal Yusef (personally and by her agent Isam Yousuf) agreed to create a sham note and mortgage for the transaction, naming Manal Yusef, as the sham mortgagee.
25. Fathi Yusuf explained the note and mortgage to his partner, Mohammad Hamed, as well as Waleed Hamed and shareholders of Sixteen Plus as being a business transaction to protect the property, that Manal Yusef would never actually enforce



the mortgage, and that Yusuf could get the note and mortgage discharged at any time. The purpose of the mortgage was to change the 'apparent' owner of the funds to evade taxes, and at the same time to establish a lien priority superior to the claims of possible future creditors—including USVI tax authorities.

26. Upon information and belief, to demonstrate the long-term effectiveness of this arrangement to his partner, Fathi Yusuf stated to Mohamad Hamed and his son Waleed Hamed that all of the financials of the corporation, USVI tax filings and annual USVI corporate filings would, in the future, **accurately reflect that the funds came from Hamed and Yusuf as Sixteen Plus shareholders – and would not reflect the note and mortgage as a valid corporate debt to Manal – as further described below.** Thus, he explained, no USVI laws would be broken by making it appear that Manal Yousef had provided funds or was the holder of an enforceable claim. Once the statute of limitations ran out on the tax evasion, all of the actual corporate filings of Sixteen Plus would be completely accurate and free from criminal liability. Nor could the tax authorities or other entities seize the land without having to fight about Manal's claims.

27. Upon information and belief, Fathi Yusuf then caused a corporate resolution, sham note and mortgage in the amount of \$4,500,000 to be drafted by Sixteen Plus' counsel in favor of Manal Yousef, dated September 15, 1997, even though she had no such funds, and had never advanced any funds to Sixteen Plus -- as those funds belonged 50/50 to the Hameds and Yusufs.

28. The note and mortgage exceeded the amount transferred from St. Martin by \$500,000. The additional \$500,000 came from funds that Fathi Yusuf caused to be

deposited directly into Sixteen Plus' St. Croix bank account. Thus, \$500,000 of the \$4.5 million used to buy the land was directly provided by the Hamed and Yusufs without going through St. Martin..

29. At Fathi Yusuf's direction, that sham note and mortgage in the amount of \$4,500,000 were then executed by Sixteen Plus in favor of Manal Yousef on September 15, 1997, even though the Land in question had actually not been transferred yet – and the amount transferred through St. Martin was only \$4 million.

30. 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.

31. As per the contract between them, instead of taking title, BNS assigned its right to this conveyance from the Marshal to Sixteen Plus. Sixteen Plus paid for this assignment with the funds from the partnership.

32. On February 22, 1999, Sixteen Plus finally received and recorded the deed to the Land. On that same day, Sixteen Plus also recorded the sham mortgage (as originally dated September 15, 1997) in favor of Manal Yousef.

***a. The Money Laundering Charges-2003***

33. In 2003, the Federal Government filed felony money laundering and tax evasion criminal charges against Fathi Yusuf, Waleed Hamed and Isam Yousuf, among others.

34. The felony case included criminal charges related to the aforementioned laundering of funds to St. Martin to buy the Sixteen Plus Land. *That case and those criminal charges are not the subject of the CICO case here – or claimed as predicate acts.*

35. Pursuant to those charges, the Federal Government placed a lien against various real property owned by Fathi Yusuf's United Corporation as well as corporations also owned jointly by the Yusuf and Hamed families -- including the Land at issue here, by then owned by Sixteen Plus.

36. The Government also identified the money laundering through St. Martin and the fact that \$500,000 in currency was deposited with funds from the supermarkets to make up the difference.

37. As part of its investigation and the charges, the FBI retrieved and documented the bank records from St. Martin showing the diversion of the \$4 million in funds from the partnership's Plaza Extra Supermarkets to St. Martin -- and subsequent transfer of those laundered funds back to the bank account of Sixteen Plus in order to purchase this Land. It also documented the deposits of \$500,000 directly into the St. Croix account by the partnership. Two French investigative reports were provided that tracked the accounts of Isam, Hamdan Diamond, Waleed Hamed and Fathi Yusuf—to show the flow of the \$4 million in laundered funds into the Sixteen Plus account.

***b. The Value of the Sixteen Plus Property Dramatically Increases-2005***

38. 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 reaching \$30 million.

39. 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.

40. 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.
41. 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.
42. 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.
43. The US Marshal suggested Fathi Yusuf could also 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, but this would have necessarily involved her in the on-going criminal prosecution since the Land was actually purchased with laundered funds, so that suggestion was rejected. Indeed, once the funds were escrowed, Fathi Yusuf would lose his opportunity to keep the funds for himself pursuant to his Plan.
44. As such, Sixteen Plus lost then, and is continues to lose the benefit of such sales at the highest and best amount of \$30 million because of Fathi Yusuf's insistence that the sham mortgage be paid upon the sale of the property -- which payment the Federal Government refused to allow.

***c. The Hidden Plan to Convert the Increased Value and Usurp Corporate Opportunity by Criminal Acts and Conspiracy***

45. By May of 2010 it was clear that a settlement and plea would eventually be reached in the criminal action.

46. In May of 2010, without the knowledge of the Hameds or disclosure of either their acts or the related documents, Defendants began to implement the *Hidden Plan to Convert the Increased Value and Usurp Corporate Opportunity by Criminal Acts and Conspiracy* (the “Hidden Plan”) by first obtaining a “Real Estate Power of Attorney” from “Manal Mohammad Yousef Mohammad” **that gave Fathi Yusuf, personally, the power to do whatever he wished with the mortgage**, including releasing the mortgage or foreclosing on the Land for his own benefit, even though the Hamed family had actually paid 50% of the purchase price to buy the Land. See **Exhibit 1**. Isam Yousuf, Manal Yousef and Jamil Yousuf (“the St. Martin Defendants”) were central to this effort to embezzle the Sixteen Plus funds.

47. This power of attorney Fathi Yusuf supplied and Manal Yousef executed, gave no rights or benefits to Sixteen Plus or the Hameds and thus usurped the corporate opportunity, despite the fact that Fathi Yusuf was an officer and director of the corporation, owing it fiduciary and statutory duties, as well as a shareholder.

48. Additionally, this undisclosed power of attorney specifically stated that Fathi Yusuf was given total power over what to do with the Land and foreclosure proceeds -- as he was also released and indemnified as to all actions he might take in regard to his broad, personal power of attorney—which further demonstrated that the mortgage

and note were a sham, as no bona fide lender gives a principal of the borrower a full power of attorney to discharge the debt without requiring payment.

49. Upon information and belief, the power of attorney was drawn up by a Virgin Islands lawyer retained by Fathi Yusuf and executed by Manal Yousef on St. Martin.

50. The existence and purpose of this power of attorney were not disclosed to the Hameds – and they did not learn of it or the Hidden Plan until after Yusuf attempted to steal all of the assets of Sixteen Plus, as he did with the Plaza Extra Supermarkets partnership in 2012 – all of which occurred well within the period of the statute of limitations applicable here.

51. That execution of the undisclosed, exclusive power of attorney in favor of Fathi Yusuf personally was orchestrated by Isam Yousuf, Jamil Yousuf and Manal Yousef in furtherance of the Plan with Fathi Yusuf to steal half of the value of the Land, then in excess of \$30 million, from Sixteen Plus and the Hamed shareholders.

52. The Defendants planned to use the sham mortgage to allow Fathi Yusuf to foreclose of the Land *for his own and his family's personal benefits*, and to thus deny Sixteen Plus the value of the Land.

53. 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.

54. In addition to this large payment for back taxes, a fine in excess of \$1,000,000 was also paid to the Government, along with a plea of guilty to the pending felony charge

of tax evasion by the corporate defendant, United Corporation, which subsequently was determined to be Yusuf's agent for the partnership.

55. As a result of the plea and settlement, the Federal Government removed its lien on the Land. Also, Fathi Yusuf, Waleed Hamed and several of the other defendants— but not Manal Yousef--were given personal immunity from criminal prosecution for the acts of tax evasion and money laundering described above.

***d. The Predicate Criminal Acts to Consummate the Hidden Plan***

56. After the criminal case was dismissed, the Fathi Yusuf and the St. Martin Defendants, in furtherance of the Hidden Plan, arranged for counsel on St. Martin to send a demand from Manal Yousuf to Sixteen Plus – for payment of the sham note and mortgage Sixteen Plus allegedly owed to Manal Yousef. See **Exhibit 2**.

57. That St. Martin counsel did not disclose to Sixteen Plus or the Hameds that Fathi Yusuf was also involved in the demand.

58. A response was made to that demand, to Manal Yousef, by Hamed's counsel on behalf of Sixteen Plus, which was reduced to writing -- pointing out that the mortgage was not valid for the reasons stated herein. See **Exhibit 3**.

59. While counsel on St. Martin promised to get a response to that letter after discussing the matter with his client (see **Exhibit 4**), he never did so.

60. In furtherance of the Hidden Plan, Fathi Yusuf, in conjunction with the other Defendants, committed multiple criminal acts including conversion, attempted conversion, perjury, attempted perjury, wire and mail fraud, and others.

61. In 2015, Fathi Yusuf filed a civil lawsuit in the Superior Court as part of the Hidden Plan; seeking to dissolve Sixteen Plus in an attempt to, *inter alia*, dispose of the Land and trigger payment of the sham mortgage.

62. In the course of that litigation, Fathi Yusuf was required to produce all documents he had exchanged with Manal Yousef, including any powers of attorney.

63. When Fathi Yusuf did supply what he represented to be all such documents on July 26, 2016, the power of attorney was not disclosed.

64. Hamed's counsel wrote to Yusuf's counsel pursuant to Fed. R. Civ. P. 34 and 37 (**Exhibit 5**), specifically asking for verification under the Rules that there was no such "power of attorney":

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.)

65. 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. See **Exhibit 5**.

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.)

66. During the same Superior Court litigation, Fathi Yusuf was also required to answer an interrogatory about the note and mortgage on the Land. To falsely make it appear that Manal Yousef was a *bona fide* mortgagee, hide the undisclosed personal power of attorney and protect the Hidden Plan – Fathi Yusuf stated under oath as follows (See **Exhibit 6**):

- a. That Manal Yousef loaned the full \$4.5 million on September 15, 1997, for the purchase of the Land;
- b. That Manal Yousef was paid three interest only payments on the mortgage between 1998 and 2000;
- c. That Manal's last known address is 25 Gold Finch Road, Point Blanche. St. Martin, N.A.;
- d. That he did not recall the last time he spoke with her;
- e. That Manal Yousef had retained counsel in the Virgin Islands;
- f. That he would not provide a phone number for Manal Yousef because she had counsel in the Virgin Islands.

67. All of the foregoing statements made by Fathi Yusuf in his interrogatory response are false, and were made in furtherance of the Hidden Plan to steal half of the value of the Land from Sixteen Plus and its other shareholders, the Hameds, by a foreclosure -- as Fathi Yusuf committed perjury under oath before the Court in furtherance of the Plan when he made these statements.

68. Yusuf then filed a motion for a protective order to avoid providing Manal Yusuf's phone number.

69. After the Court denied Yusuf's motion and ordered Fathi Yusuf to provide the phone number of Manal Yousef, he then repeated the false statements above -- and *now* stated that he did not have her phone number despite his motion to protect that exact information -- but that she could be reached through her nephew, Jamil Yousef. See **Exhibit 7**.

70. However, the location given by Fathi Yusuf as Manal Yousef's address is actually in the possession of and used by Isam Yousef, which is where he and his son, Jamil Yousef, reside.

71. Yusuf knew, when he falsely certified to the contrary, that this was not the location where Manal Yousef resided. It has since been learned that she returned to Palestine in 2010.

72. The purpose of this false representation in response to the Court's Order being that the would keep Manal's address and contact information from Sixteen Plus and the Hameds..

73. Indeed, when service of process in another pending Superior Court action was left at that address for Manal Yousef, Isam and Jamil Yousef intercepted the summons.

74. Upon information and belief, Jamil Yousef then agreed to further participate in this fraudulent Plan by allowing Fathi Yusuf to provide his name to the Court as the alleged contact for Manal Yousef, to hide the truth that she had returned to Palestine.

75. Fathi Yusuf thereafter represented to the Superior Court, without the necessary identification of his role with his relatives, that he had been contacted by Manal Yousef's "agent."

76. During this time period, including in 2012, 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 – Sixteen Plus' shareholders, the Hameds and Yusufs**, as follows:

- a. To conceal the Hidden Plan and deceive the other shareholders and officers of the corporation, Fathi Yusuf filed the tax return and corporate report for Sixteen Plus during this time period, including 2012. See **Exhibit B (corporate)**.
- b. In those filings he, personally signed and swore under oath and penalty of perjury that the \$4.5 million held by Sixteen Plus was received from shareholders and due to them – and there was no loan or mortgage to a third person. Id.
- c. This comported with his repeated representations to the Hameds intended to keep the Hidden Plan hidden.
- d. To hide the Hidden Plan and deceive the other shareholders and officers of the corporation, Fathi Yusuf also prepared and filed annual corporate filings for Sixteen Plus during this time period, including 2012-2014. See **Exhibit B (2014 Tax)** and **Exhibit C (2012 Corporate)**.

e. In those filings he stated that the \$4.5 million held by Sixteen Plus was received from Sixteen Plus' shareholders and due to them – and was not a loan or mortgage to a third person. See **Exhibits B and C**.

f. This comported with representations to the Hameds.

77. In furtherance of this scheme, in 2013 Fathi Yusuf also 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. See **Exhibit D**.

78. Indeed, the Fathi Yusuf and the other Defendants were wrongfully attempting to hide the fact that Fathi Yusuf and his family members were trying to steal the Land.

79. To further this Plan, Fathi Yusuf provided Manal Yousef and Isam Yousuf with funds to pay USVI counsel to represent the interests of the conspiracy..

80. Notwithstanding all of these facts being disclosed to Yusuf and the St. Martin Defendants, they have not recanted any of his false statements or filings -- and continue to pursue their Hidden Plan to steal the Land, the real property at Diamond Keturah, from Sixteen Plus without any payment to the company or its shareholders, as they continue to try to divert all such funds through Manal Yousef.

81. The original complaint was file by Hamed on October 21, 2016.

## COUNT I - CICO

82. Plaintiffs repeat and reallege all preceding paragraphs, which are incorporated herein by reference.

83. Section 605 of Title 14 of the Virgin Islands Code provides in part as follows:

- a. It is unlawful for any person employed by, or associated with, any enterprise, as that term is defined herein, to conduct or participate in, directly or indirectly, the affairs of the enterprise through a pattern of criminal activity.
- b. It is unlawful for any person, through a pattern of criminal activity, to acquire or maintain, directly or indirectly, any interest in, or control of, any enterprise or real property.
- c. It is unlawful for any person who has received any proceeds derived, directly or indirectly, from a pattern of criminal activity in which he participated as a principal, to use or invest, directly or indirectly, any part of the proceeds thereof, or any proceeds derived from the investment or use of any of those proceeds, in the acquisition of any title to, or any right, interest, or equity in, real property, or in the establishment or operation of any enterprise. . . .

84. Pursuant to 14 V.I.C. §607(a), any aggrieved party may institute civil proceedings against any persons to obtain relief from a violation of §605.

85. Sixteen Plus and its shareholders are such aggrieved parties under subsection in that:

- a. All Defendants are “person[s]” who through a pattern of criminal activity set forth in paragraphs 55 through 79, have “acquire[d]. . . directly or indirectly” an “interest in” the Land which is “real property” within the meaning of the statute.
- b. All Defendants are “person[s] who have received. . .proceeds derived, directly or indirectly, from a pattern of criminal activity in which [they] participated as. . .principal[s], to use or invest, directly or indirectly,. . .part of the proceeds thereof. . .in the acquisition of. . .[a] right, interest, or equity in” the Land, which is real property as set forth above.

86. Defendants acted in concert with one another in conspiring together in a pattern of activities to embezzle funds from and criminally defraud Sixteen Plus and its

shareholders, which is expressly prohibited by 14 V.I.C. §834, causing damages to Sixteen Plus and its shareholders.

87. Defendants conspired together within the statutory limitations period to accomplish this goal by using unlawful means, including the use of knowingly false court filings in two different cases, tax and corporate filings, use of the mail and wires -- and by perjured testimony in violation of 14 V.I.C. §1541 and §1548.

88. This was criminal activity as defined by Title 14, Chapter 41 (giving false statements), Chapter 75 (obstruction of justice) and Chapter 77 (perjury) as well as various reporting, wire fraud and other crimes.

89. Such criminal conduct by the Defendants was undertaken in a years long pattern as set forth in Chapter 30 of Title 14 of the Virgin Islands Code, as the Defendants acted in concert as a group in association with one another in carrying out their goal of embezzling funds from and otherwise defrauding Sixteen Plus and its shareholders, with each of the named Defendants being a Principal in this enterprise within the statutory limitations period. Indeed, the criminal enterprise is still on-going.

90. These were not isolated acts, and were all done with the intent to embezzle from, defraud and otherwise injure Sixteen Plus, file tax and corporate information with the USVI government and give perjured documents and testimony to the Courts of the Virgin Islands.

91. Pursuant to 14 V.I.C. §605, it is unlawful for the Defendants to engage in such a criminal activity, as was done here.

92. Sixteen Plus has been injured by this criminal activity targeting the enterprise, already subjecting its real property to a sham mortgage in a present value in the

millions of dollars and by loss of value from the time the Land could have been sold or could now be sold for peak value.

93. As such, Sixteen Plus is entitled to all civil remedies permitted an aggrieved party by 14 V.I.C. § 607, **including statutory treble damages**, for all damages caused by Defendants' unlawful criminal enterprise.

### **COUNT II (Yusuf Only) – BREACH OF FIDUCIARY DUTIES**

94. Plaintiffs repeat and reallege all preceding paragraphs, which are incorporated herein by reference.

95. The acts alleged herein constitutes breach of fiduciary duty and self-dealing by Fathi Yusuf, an officer and director of the corporation, in that:

- a. Fathi Yusuf is and has been a director of Sixteen Plus,
- b. In that capacity, he negotiated the note and mortgage with Manal Yousef for the purpose of protecting the corporation's principal asset, the Land, for the benefit of Sixteen Plus.
- c. He later obtained a power of attorney from Manal Yousef giving himself control of and all rights in those assets, and denying them to the corporation.
- d. He did this without (1) offering the power of attorney or (2) disclosing it to Sixteen Plus,
- e. In violation of his duty as an officer and the negotiating official to do so,
- f. And has taken those benefits as his own

96. The corporation has been injured thereby.

97. The corporation will be further injured if equitable relief in the form of a disgorgement order and injunction are not entered to stop the corporation's officer from further

acting against the interest of the corporation by use of information, documents and position so obtained.

**COUNT III (Yusuf Only) – USURPING OF CORPORATE OPPORTUNITY**

98. Plaintiffs repeat and reallege all preceding paragraphs, which are incorporated herein by reference.

99. The acts alleged herein in paragraph 96 constitutes usurping of a corporate opportunity by Fathi Yusuf, an officer of the corporation acting in that capacity in dealing with Manal Yousef.

100. The corporation has been injured thereby.

101. The corporation will be further injured if equitable relief in the form of a disgorgement order and injunction are not entered to stop the corporation's officer from further acting against the interest of the corporation by use of information, documents and position so obtained.

**COUNT IV – TORT OF OUTRAGE**

102. Plaintiffs repeat and reallege all preceding paragraphs, which are incorporated herein by reference.

103. The actions of the Defendants were intentional, wanton, extreme and outrageous.

104. The actions of the Defendants were culpable and not justifiable under the circumstances.

105. The actions of the Defendants caused injury to Sixteen Plus.

106. As such, the Defendants are liable for said injuries suffered by Sixteen Plus as a result of their intentional and unjustifiable misconduct.



**WHEREFORE**, the Plaintiffs seek:

- A. an award of compensatory damages of multiple loses of the sale of the Land at the highest and best sales value of \$30 million as stated by Fathi Yusuf, including treble damages where permitted by law,
- B. equitable orders with regard to the acts.
- C. consequential damages against the Defendants, jointly and severally, in an amount as determined by the trier of fact, along with any other relief the Court deems appropriate,
- D. Punitive damages if warranted by the facts and applicable law.
- E. Any and all other damages, fees, costs or other relief the Court may deem appropriate.

Attached as **Exhibit A** is the mandatory redline to the prior complaint

**A TRIAL BY JURY IS DEMANDED AS TO ALL ISSUES**

**Dated:** July 7, 2024

/s/ Carl J. Hartmann III  
**Carl J. Hartmann III, Esq.**  
*Co-Counsel for Plaintiff*  
2940 Brookwind Dr,  
Holland, MI 49424  
Email: carl@carlhartmann.com

**Joel H. Holt, Esq. (Bar # 6)**  
*Counsel for Plaintiff*  
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Fax: (340) 773-8677

**Carl J. Hartmann III, Esq.**  
*Co-Counsel for Plaintiff*  
2940 Brookwind Dr,  
Holland, MI 49424  
Email: carl@carlhartmann.com

### **CERTIFICATION**

Counsel hereby certifies that he has affixed his signature hereto pursuant to the requirements of 14 V.I.C. §607(d) and sent a true copy of the original complaint to the Attorney General as required by § 607(f). See Exhibit 1.

**Dated:** June 28, 2024

/s/ Carl J. Hartmann III  
**Carl J. Hartmann III, Esq.**  
*Co-Counsel for Plaintiff*  
2940 Brookwind Dr,  
Holland, MI 49424  
Email: carl@carlhartmann.com

## VERIFICATION

Plaintiff hereby certifies that the facts and allegations herein are true to the best of my knowledge and ability to collect them. I state in limitation that I am just a shareholder and not an officer--and thus my knowledge of these facts and allegations have been obtained by me by diligent investigation by my counsel and the statement of Wally Hamed, a responsible officer of the Company present at the times described.

**Dated:** June 28, 2024

/s/ Hisham Hamed

## CERTIFICATE OF SERVICE

I hereby certify that on this 28th day of June, 2024, I served a copy of the foregoing by the Court's E-File System and email, as agreed by the parties, on:

**Charlotte Perrell**  
**Stephen Herpel**  
*Counsel for Defendant Fathi Yusuf*

**Christopher Allen Kroblin**  
**Marjorie Whalen**  
*Counsel for Defendants*  
*Manal Mohammad Yousef*  
*Jamil Yousuf*  
*Isam Yousuf*  
KELLERHALS FERGUSON KROBLIN PLLC  
Royal Palms Professional Building  
9053 Estate Thomas, Suite 101  
St. Thomas, V.I. 00802-3602  
Telephone: (340) 779-2564  
Facsimile: (888) 316-

**Kevin Rames**  
Counsel for Nominal Defendant  
Sixteen Plus Corporation

/s/ Carl J. Hartmann III

# EXHIBITS

## IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS

DIVISION OF ST. CROIX

YUSUF YUSUF, ON BEHALF OF PLESSEN ENT., INC.	<b>Plaintiff</b>	)
		)
		)
	vs	)
WALEED HAMED		)
WAHEED HAMED		)
MUFEEED MOHAMMAD HAMED		)

CASE NO. SX-13-CV-0000120

ACTION FOR: DAMAGES - CIVIL

Defendant

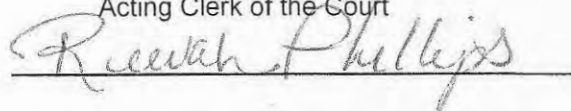
**NOTICE OF ENTRY OF  
MEMORANDUM OPINION  
AND ORDER**

TO: MARK W. ECKARD, ESQ.  
ANDREW L. CAPDEVILLE, ESQ.

Please take notice that on April 21, 2016 a(n) MEMORANDUM OPINION AND ORDER dated April 19, 2016 was entered by the Clerk in the above-entitled matter.

Dated: April 21, 2016

Estrella H. George  
Acting Clerk of the Court



REEVAH PHILLIPS  
OFFICE ASSISTANT



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

**YUSUF YUSUF, derivatively on behalf of  
PLESSEN ENTERPRISES, INC.,**

**Plaintiff,**

**v.**

**WALEED HAMED, WAHEED HAMED,  
MUFEED HAMED, HISHAM HAMED and  
FIVE-H HOLDINGS, INC.,**

**Defendants,**

**and**

**PLESSEN ENTERPRISES, INC.,  
Nominal  
Defendant.**

**SX-13-CV-120**

**MEMORANDUM OPINION**

**THIS MATTER** is before the Court on Plaintiff Yusuf Yusuf's (hereinafter, "Plaintiff Yusuf") Motion to Nullify Plessen Enterprises, Inc.'s Board Resolutions, to Void Acts Taken Pursuant to Those Resolutions, and to Appoint Receiver, filed on May 20, 2014 (hereinafter, "Motion"). Nominal Defendant Plessen Enterprises, Inc. (hereinafter, "Plessen") filed an Opposition on May 30, 2014 (hereinafter, "Plessen's Opp."). Defendant Waleed Hamed (hereinafter, "Waleed"), Defendant Waheed Hamed (hereinafter, "Waheed"), Defendant Mufeed Hamed (hereinafter, "Mufeed"), Defendant Hisham Hamed (hereinafter, "Hisham"), and Five-H Holdings, Inc. (hereinafter, "Five-H", and together with Waleed, Waheed, Mufeed, and Hisham, "Defendants") filed an Opposition on June 2, 2014 (hereinafter, "Defendants' Opp."). Plaintiff Yusuf filed a Joint Reply on June 19, 2014 (hereinafter, "Reply").

## BACKGROUND

Plessen is a Virgin Islands corporation jointly and equally held between the Hamed families and the Yusuf family. Motion, at 1; Defendants' Opp., at 6. Mohammad Hamed (hereinafter, "Mohammad") and his family members and Fathi Yusuf<sup>1</sup> (hereinafter, "Fathi") and his family members are also involved in a partnership to operate the Plaza Extra supermarkets (hereinafter, "Hamed-Yusuf Partnership").<sup>2</sup> The relationships between the two families deteriorated over time.

In 2012, Mohammad filed a complaint against Fathi and United Corporation, requesting judicial intervention in the winding up of the Hamed-Yusuf Partnership (hereinafter, "2012 Lawsuit"). The 2012 Lawsuit is currently pending before the Honorable Douglas Brady. In 2013, Plaintiff Yusuf, derivatively on behalf of Plessen, filed a Verified Shareholder Derivative Complaint (hereinafter, "Verified Complaint") against Defendants and Plessen, alleging, *inter alia*, fraudulent misappropriation of approximately \$460,000 from Plessen's corporate account. Verified Complaint.

On April 28, 2014, Mohammad served Fathi, via hand-delivery, with a Notice of Special Meeting of Board of Directors of Plessen Enterprises, Inc. to be convened at 10:00 a.m. on April 30, 2014 (hereinafter, "Notice"). Motion, at 4 (Exhibit A). On April 29, 2014, Fathi responded to the Notice in writing, pointing out the Notice's deficiencies and demanding that the special meeting to not go forward. Motion, at 6 (Exhibit B). Nevertheless, the special meeting took place on April 30, 2014 (hereinafter, "Special Meeting"), and Plessen's board of directors adopted resolutions wherein the board: (1) ratified and approved Waleed's withdrawal of \$460,000 from the company bank account in May 2013 as dividends; (2) authorized Plessen's president to enter into a lease agreement with KAC357, Inc. for the premises now occupied by Plaza Extra-West; (3) authorized the retention of

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<sup>1</sup> According to Plaintiff Yusuf's Motion, Fathi is his father, and also a shareholder, officer, and director of Plessen.

<sup>2</sup> As the result of "Hamed" often being used to refer to Mohammad as an individual and the Hamed family as a group, and "Yusuf" often being used to refer to Fathi as an individual and the Yusuf family as a group in the records before the Court, the Court cannot discern whether the Hamed-Yusuf Partnership is solely between Mohammad and Fathi or between the Hamed family and Yusuf family.

Attorney Jeffrey Moorhead to represent Plessen in this instant lawsuit and the 2012 Lawsuit; (4) authorized Plessen's president to issue additional dividends to shareholders, up to \$200,000, from the company bank account; and (5) removed Fathi as registered agent, to be replaced by Jeffrey Moorhead. Motion, at 8-9 (Exhibit G).

On May 20, 2014, Plaintiff Yusuf filed this instant Motion, requesting the Court to nullify the resolutions, void the acts taken pursuant to the resolutions, and appoint a receiver for Plessen.<sup>3</sup> Motion, at 1.

### **DISCUSSION**

The arguments in Plaintiff Yusuf's Motion focused on: (1) the propriety of the Special Meeting; (2) the propriety of the resolutions adopted by the board at the Special Meeting; and (3) the necessity for a Plessen receiver.

#### **A. Whether the Special Meeting was Called in Compliance with Plessen's By-Laws**

Plaintiff Yusuf argued that the fact that the Notice was served on Fathi on one business day's notice was an "obvious attempt to avoid judicial scrutiny" and "a violation of the spirit of the preliminary injunction entered in the [2012 Lawsuit]." Motion, at 5. Furthermore, Plaintiff Yusuf argued that the Notice was procedurally defective because: (1) the Notice violated Plessen's by-laws (hereinafter, "By-Laws") because it was not issued by the corporate secretary, Fathi, the only party authorized to provide notice of such meetings; and (2) the Notice was not served on Maher Yusuf

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<sup>3</sup> According to Plaintiff Yusuf's Motion, Fathi filed a similar motion in the 2012 Lawsuit, also requesting the court to nullify the resolutions, void the acts taken pursuant to the resolutions, and appoint a receiver for Plessen. The court denied Fathi's motion in the 2012 Lawsuit. In its July 22, 2014 memorandum opinion, the court held that: (1) Plaintiff [Mohammad Hamed] did not violate Plessen's By-Laws in providing Notice of the April 30, 2014 special meeting of the Plessen board of directors; (2) the Lease between Plessen and KAC357, Inc. according to its terms, with Hamed's personal guarantee of the tenant's performance, is intrinsically fair to Plessen; (3) the board did not violate Plessen's By-Laws by retaining Attorney Jeffrey Moorhead to defend Plessen against Defendant [Fathi's] Counterclaim in the instant action and in the shareholder derivative action; (4) the dividends authorized at the April 30, 2014 meeting, shared equally between Mohommad and Fathi, will not be disturbed; (5) the court will not rescind the board's resolution to remove Fathi as Plessen's resident agent; and (6) at this stage, the court will not appoint a receiver to oversee the liquidation of Plessen. However, the court specifically noted that it did not make any findings of fact or legal determinations regarding the propriety of the May 2013 distribution of \$460,000 to Waleed since it is the subject matter of this instant shareholder derivative action.



(hereinafter, “Maher”), who was also a director of Plessen.<sup>4</sup> *Id.* Thus, Plaintiff Yusuf concluded that the resolutions adopted at the Special Meeting and the actions taken thereof should be null and void.

*Id.* at 6.

In response, Plessen and Defendants pointed out that the By-Laws require only that the meeting take place at least one day’s notice if the notice was served via hand-delivery and expressly permit the corporate president to serve such notice if the secretary fails to do so. Plessen’s *Opp.*, at 2; Defendants’ *Opp.*, at 2. Furthermore, Plessen and Defendants denied that Maher is a director, relying upon Plessen’s articles of incorporation (hereinafter, “Articles of Incorporation”) which listed only three directors and the By-Laws which prohibited the number of directors to be increased absent a vote by the majority of the directors. Plessen’s *Opp.*, at 2; Defendants’ *Opp.*, at 3.

In his Reply, Plaintiff Yusuf attached an interrogatory answer whereby Mohammad acknowledge that he is “one of the four directors of Plessen.” Reply, at 11 (Exhibit A). In response, Plessen filed a notice with the Court indicating that said interrogatory answer have since been amended to state that Mohammad is “one of the three directors of Plessen.” Plessen’s June 22, 2014 notice, at 1 (Exhibit 1).

A corporation’s by-laws regulate its internal governance and its external dealings. *See, Weary v. Long Reef Condominium Association*, 57 V.I. 163, fn 7 (V.I. 2012) (quoting BLACK’S LAW DICTIONARY 228 (9th ed. 2009), “A by-law is defined as “[a] rule or administrative provision adopted by an organization for its internal governance and its external dealings.”) In *Weary*, the Supreme Court of the Virgin Islands (hereinafter, “Supreme Court”) stated that, if the language of a the corporations by-laws “is clear and unambiguous... we will follow their plain meaning and abstain

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<sup>4</sup> As proof that Maher is also a director of Plessen, Plaintiff Yusuf pointed to a February 14, 2013 “List of Corporate Officers for Plessen” from the electronic records of the Department of Licensing and Consumer Affairs and a Scotiabank account application information form wherein Maher is designated “Director/Authorized Signatory” on Plessen’s account. Motion, at 6 (Exhibit D & E).

from imputing language or interpretations that are not in accordance with their plain meaning.” *Id.*, at 169-70.

Section 2.6 of the By-Laws provides that, “[w]ritten notice of each special meeting of the Board of Directors shall be given to each Directors by...hand-delivering that notice at least one (1) day before the meeting.” Here, it is undisputed that the Notice was hand-delivered to Fathi on April 28, 2014, two days before the April 30, 2014 Special Meeting. Thus, the plain language of the notice requirement set forth in the By-Laws was satisfied. Furthermore, section 7.2(B) of the By-Laws permits the corporate president to give such notice “[i]f the Secretary is absent or refuses or neglects to act.” While nothing has been presented to suggest that Fathi, the corporate secretary, was absent or refused or neglected to act, it is clear that, based on Fathi’s reaction to the Special Meeting being called,<sup>5</sup> it would have been futile to ask Fathi to provide notice of the Special Meeting. Nevertheless, regardless of whether it was proper for the corporate president to provide notice under the circumstances, the purpose of the notice provision was satisfied since all the directors were timely advised of the calling of the Special Meeting, and in fact, all attended the Special Meeting.<sup>6</sup> However, this is true only if Maher is not a director.

The Articles of Incorporation list Mohammad, Waleed, and Fathi as the only three directors. It is not in dispute that Mohammad, Waleed, and Fathi are directors of Plessen; but, rather, it is Plaintiff Yusuf’s contention that Maher is a fourth director of Plessen. Section 2.2 of the By-Laws provides that the number of directors can be changed only by “resolution of a majority of the entire Board of Directors” and that “each Director shall serve until his or her successor is duly elected and qualifies.” According to both Waleed and Fathi, no such resolution was ever adopted and no

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<sup>5</sup> In response to being served the Notice, Fathi wrote a letter to Mohammad and Waleed, demanding that the Special Meeting to not go forward, and also filed an emergency motion in the 2012 Lawsuit to enjoin the Special Meeting. Motion, at 6-7. That motion did not come to the attention of the court until after the Special Meeting had concluded and thus rendered the motion moot.

<sup>6</sup> Section 7.2(c) of the By-Laws provide that a director may waive notice of a meeting. Fathi’s appearance and participation in the meeting may constitute a waiver of the notice requirement.

meetings were called to elect successors.<sup>7</sup> Thus, for the limited purpose of addressing this Motion, the Court finds that Plessen has only three directors—Mohammad, Waleed, and Fathi. Accordingly, the purpose of the notice provision of the By-Laws was indeed satisfied.

**B. Whether the Resolution Should be Nullified and the Acts Taken Pursuant to the Resolutions Should be Voided**

**1. The Withdrawal**

Plaintiff Yusuf argued that the ratification and approval of Waleed's withdrawal of \$460,000 from Plessen's bank account in May 2013 as dividends should be rescinded because it was an unfair misappropriation of corporate funds. Motion, at 15.

Plessen and Defendants countered that, at the time of the withdrawal, Plessen had sufficient funds to issue dividends, and that it was within the board's authority to issue dividends under section Eleventh (b)(iv) of the Articles of Incorporation.<sup>8</sup> Plessen's Opp., at 5-6; Defendants' Opp., at 6. Furthermore, Defendants explained that, since Plessen is equally and jointly owned by the Hamed family and the Yusuf family, the dividends were split equally between them. Thus, Waleed deposited \$230,000 into the Court's registry, with a stipulation for Plaintiff Yusuf to withdraw and disburse among shareholders in the Yusuf family. Defendants' Opp., at 7 (Exhibit 2B).

In his Reply, Plaintiff Yusuf argued that the withdrawal of \$460,000 depleted Plessen's account and thus, there were insufficient funds to reimburse him for the payment of 2011 property

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<sup>7</sup> According to Waleed's Declaration: "There have been no resolutions of the Board or votes by the shareholders of Plessen Enterprises, Inc. that have ever changed these three Directors as provided for in the articles of incorporation over the last 26 years." Defendants' Opp. (Exhibit 2). Fathi's Declaration concurs: "Until the Special Meeting of the Board of Directors of Plessen was held on April 30, 2014, there had been no meeting of the directors or shareholders of Plessen since its formation in 1988." Motion (Exhibit K).

<sup>8</sup> Section Eleventh, provides in pertinent part:

(b) In furtherance and not in limitation of the powers conferred by the laws of the Virgin Islands of the United States, the Board of Directors is expressly authorized and empowered:

(iv) To determine whether any, and if any, what part of the corporate funds legally available therefor shall be declared in dividends and paid to the stockholders, and to direct and determine the use and disposition of any such funds.

taxes. Reply, at 8; Verified Complaint, ¶¶ 25-27. Additionally, Plaintiff Yusuf noted that “no dividends have ever been paid in the entire twenty-five year history of the company.” Reply, at 8.

This disputed withdrawal is the heart of this shareholder derivative lawsuit.<sup>9</sup> At this juncture, the Court does not have adequate information to rule on the propriety of this withdrawal. Defendants mentioned that Plessen’s only bills were tax bills, and that Plessen routinely had excess funds. Defendants’ Opp., at 6. So how much was in Plessen’s bank account at the time of the withdrawal? And at the time of the withdrawal, were there any outstanding taxes, including but not limited to Plessen’s 2011 property taxes or the reimbursement thereof, which needed to be paid? Furthermore, Defendants mentioned that Waleed deposited half of the withdrawn amount into the Court’s registry for Plaintiff Yusuf to disburse among shareholders in the Yusuf family. *Id.* When was that money deposited? The stipulation to release funds is dated April 30, 2014. If that is the date when the money was first deposited, why did Waleed wait for almost a year before disbursing dividends to the shareholders in the Yusuf family? Or, if Waleed deposited the funds earlier than April 30, 2014, why was the stipulation not entered until April 30, 2014? Was there a particular reason for

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<sup>9</sup> The Verified Complaint provided, in pertinent part:

WALEED HAMED’s Misappropriation of \$460,000

25. On or about March 27<sup>th</sup>, [sic] 2013, Plaintiff YUSUF paid with his personal Banco Popular Visa credit card the 2011 property taxes of PLESSEN.

26. YUSUF was reimbursed for such payment by way of a check drawn on PLESSEN’s bank account with Scotiabank.

27. However, YUSUF was subsequently informed that an employee of Scotiabank called Fathi Yusuf to inform Fathi Yusuf that the check made to pay Plaintiff YUSUF’s Banco Popular Visa credit card account would not be honored, *i.e.*, the check would bounce, because of insufficient funds in PLESSEN’s Scotiabank account.

28. It was then revealed that on March 27, 2013, Defendants WALEED HAMED & MUFEED HAMED, without authorization, issued check number 0376 on a PLESSEN in the amount of \$460,000.00 from PLESSEN’s Scotiabank account, made payable to Defendant WALEED HAMED. A copy of check number 0376 is attached as Exhibit “D” hereto.

29. Defendant WALEED HAMED then endorsed check number 0376 “for deposit only” and, upon information and belief, then deposited PLESSEN’s \$460,000 at issue in Defendant WALEED HAMED’s personal bank account.

30. Further, the INDIVIDUAL DEFENDANTS and Defendant FIVE-H, among other improper acts, have individually and collectively obtained the benefit, use and enjoyment of PLESSEN’s defalcated funds.

withholding disbursement of dividends for the shareholders in the Yusuf family? Additionally, how did Waleed report the withdrawal for tax purposes in 2013, and for what amount?

This is just a sample of questions the Court had while reading the parties' briefs, which failed to provide any answers. It is premature for the Court to make a finding that the withdrawal was proper or improper, and in effect, rule on the subject matter of this derivative action. Currently, this lawsuit is still in the early stages, with Plaintiff Yusuf's motion to amend the complaint still pending before the Court. Accordingly, the Court will withhold ruling on the propriety of the May 2013 withdrawal at this time.

## **2. The Lease**

Plaintiff Yusuf argued that the board's approval of the lease with KAC357, Inc. (hereinafter, "Lease"),<sup>10</sup> a newly formed entity of the Hamed family, was not in Plessen's best interests and constitutes an act of self-dealing by the interested directors.<sup>11</sup> Motion, at 12-15. More specifically, Plaintiff Yusuf argued: (1) the Lease is premature on its face—given that the Lease does not become effective until some unspecified date in the future, and only if and when Plaza Extra-West store ceases to occupy the premises; (2) the Lease was entered to "give the Hameds an inside track on ultimate purchase of the assets of Plessen upon dissolution;" (3) the Lease is a kind of "poison pill" designed to dissuade any outside investor from bidding to acquire the property which is subject to the Lease, and to that extent, devalues Plessen's assets; (4) the Lease's terms are unfair to Plessen—the lack of personal guaranties of the Hameds to back up the obligations of KAC357, Inc. puts Plessen at risk and renders the indemnity provision in the Lease worthless; the assignment clause is detrimental to Plessen's interests because the lease is freely assignable, not subject to Plessen's consent; the uncertain and unknowable rent structure; and the inadequate insurance provisions. *Id.* Plaintiff

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<sup>10</sup> The Lease is for the premises where Plaza Extra-West currently occupies.

<sup>11</sup> There was full disclosure of Waleed's interest in KAC357, Inc. in the Notice.

Yusuf concluded that, based on the above, the Lease is not intrinsically fair to Plessen,<sup>12</sup> and thus, the board's approval of the lease should be nullified.

Plessen countered that section Eleventh (e) of the Articles of Incorporation specifically permits a director to have an interest in another company doing business with the corporation so long as that conflict is disclosed.<sup>13</sup> Plessen's Opp., at 3. Furthermore, Plessen and Defendants argued that the Lease is in fact in Plessen's best interest since it provides Plessen with future rental incomes and keeps the vacant building from becoming a liability. *Id.*; Defendants' Opp., at 5. Moreover, Plessen and Defendants noted that in light of Plaintiff Yusuf's concerns, Plessen obtained an amendment to the Lease to include the personal guarantee of Mohammad and to increase the insurance coverages. Plessen's Opp., at 3; Defendants' Opp. (Exhibit 2A). As to Plaintiff Yusuf's concerns with the assignment clause and the uncertain rent increase, Plessen responded that the creditworthiness of an assignment is a non-issue given that KAC357, Inc. remains liable for rent and the annual Consumer Price Index rent increase is standard in commercial leases. Plessen's Opp., at 4. Lastly, Defendants pointed out that Plaintiff Yusuf has not suggested that the rent is less than fair market value. Defendants' Opp., at 5.

In response, Plaintiff Yusuf argued that even if the Articles of Incorporation permit transactions with an interested director, the Lease is not intrinsically fair to Plessen, and thus, the board's approval of the lease should be nullified.

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<sup>12</sup> Plaintiff Yusuf failed to cite any binding authority to support his assertion that the "intrinsically fair" standard is the applicable standard for this jurisdiction in determining whether a disclosed interested director transaction should be approved or voided.

<sup>13</sup> Section Eleventh, provides in pertinent part:

(e) No contract or other transaction between the corporation and any other corporation and no other act of the corporation shall, in the absence of fraud, in any way be affected or invalidated by the fact that any of the directors of the corporation are pecuniarily or otherwise interested in, or are director or officers of, such other corporation. Any directors of the corporation individually or any firm or association of which any director may be member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the corporation, provided that the fact that he individually or such firm or association is so interested shall be disclosed or shall have been known to the Board of directors or a majority of such members thereof...

**a. Applicable Law for Determining the Validity of Interested Director Transactions**

In *Banks* and later cases, the Supreme Court instructed the superior courts to engage in a three-factor analysis when confronting an issue of common law that it has yet to address. *Banks v. International Rental & Leasing Corp.*, 55 V.I. 967 (V.I. 2011); *Government of the Virgin Islands v. Connor*, 60 V.I. 597 (V.I. 2014). It appears that no binding precedent exists in this jurisdiction regarding the applicable standard to determine whether a disclosed interested director transaction should be approved or voided,<sup>14</sup> thus the Court must undertake a *Banks* analysis. A *Banks* analysis consists of a balancing of the following three non-dispositive factors: (1) past practices of courts in this jurisdiction; (2) approaches taken by other jurisdictions; and most importantly, (3) which approach represents the soundest rule for the Virgin Islands. *King v. Appleton*, 61 V.I. 339, 349-50 (V.I. 2014).

Past practices of courts in this jurisdiction.

In the 2012 Lawsuit, *Hamed v. Yusuf*, 62 V.I. 38 (Super. Ct. 2014), the court applied the “intrinsicly fair” standard to determine whether the interested director transaction should be approved or voided. After carefully scrutinizing the interested director transaction, the court concluded that the transaction was intrinsicly fair to the corporation and that the transaction served a valid corporate purpose. *Hamed*, 62 V.I. at \*14. Thus, the court approved the interested director transaction and did not void the lease.

Approaches taken by other jurisdictions.

The early common law rule was that interested director transactions were automatically voidable regardless of their fairness. *See, Globe Woolen Col. v. Utica Gas & Electric Co.*, 224 N.Y. 483 (Ct. of App. 1918) (the interested director transaction was voided regardless of its fairness); *see*

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<sup>14</sup> Since Waleed’s interest was fully disclosed in the Notice, the Court’s discussion is limited to disclosed interested director transactions. Additionally, since Fathi—the disinterested director—did not assent to the Lease here, the Court will further limit its discussion to interested director transactions that are not approved by disinterested director(s).

*also, Potte v. Sanitary Co.*, 194 A. 87 (Del. Cha. Ct. 1937). However, over time, the common law evolved from the traditional inflexible but predictable standard to a more flexible but less predictable standard involving the consideration of fairness. *See, e.g., Butler v. Moore*, 2015 U.S. Dist. LEXIS 39416, \*178 (Mass. Dist. Ct. 2015) ("to meet a fiduciary's duty of loyalty, a director or officer who wishes to ... engage in self-dealing must first disclose material details of the venture to the corporation, and then either receive the assent of disinterested directors or shareholders, or otherwise prove that the decision is fair to the corporation."); *United States v. Skeddle*, 940 F. Supp. 1146, 1151-52 (N.D. Ohio 1996) ("Without exception, Ohio courts also place the burden of proving the fairness of a self-dealing transaction on the fiduciary who has benefited from such transaction."); *Des Moines Bank & Trust Co. v. George M. Bechtel & Co.*, 243 Iowa 1007, 1081 (Iowa Sup. Ct., 1952) (The Court noted that "[c]orporate directors and officers may under proper circumstances transact business with the corporation including the purchase or sale of property" but the "burden is upon them to establish their good faith, honesty and fairness." By the end of 1996, forty-eight states had enacted statutes dealing with interested director transactions.<sup>15</sup> Eric G. Orlinsky, CORPORATE OPPORTUNITY DOCTRINE AND INTERESTED DIRECTOR TRANSACTIONS: A FRAMEWORK FOR ANALYSIS IN AN ATTEMPT TO RESTORE PREDICTABILITY, 24 Del. J. Corp. L. 451, 453 (1999).

The soundest rule of law for the Virgin Islands.

The Court finds that the soundest rule of law for the Virgin Islands is to not automatically void the disclosed interested director transaction, but to consider its fairness to the corporation and its shareholders. There may be times when it is advantageous for a corporation to engage in transactions with its directors. Nonetheless, there must be some safe guard in place to avoid abuse.

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<sup>15</sup> *See, e.g.,* N.Y. BUS. CORP. LAW § 713; CAL. CORP. CODE § 310; DEL. CODE ANN. tit. 8 § 144; GA. CODE ANN. § 14-2-862; PA. C.S. tit. 15 § 1728; N.J. STAT. ANN. § 14A:6-8; CONN. GEN. STAT. ANN. § 33-781 (1960); TENN. CODE ANN. § 48-18-703. Some states have included officers under the purview of the statutes. *See, e.g.,* DEL. CODE ANN. tit. 8 § 144 (1975); GA. CODE ANN. § 14-2-862 (Supp. 1975); PA. C.S. tit. 15 § 1728 (Purdon Supp. 1976).



Thus, in order for the Court to approve the disclosed interested director transaction, the transaction must be intrinsically fair to the corporation and its shareholders.

Upon careful scrutiny of the Lease, the Court finds that this transaction is intrinsically fair to Plessen and its shareholders. In determining whether the Lease is fair to Plessen, the Court looks at the potential benefits or negative effects on the corporation, and not on the benefit conferred on the interested director. *Hamed*, 62 V.I. at \*14. Thus, the fact that the Hamed family receives some benefits as the result of the Lease does not make the Lease voidable per se. While Plaintiff Yusuf is concerned with the unspecified date the Lease will become effective in the future, the Lease maintains the status quo for Plessen by preserving the right of the Hamed-Yusuf partnership to continue its operation of Plaza Extra-West until it winds up. *Id.* (“Business decisions to maintain the status quo have passed the intrinsic fairness test in several circumstances.”) Furthermore, the Lease insures a long term rental income for Plessen, with options that may extend the rental income for a total of 30 years. This is surely a benefit for Plessen because it protects Plessen from the prospect of holding a vacant commercial property and prevents it from becoming a liability. Plaintiff Yusuf called the Lease a kind of “poison pill” designed to dissuade any outside investor from bidding to acquire the Subject Property and thus, devalues Plessen’s assets, but Plaintiff Yusuf failed to provide any explanation why the existence of a 30 years leasehold income represents a disincentive to an outside investor. With regard to Plaintiff Yusuf’s concerns over the lack of personal guaranties to back up the obligations of KAC357, Inc, and the inadequate insurance provision, the first amendment to the lease contains the personal guarantee of Mohammad and increased the all risks coverage from \$5,000,000.00 minimum to \$7,000,000.00 minimum and added that “[s]aid amount shall be increased as needed in the future to comply with the need to avoid the landlord or the tenant from becoming a co-insurer.” First Amendment to Lease, ¶¶ 1; 2. The Lease also provides that the tenant is obligated to restore the Subject Premises promptly in the event of

casualty damage, including windstorm. Lease, ¶¶ 17.2; 17.4. Moreover, the personal guarantee of Mohammad should also ease Plaintiff Yusuf's concerns with the assignment clause, in the event that the assignee and KAC357, Inc. both defaults on their obligations. Lastly, Plaintiff Yusuf objected to the rent increases being pegged to the Consumer Price Index. However, this is a relatively common feature in commercial leases and is not deemed unreasonable. The Court also notes that Plaintiff Yusuf never argued that the rent under the Lease (\$55,000 per month) is unfair.

Thus, the Court concludes that the Lease is intrinsically fair, from a business perspective, to Plessen and its shareholders. Accordingly, the Court will not nullify the board's resolution authorizing Plessen's president to enter into the Lease and the Court will not void the Lease.

### **3. The Retainer**

Plaintiff Yusuf claimed that the retention of Attorney Jeffrey Moorhead as counsel for Plessen in this lawsuit and the 2012 Lawsuit is not in compliance with the By-Laws. Motion, at 16 (Exhibit C). More specifically, Plaintiff Yusuf argued that Fathi was not consulted beforehand, that there was no discussion of Attorney Moorhead's qualifications terms and potential conflicts, and that Attorney Moorhead received a retainer check prior to the Special Meeting approving his retention. *Id.* Thus, Yusuf concluded, the resolution approving the retention of Attorney Moorhead must be nullified. *Id.*, at 17

Plessen and Defendants countered that it was in Plessen's best interests to retain counsel since Plessen is being sued in both lawsuits and should not remain unrepresented. Plessen's Opp., at 4; Defendants' Opp., at 8. Furthermore, Plessen pointed out that Attorney Moorhead was not retained as a general counsel as described by section 7.3 of the By-Laws; rather, Attorney Moorhead was retained as counsel in a limited capacity, pursuant to the board's resolution at the Special Meeting. Plessen's Opp., at 4.

In his Reply, Plaintiff Yusuf continued to argue that Attorney Moorhead is acting as Plessen's general counsel and thus, Attorney Moorhead's appointment and actions must be in compliance with the By-Laws. Reply, at 9-10.

At the Special Meeting, the board authorized the retention of Attorney Moorhead for the expressly defined and limited purpose of defending Plessen in this lawsuit and in the 2012 Lawsuit. It is clearly in Plessen's best interest to have legal representation in both lawsuits.<sup>16</sup> The By-Laws does not forbid the retention of counsel for a specific limited purpose. In fact, the By-Laws does not address the retention of a counsel for a specific limited purpose at all; section 7.3 of the By-Laws solely pertains to the appointment of a general corporate counsel. As such, the Court will not interfere with the board's retention of Attorney Moorhead for the specific limited purpose of defending Plessen in this lawsuit and the 2012 Lawsuit.

#### **4. The Dividends**

Plaintiff Yusuf argued that the board's authorization to issue additional dividends, up to \$200,000, should also be nullified and the Court should enjoin the issuance of future dividends to protect the shareholders in the Yusuf family. Motion, at 17. Pursuant to the board's resolution, Waleed and Mufeed issued two checks from Plessen's bank account, each in the amount of \$100,000 for "dividend distribution", made payable to "Mohammad Hamed" on one check and "Fathi Yusuf" in another check. Motion, at 17. Plaintiff Yusuf claimed that these checks were wrongly issued because it failed to include the required signature from Fathi or Maher, just like the \$460,000 check negotiated in May 2013. *Id.* Thus, Yusuf asked the Court to extend the preliminary injunction entered in the 2012 Lawsuit with respect to the Hamed-Yusuf Partnership to preclude Plessen from issuing future dividends. *Id.*

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<sup>16</sup> As Fathi himself pointed out in a 2014 brief he filed in the 2012 Lawsuit, Plessen was in default for almost a year for failure to appear despite being properly served in 2013. Defendants' Opposition (Exhibit 2C). Presumably, the default could have been avoided, or at least rectified sooner, if Plessen had legal representation.

Plessen and Defendants countered that, at the time of distribution, Plessen had sufficient funds to issue dividends, and that it was within the board's authority to issue dividends under section Eleventh (b)(iv) of the Articles of Incorporation. Plessen's Opp., at 5-6; Defendants' Opp., at 7. Plaintiff Yusuf did not address this issue in his Reply.

Under section Eleventh (b)(iv) of the Articles of Incorporation, it is within the board's authority to issue dividends. The dividend in question was paid equally to both Mohammad and Fathi, \$100,000 each, on the same date.<sup>17</sup> As such, the Court does not see any unfairness or wrongfulness with the board's authorization to issue additional dividends. Accordingly, the Court will not nullify the board's resolution authorizing the issuance of additional dividends and the Court will not void the issuance of the \$100,000 dividends to Mohammad and Fathi.<sup>18</sup>

The Court will not grant Plaintiff Yusuf's request to extend the preliminary injunction entered in the 2012 Lawsuit to include Plessen. Plessen's interests and operations are not a subject of the existing preliminary injunction in the 2012 Lawsuit. Plaintiff Yusuf failed to cite any authority to support his argument that an existing preliminary injunction could simply be extended to include another party without a thorough review of the extent of the irreparable harm, each party's likelihood of prevailing at trial, and any other public or private interests implicated by the injunction.<sup>19</sup> The Court will not allow Plaintiff Yusuf to circumvent the proper procedure to obtain a preliminary injunction against Plessen.

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<sup>17</sup> The status of the two \$100,000 checks is unclear. In Plaintiff Yusuf's Motion, he noted that Mohammad's check was not honored on presentment, and Fathi's check was never presented for payment. Motion, at 17. The Oppositions did not discuss the individual checks issued, and Plaintiff Yusuf's Reply was silent on this issue.

<sup>18</sup> Notwithstanding the question as to whether Mohammad and Fathi individually each own 50% of Plessen stock, it is undisputed that the stock is owned 50% each by the Hamed family and the Yusuf family.

<sup>19</sup> The Supreme Court's precedent establishes that four factors are relevant in deciding a motion for a preliminary injunction in this jurisdiction: (1) whether the movant has shown a reasonable probability of success on the merits; (2) whether the movant will be irreparably injured by denial of the relief; (3) whether granting preliminary relief will result in even greater harm to the nonmoving party; and (4) whether granting the preliminary relief will be in the public interest. *3RC & Co. v. Boynes Trucking Sys.*, 2015 V.I. Supreme LEXIS 22, \*6 (V.I. 2015).

## **5. The Resident Agent**

Plaintiff Yusuf argued that the board's removal of Fathi as Plessen's resident agent should be nullified because the procedure for changing the resident agent under Title 13 V.I.C. § 52-55 was not followed—namely, that the corporate secretary did not first sign off on the removal and the board did not obtain, file, and certify the resignation of the current resident agent. Motion, at 18.

Plessen and Defendants responded that the board was justified to remove Fathi as its resident agent after Fathi sued Plessen and served himself as the registered agent without telling anyone else that he had done so, and then argued to the court that Plessen was in default.<sup>20</sup> Plessen's Opp., at 4; Defendants' Opp., at 7 (Exhibit 2C).

In his Reply, Yusuf argues that Mohammad and Waleed both had notice that Fathi served Plessen as a counterclaim defendant in the 2012 Lawsuit<sup>21</sup> and that Fathi never moved for an entry of default as to Plessen.

While it may be true that Fathi never moved for an entry of default as to Plessen in the 2012 Lawsuit, the Court finds it troubling that Fathi, as Plessen's director, corporate secretary, and its registered agent, was aware Plessen's default status, and rather than rectifying that, Fathi used it against Plessen. Fathi's actions appear to be in breach of his fiduciary obligation owed to Plessen as its director, corporate secretary, and registered agent. Additionally, the Court finds Plaintiff Yusuf's contention—that Fathi, as the corporate secretary, was required to sign off on his own dismissal before being removed as the resident agent—unpersuasive, because it creates the impractical

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<sup>20</sup> Defendants attached a copy of Fathi's opposition to Mohammad's motion to dismiss defendant Plessen in the 2012 Lawsuit, whereby Fathi argued that Plessen was in default and thus Plessen forfeited its right to defend the claims made against it. Defendants' Opposition (Exhibit 2C).

<sup>21</sup> Plaintiff Yusuf did not clarify whether Mohammad and Waleed had notice that Fathi served Plessen as a counterclaim defendant in the 2012 Lawsuit because: (1) Fathi, as the registered agent, duly advised them upon Plessen being served, or (2) they were not advised by Fathi, but instead, learned of Plessen being served because Fathi similarly served Mohammad and Waleed as counterclaim defendants in the 2012 Lawsuit. Regardless of how Mohammad and Waleed was notified, the fact remains that Fathi used Plessen's default against Plessen.

scenario where the corporate secretary and the registered agent is the same person, such as this instance.

As noted above, Fathi's nearly identical motion filed in the 2012 Lawsuit was denied and the court did not nullify the board's resolution to remove Fathi as Plessen's resident agent. At some point, Fathi was removed as Plessen's registered agent and replaced by Jeffrey Moorhead.<sup>22</sup> At this time, given the facts and argument before the Court, the Court will not nullify the board's resolution regarding Plessen's registered agent and the Court will not void the removal of Fathi as Plessen's resident agent.

### **C. Whether a Receiver Should be Appoint for Plessen**

Plaintiff Yusuf argued that given the existing deadlock, the Court should appoint a receiver for Plessen and liquidate its assets. Motion, 18-19. Plessen and Defendants countered that there is no corporate deadlock given that the board consists of three directors. Plessen's Opp., at 5; Defendants' Opp. at 9. Plessen and Defendants also pointed out that a receiver is not necessary at his time because Plessen has a positive cash flow and the corporation functions just like it is supposed to. *Id.* Defendants further pointed out that Plaintiff Yusuf did not include a proper request for a receiver in the Verified Complaint and also questioned Plaintiff Yusuf's standing to assert such a relief. Defendants' Opp., at 9. In its Reply, Yusuf asserted that "both sides have for years been operating under the assumption that the Hameds and Yusufs, each of whom were indisputably 50% owners of Plessen, also had equal representation on the Board." Reply, at 11-12.

For the limited purpose of addressing this Motion, there are three directors—Mohammad, Waleed, and Fathi. Nevertheless, Plessen is owned equally and jointly between the Hamed family and the Yusuf family, so at a minimum, deadlock could potentially exist at the shareholder level.<sup>23</sup>

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<sup>22</sup> On December 12, 2014, Mohammad filed a notice in the 2012 Lawsuit to notify the court that Jeffrey Moorhead is the current registered agent for Plessen.

<sup>23</sup> Title 13 V.I.C. § 195 does not require the deadlock to exists between directors. In fact, section 195 provides, in pertinent parts that, "[w]henever, by reason of an equally divided vote of the stockholders...[the court]...may in the

Given that it has been approximately two years since Plaintiff Yusuf moved for the appointment of a receiver for Plessen, the Court will grant parties leave to file an updated brief on the present necessity and propriety of a Plessen receivership.

**CONCLUSION**

The Court finds that the Special Meeting was called in compliance with the By-Laws. The Court will deny Plaintiff Yusuf's Motion as to the board's resolution that: (1) authorized Plessen's president to enter into the Lease with KAC357, Inc; (2) authorized the retention of Attorney Jeffrey Moorhead to represent Plessen in Plessen in this instant lawsuit and the 2012 Lawsuit; (3) authorized Plessen's president to issue additional dividends to shareholders, up to \$200,000, from the company bank account; and (4) removed Fathi as registered agent, to be replaced by Jeffrey Moorhead. The Court will withhold ruling as to the board's resolution that ratified and approved Waleed's withdrawal of \$460,000 in May 2013 as dividends. The parties will be granted leave to file an updated brief on the present necessity and propriety of a Plessen receivership. An Order consistent with this Memorandum Opinion will follow.

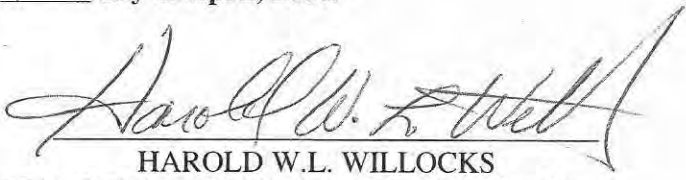
**DONE and so ORDERED this 19<sup>th</sup> day of April, 2016.**

**ATTEST:**

Estrella H. George  
Acting Clerk of the Court

By:   
Court Clerk/Supervisor

Dated: 4/21/16



**HAROLD W.L. WILLOCKS  
Administrative Judge of the Superior Court**

CERTIFIED A TRUE COPY

DATE: 4/21/16  
ESTRELLA H. GEORGE  
ACTING CLERK OF THE COURT

BY:   
COURT CLERK

absence of an existing agreement for arbitration appoint one or more persons to be receivers of and for such corporation..."

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

**YUSUF YUSUF, derivatively on behalf of  
PLESSEN ENTERPRISES, INC.,**

**Plaintiff,**

**v.**

**WALEED HAMED, WAHEED HAMED,  
MUFEED HAMED, HISHAM HAMED and  
FIVE-H HOLDINGS, INC.,**

**Defendants,**

**and**

**PLESSEN ENTERPRISES, INC.,**

**Nominal  
Defendant.**

**SX-13-CV-120**

**ORDER**

In accordance with the Memorandum Opinion entered contemporaneously herewith, it is hereby:

**ORDERED** that Plaintiff Yusuf Yusuf's Motion to Nullify Plessen Enterprises, Inc.'s Board Resolutions, to Void Acts Taken Pursuant to Those Resolutions, and to Appoint Receiver, filed on May 20, 2014 is **DENIED** as to the board's resolution that: (1) authorized Plessen's president to enter into the Lease with KAC357, Inc; (2) authorized the retention of Attorney Jeffrey Moorhead to represent Plessen in Plessen in this instant lawsuit and the 2012 Lawsuit; (3) authorized Plessen's president to issue additional dividends to shareholders, up to \$200,000, from the company bank account; and (4) removed Fathi as registered agent, to be replaced by Jeffrey Moorhead. The Court is withholding its ruling as to the board's resolution that ratified and approved Waleed's withdrawal of \$460,000 in May 2013 as dividends. **And** it is further:



**ORDERED** that, within **four (4) weeks** from the date of entry of this Order, the parties shall file an updated brief, addressing the present necessity and propriety of a Plessen receivership.

**DONE** and so **ORDERED** this 19 day of April, 2016.

**ATTEST:**

Estrella H. George  
Acting Clerk of the Court

By:

[Signature]  
Court Clerk Supervisor

Dated:

4/21/16

[Signature]

HAROLD W.L. WILLOCKS  
Administrative Judge of the Superior Court

CERTIFIED A TRUE COPY

DATE:

4/21/16

ESTRELLA H. GEORGE  
ACTING CLERK OF THE COURT

BY:

[Signature]  
COURT CLERK

**Source Accounting LLC  
PO BOX 28  
LAKELAND, FL 33802  
(863) 286-8500**

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August 6, 2015

SIXTEEN PLUS CORPORATION  
P O BOX 763, C'STED  
St Croix, VI 00821

**Statement of Charges for Services Rendered:**

**Tax Preparation Fees:**

Tax return preparation fee	\$	200.00
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**Hourly Charges:**

Federal Hourly Charges:

TAX SOFTWARE	0.00 hr(s) at \$ 0.00	50.00
FEE:		

<b>Total fee</b>	\$	250.00
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**Summary of Federal Form Charges:**

<b>Description</b>	<b>Count</b>
Form 1120S Tax Return S Corporation	1
Federal Information Worksheet	1
Other Liabilities	1
Schedule M-1 Worksheet	1
Schedule M-2 Worksheet	1
Schedule K-1 Worksheet	1
Schedule K-1, Shareholder's Share	11
Schedule K Reconciliation	1
Two Year Comparison Worksheet	1
Five Year Tax History Report	1

EX B

Form 1120S

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0123

Department of the Treasury Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s.

2014

For calendar year 2014 or tax year beginning 2014, ending

Form header section with fields: A Selection effective date (10/28/97), B Business activity code number (531390), C Check if Schedule M-3 attached, D Employer identification number (66-0540661), E Date incorporated (10/28/97), F Total assets (\$4,596,159), TYPE OR PRINT, Name (SIXTEEN PLUS CORPORATION), Address (P O BOX 763, C' STED, St Croix, VI 00821)

Section G: Is the corporation electing to be an S corporation beginning with this tax year? Yes [ ] No [X]
Section H: Check if: (1) Final return [ ], (2) Name change [ ], (3) Address change [ ], (4) Amended return [ ], (5) S election termination or revocation [ ]

I Enter the number of shareholders who were shareholders during any part of the tax year 11

Caution. Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Table with columns: INCOME, Line number, Description, Amount. Rows 1a-6: Gross receipts or sales (0), Returns and allowances (0), Balance (0), Cost of goods sold, Gross profit (0), Net gain (0), Other income (0), Total income (0)

Table with columns: DEDUCTIONS, Line number, Description, Amount. Rows 7-21: Compensation of officers (0), Salaries and wages (0), Repairs and maintenance (0), Bad debts (0), Rents (0), Taxes and licenses (0), Interest (0), Depreciation (0), Depletion (0), Advertising (0), Pension (0), Employee benefit programs (0), Other deductions (0), Total deductions (0), Ordinary business income (0)

Table with columns: TAX AND PAYMENTS, Line number, Description, Amount. Rows 22a-27: Excess net passive income or LIFO recapture tax (0), Tax from Schedule D (0), Add'l Taxes (0), 2014 estimated tax payments (0), Tax deposited (0), Credit for federal tax (0), Estimated tax penalty (0), Amount owed (0), Overpayment (0), Refunded (0)

Sign Here: Under penalties of perjury I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Signature of officer: [Signature], Date: 8-20-15, Title: Secretary

Paid Preparer Use Only: Print/Type preparer's name (LISA MIDKIFF), Preparer's signature, Date (08/05/2015), Check self-employed [ ], PTIN (P01409985), Firm's name (Source Accounting LLC), Firm's address (PO BOX 28, LAKE LAND, FL 33802), Firm's EIN (27-4539963), Phone no (863-286-8500)

COPY

Schedule B Other Information (see instructions)					Yes	No
1 Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____						
2 See the instructions and enter the: a Business activity: <u>INVESTMENTS</u> b Product or service: <u>LAND</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation . . . . .						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below . . . . .						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below . . . . .						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? . . . . .						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of restricted stock . . . . .						
(ii) Total shares of non-restricted stock . . . . .						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? . . . . .						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of stock outstanding at the end of the tax year . . . . .						
(ii) Total shares of stock outstanding if all instruments were executed . . . . .						
6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction? . . . . .						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount . . . . .					<input type="checkbox"/>	
If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions) . . . . .						
built-in gain from prior years (see instructions) . . . . .						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year. . . . .						
10 Does the corporation satisfy both of the following conditions?						
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000 . . . . .						
b The corporation's total assets at the end of the tax year were less than \$250,000 . . . . .						X
If "Yes," the corporation is not required to complete Schedules L and M-1.						
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? . . . . .						X
If "Yes," enter the amount of principal reduction . . . . .						
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions . . . . .						X
13 a Did the corporation make any payments in 2014 that would require it to file Form(s) 1099? . . . . .						X
b If "Yes," did the corporation file or will it file required Forms 1099? . . . . .						

Schedule K Shareholders' Pro Rata Share Items		Total amount
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1 0.
	2 Net rental real estate income (loss) (attach Form 8825)	2
	3 a Other gross rental income (loss)	3 a
	b Expenses from other rental activities (attach statement)	3 b
	c Other net rental income (loss). Subtract line 3b from line 3a	3 c
	4 Interest income	4
	5 Dividends: a Ordinary dividends	5 a
	b Qualified dividends	5 b
	6 Royalties	6
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7
8 a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8 a	
	b Collectibles (28%) gain (loss)	8 b
	c Unrecaptured section 1250 gain (attach statement)	8 c
9 Net section 1231 gain (loss) (attach Form 4797)	9	
10 Other income (loss) (see instructions) Type ▶	10	
Deductions	11 Section 179 deduction (attach Form 4562)	11
	12 a Charitable contributions	12 a
	b Investment interest expense	12 b
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12 c (2)
d Other deductions (see instructions) Type ▶	12 d	
Credits	13 a Low-income housing credit (section 42(j)(5))	13 a
	b Low-income housing credit (other)	13 b
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13 c
	d Other rental real estate credits (see instrs) Type ▶	13 d
	e Other rental credits (see instrs) Type ▶	13 e
	f Biofuel producer credit (attach Form 6478)	13 f
	g Other credits (see instructions) Type ▶	13 g
Foreign Transactions	14 a Name of country or U.S. possession	
	b Gross income from all sources	14 b
	c Gross income sourced at shareholder level	14 c
	Foreign gross income sourced at corporate level	
	d Passive category	14 d
	e General category	14 e
	f Other (attach statement)	14 f
	Deductions allocated and apportioned at shareholder level	
	g Interest expense	14 g
	h Other	14 h
	Deductions allocated and apportioned at corporate level to foreign source income	
	i Passive category	14 i
	j General category	14 j
	k Other (attach statement)	14 k
Other information		
l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14 l	
m Reduction in taxes available for credit (attach statement)	14 m	
n Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	15 a Post-1986 depreciation adjustment	15 a
	b Adjusted gain or loss	15 b
	c Depletion (other than oil and gas)	15 c
	d Oil, gas, and geothermal properties — gross income	15 d
	e Oil, gas, and geothermal properties — deductions	15 e
	f Other AMT items (attach statement)	15 f
Items Affecting Shareholder Basis	16 a Tax-exempt interest income	16 a
	b Other tax-exempt income	16 b
	c Nondeductible expenses	16 c 0.
	d Distributions (attach stmt if required) (see instrs)	16 d
	e Repayment of loans from shareholders	16 e

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount
Other information	17a Investment income . . . . .	17a
	b Investment expenses . . . . .	17b
	c Dividend distributions paid from accumulated earnings and profits . . . . .	17c
	d Other items and amounts (attach statement)	
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l . . . . .	18
		0.

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash . . . . .				
2 a Trade notes and accounts receivable . . . . .				
b Less allowance for bad debts . . . . .				
3 Inventories . . . . .				
4 U.S. government obligations . . . . .				
5 Tax-exempt securities (see instructions) . . . . .				
6 Other current assets (attach stmt) . . . . .				
7 Loans to shareholders . . . . .				
8 Mortgage and real estate loans . . . . .				
9 Other investments (attach statement) . . . . .				
10 a Buildings and other depreciable assets . . . . .				
b Less accumulated depreciation . . . . .				
11 a Depletable assets . . . . .				
b Less accumulated depletion . . . . .				
12 Land (net of any amortization) . . . . .		4,596,159.		4,596,159.
13 a Intangible assets (amortizable only) . . . . .				
b Less accumulated amortization . . . . .				
14 Other assets (attach stmt) . . . . .				
15 Total assets . . . . .		4,596,159.		4,596,159.
<b>Liabilities and Shareholders' Equity</b>				
16 Accounts payable . . . . .				
17 Mortgages, notes, bonds payable in less than 1 year . . . . .				
18 Other current liabilities (attach stmt) . . Ln 18. St . . . . .		140,720.		140,720.
19 Loans from shareholders . . . . .		4,500,000.		4,500,000.
20 Mortgages, notes, bonds payable in 1 year or more . . . . .				
21 Other liabilities (attach statement) . . . . .				
22 Capital stock . . . . .		1,000.		1,000.
23 Additional paid-in capital . . . . .				
24 Retained earnings . . . . .		-45,561.		-45,561.
25 Adjustments to shareholders' equity (all stmt) . . . . .				
26 Less cost of treasury stock . . . . .				
27 Total liabilities and shareholders' equity . . . . .		4,596,159.		4,596,159.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

Note. The corporation may be required to file Schedule M-3 (see instructions)

<p>1 Net Income (loss) per books . . . . . 0.</p> <p>2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):</p> <hr/> <p>3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14l (itemize):</p> <p>a Depreciation . . . . \$ _____</p> <p>b Travel and entertainment. \$ _____ 0.</p> <hr/> <p>4 Add lines 1 through 3. . . . . 0.</p>	<p>5</p>	<p>Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):</p> <p>a Tax-exempt interest \$ _____</p> <hr/> <p>6 Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):</p> <p>a Depreciation . . \$ _____</p> <hr/> <p>7 Add lines 5 and 6. . . . .</p> <hr/> <p>8 Income (loss) (Schedule K, ln 18). Ln 4 less ln 7 . . . . . 0.</p>
--	----------	---

**Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)**

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year . . . . .	-45,561.		
2 Ordinary Income from page 1, line 21 . . . . .	0.		
3 Other additions . . . . .			
4 Loss from page 1, line 21 . . . . .			
5 Other reductions . . . . .			
6 Combine lines 1 through 5 . . . . .	-45,561.		
7 Distributions other than dividend distributions . . . . .			
8 Balance at end of tax year. Subtract line 7 from line 6. . . . .	-45,561.		

**Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns**

OMB No. 1545-0233

► File a separate application for each return.

► Information about Form 7004 and its separate instructions is at [www.irs.gov/form7004](http://www.irs.gov/form7004).

Print  
or  
Type

Name	Identifying number
SIXTEEN PLUS CORPORATION	66-0540661
Number, street, and room or suite no. (if P.O. box, see instructions)	
P.O. BOX 763	
City, town, state, and ZIP code (if a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)).	
CHRISTIANSTED, VI 00821	

**Note.** File request for extension by the due date of the return for which the extension is granted. See instructions before completing this form.

**Part I Automatic 5-Month Extension**

1a Enter the form code for the return that this application is for (see below) 2 5

Application Is For:	Form Code	Application Is For:	Form Code
Form 1065	09	Form 1041 (estate other than a bankruptcy estate)	04
Form 8804	31	Form 1041 (trust)	05

**Part II Automatic 6-Month Extension**

b Enter the form code for the return that this application is for (see below) 2 5

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-ND (section 4951 taxes)	20
Form 706-GS(T)	02	Form 1120-PC	21
Form 1041 (bankruptcy estate only)	03	Form 1120-POL	22
Form 1041-N	06	Form 1120-REIT	23
Form 1041-QFT	07	Form 1120-RIC	24
Form 1042	08	Form 1120S	25
Form 1065-B	10	Form 1120-SF	26
Form 1066	11	Form 3520-A	27
Form 1120	12	Form 8612	28
Form 1120-C	34	Form 8613	29
Form 1120-F	15	Form 8725	30
Form 1120-FSC	16	Form 8831	32
Form 1120-H	17	Form 8876	33
Form 1120-L	18	Form 8924	35
Form 1120-ND	19	Form 8928	36

- 2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here
- 3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here   
 If checked, attach a statement, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.

**Part III All Filers Must Complete This Part**

4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here

5a The application is for calendar year 20 14, or tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_

b Short tax year. If this tax year is less than 12 months, check the reason:  Initial return  Final return  
 Change in accounting period  Consolidated return to be filed  Other (see instructions-attach explanation)

6 Tentative total tax	6	0	00
7 Total payments and credits (see instructions)	7	0	00
8 Balance due. Subtract line 7 from line 6 (see instructions)	8	0	00

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 COLLECTIONS & DEPOSIT NO. 10  
 MAR 17 2015  
 VIRGIN ISLANDS BUREAU OF  
 INTERNAL REVENUE ST. CROIX, VI



**ANNUAL REPORT**  
**ON DOMESTIC OR FOREIGN CORPORATIONS**  
(DUE ON OR BEFORE JUNE 30 OF EACH YEAR)

PURSUANT TO SECTIONS 371 AND 373, CHAPTER 1, TITLE 13, OF THE VIRGIN ISLANDS CODE, REQUIRING THE FILING OF ANNUAL REPORTS BY DOMESTIC AND FOREIGN CORPORATIONS THE FOLLOWING STATEMENT IS FILED WITH THE OFFICE OF THE LIEUTENANT GOVERNOR

NAME OF CORPORATION SIXTEEN PLUS CORPORATION

ADDRESS OF MAIN OFFICE P.O.BOX 763 C'STED, ST CROIX VI 00821

PRINCIPAL OFFICE IN THE VIRGIN ISLANDS SAME

RESIDENT OR AUTHORIZED AGENT IN THE VI FAHTI YUSUF

COUNTRY OR STATE IN WHICH INCORPORATED U S Virgin Islands

FISCAL YEAR COVERED BY LAST REPORT FILED 1 12/31/2010

FISCAL YEAR COVERED BY THIS REPORT 2 12/31/2011

AMOUNT OF AUTHORIZED CAPITAL STOCK AT CLOSE OF FISCAL YEAR 1000shs NPV

AMOUNT OF PAID-IN CAPITAL AT CLOSE OF FISCAL YEAR \$1,000

AMOUNT OF CAPITAL USED IN CONDUCTING BUSINESS WITHIN THE VIRGIN ISLANDS DURING THE FISCAL YEAR \$1,000

NAME AND ADDRESSES OF DIRECTORS AND OFFICERS OF THE COMPANY AT THE CLOSE OF FISCAL YEAR AND EXPIRATION DATES OF TERMS OF OFFICE

(D) MOHAMMED HAMED-PRESIDENT-6H CARLTON GARDENS, FSTED ST. CROIX VI 00840

(D) WALEED HAMED-VICE-PRESIDENT- SAME AS ABOVE

(D) FATHI YUSUF-SECRETARY/TREASURER-62A&B LA GRANDE PRINCESEE

(D)= DIRECTOR TERMS- UNTIL SUCCESSOR ELECTED

DATED: 9-5-2012

VERIFIED: *[Signature]*  
(President) or (Vice President)

*[Signature]*  
(Treasurer) or (Asst. Treasurer)

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LT. GOV. OFFICE  
2012 SEP 21 AM 10 02  
CORPORATIONS - STX

1. If last report filed does not cover the period immediately preceding the period covered by this report, a supplementary report on the same form must be filed, bridging the gap, if any, between the two reports.
2. THIS REPORT IS NOT COMPLETE NOR ACCEPTABLE UNLESS ACCOMPANIED BY A GENERAL BALANCE SHEET AND PROFIT AND LOSS STATEMENT FOR THE LAST FISCAL YEAR AS REQUIRED BY THE VIRGIN ISLANDS CODE

Foreign Sales Corporation that are registered with the Security and Exchange Commission must furnish evidence of such registration and comply with the balance sheet and P & L Statements. FSC's that are not registered with the commission are exempted from filing the General Balance Sheet and the Profit and Loss Statement.

GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES  
REPORT

OF CORPORATION FRANCHISE TAX DUE  
PURSUANT TO TITLE 13, SECTION 531, VIRGIN ISLANDS CODE

**DOMESTIC CORPORATION**  
(THIS REPORT DUE ON OR BEFORE JUNE 30 OF EACH YEAR)

Employer I.D. No. 66-0540661

Date of Report June 19, 2012

Date of Last Previous Report: June 30, 2011

This Report is for the Period Ending June 30, 2012

**1.) NAME OF CORPORATION: SIXTEEN PLUS CORPORATION**

- (a) Address: P.O.BOX 763, C'STED, ST CROIX VI 00821
- (b) Date of Incorporation: OCTOBER 28 1997
- (c) Kind of Business: REAL ESTATE DEVELOPMENT

**2.) AMOUNT OF CAPITAL STOCK AUTHORIZED:**

- (a) When last previous report filed \$ 1000shs NPV
- (b) On date of this report \$ 1000shs NPV

**3.) AMOUNT OF PAID-IN CAPITAL STOCK USED IN CONDUCTING BUSINESS:**

- (a) As shown on last report filed \$ 1,000
- (b) Additional capital paid in since last report \$
- (c) Sum of (a) and (b) \$ 1,000
- (d) Paid-in Capital withdrawn since last report \$
- (e) Paid-in Capital Stock at date of this report \$ 1,000
- (f) HIGHEST TOTAL PAID-IN CAPITAL STOCK DURING REPORT PERIOD (as shown on attached sheet) \$ 1,000

**4.) COMPUTATION OF TAX:**

- (a) At rate of \$1.50 per M (fractions of a thousand disregarded) on highest total paid-in capital stock as reported on line 3(f) above \$ 150.00
- (b) TAX DUE: (Above figure, or \$150 whichever figure is greater) \$

**5.) PENALTY FOR LATE PAYMENT:**

- (a) 20% or 50.00 which ever is more, penalty for failure to pay by June 30th. \$ 50
- (b) 1% interest compounded annually for each month or part thereof by which payment is delayed beyond June 30th \$ 4.5
- (c) Total Penalty and Interest \$ 54.5

**6.) TOTAL TAX DUE AND FORWARDED HEREIN (Sum of (4) and (5))**


(Attach check payable to The Government of VI)

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 2012 SEP 21 AM 10 02  
 CORPORATIONS - SIX

\$ 204.50

Certified Correct

  
Treasurer

  
President

SIXTEEN PLUS CORPORATION  
 Unaudited Balance Sheet  
 DECEMBER 31, 2011

ASSETS

Cash in bank	\$	7,466
Deposit - trust account		225,000
Land		4,596,159
 Total Assets	 \$	 4,828,625

LIABILITIES AND STOCKHOLDERS' EQUITY

Shareholder loans	\$	4,710,626
 Total Liabilities		 4,710,626
 Stockholders' Equity		
Capital Stock		1,000
Retained Earnings		116,999
	\$	4,828,625

I hereby certify this statement true and correct, to the best of my belief.

Signed *James J. Hunt*  
 Title Secretary & treasurer

I hereby certify this statement true and correct, to the best of my belief.

Signed *W. H. Hunt*  
 Title Vice president

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 2012 SEP 21 PM 10 02  
 CORPORATIONS-STX

SIXTEEN PLUS CORPORATION  
Unaudited Income Statement  
Year ending DECEMBER 31, 2011

Total Revenues	\$	0
<hr/>		
Expenses		
Home owner Assoc		800
Professional fees		1,350
Franchise tax		203
<hr/>		
Total Expenses		2,353
<hr/>		
Net Income		(2,353)
Retained earnings, JANUARY 1		119,352
<hr/>		
Retained earnings, DECEMBER 31,	\$	116,999
<hr/> <hr/>		

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2012 SEP 21 AM 10 02  
CORPORATIONS - STX

**DETAIL SHEET**  
FOR  
**DETERMINATION OF HIGHEST TOTAL PAID-IN CAPITAL**  
DURING REPORT PERIOD

	Capital Paid-in	Capital Withdrawn	Total Paid-in Capital
(1) Paid-in Capital Shown on Last Report (enter in "Total Capital" column)			\$ 1,000
(2) Capital Additions and Withdrawals since last report:			
(List on separate line below each month in which capital paid in or withdrawn, enter amount thereof in proper column, and enter new total capital in the "Total Capital" Column):			
(3) Totals Paid-in and Withdrawn	0	0	
(4) Highest Total Paid-in Capital during report period, as shown above			\$ 1,000

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**2012 SEP 21 AM 10 02**  
**CORPORATIONS - STX**

&k2G8U5DF5055DB53TOL0H00512.00V510H3E6.0  
C60F

MISCELLANEOUS PAYMENT RECPT#: 2021076  
Gov't of the U.S. Virgin Islan  
2314 Kronprindsens Gade  
Charlotte Amalie VI 00802

DATE: 09/21/12      TIME: 09:54  
CLERK: nyoung      DEPT: LTGOVSTX  
CUSTOMER#: 0

COMMENT: CORP- 2012 TAX/ PENA

CHG: 213582 PENALTY ST. CRD      204.50

AMOUNT PAID:      204.50

PAID BY:      SIXTEEN PLUS CORPORA  
PAYMENT METH: CHECK  
                 0358

REFERENCE:

AMT TENDERED:      204.50  
AMT APPLIED:      204.50  
CHANGE:      .00

**ANNUAL REPORT**  
ON DOMESTIC OR FOREIGN CORPORATIONS  
(DUE ON OR BEFORE JUNE 30 OF EACH YEAR)




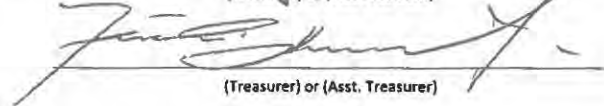
PURSUANT TO SECTIONS 371 AND 373, CHAPTER 1, TITLE 13, OF THE VIRGIN ISLANDS CODE, REQUIRING THE FILING OF ANNUAL REPORTS BY DOMESTIC AND FOREIGN CORPORATION, THE FOLLOWING STATEMENT IS FILED WITH THE OFFICE OF THE LIEUTENANT GOVERNOR.

NAME OF CORPORATION	<u>SIXTEEN PLUS CORPORATION</u>	
ADDRESS OF MAIN OFFICE	<u>P.O. Box 763, St. Croix, VI 00821</u>	
PRINCIPAL OFFICE IN THE VIRGIN ISLANDS	<u>#14 Mount Plessen, Frederiksted, St. Croix, VI 00840</u>	
RESIDENT OR AUTHORIZED AGENT IN THE V.I.	<u>Fathi Yusuf</u>	
COUNTRY OR STATE OF INCORPORATION	<u>U.S. Virgin Islands</u>	
FISCAL YEAR COVERED BY LAST REPORT FILED	<u>December 31, 2011</u>	
FISCAL YEAR COVERED BY THIS REPORT	<u>December 31, 2012</u>	
AMOUNT OF AUTHORIZED CAPITAL STOCK AT CLOSE OF FISCAL YEAR		<u>1,000 shs NPV</u>
AMOUNT OF PAID-IN CAPITAL AT CLOSE OF FISCAL YEAR		\$ <u>1,000</u>
AMOUNT OF CAPITAL USED IN CONDUCTING BUSINESS IN THE USVI DURING THE FISCAL YEAR		\$ <u>1,000</u>
THE NUMBER OF SHAREHOLDER(S) THE COMPANY HAS AT THE CLOSE OF THE FISCAL YEAR (For domestic corporations only, if the number of shareholders is less than three (3), then the entity may have equal number of directors. Otherwise, the number of the directors may not be less than three.)		<u>11 (Eleven)</u>

NAME AND COMPLETED ADDRESSES OF ALL DIRECTORS AND OFFICERS OF THE COMPANY AT THE CLOSE OF FISCAL YEAR AND EXPIRATION DATES OF TERMS OF OFFICE. (If space below is insufficient, please attach additional page(s) containing all director or officer information.)  
Format example: name, complete address, position, term expiration.

?	(D) Maher Yusuf	6H Carlton Gardens, Frederiksted 00840	President	Until Successor Elected
?	(D) Fawzia Yusuf	6H Carlton Gardens, Frederiksted 00840	Vice President	Until Successor Elected
	(D) Fathi Yusuf	2A&B La Grande Princesse, C'sted 00820	Sec'y / Treas	Until Successor Elected

REPORT DATED: 7-1-2013

VERIFIED:   
(President) or (Vice President)  
  
(Treasurer) or (Asst. Treasurer)

- If the last report filed does not cover the period immediately preceding the period covered by this report, a supplementary report on the same must be filed, bridging the gap, between the two reports.
- THIS REPORT IS NEITHER COMPLETE NOR ACCEPTABLE UNLESS ACCOMPANIED BY A GENERAL BALANCE SHEET AND PROFIT AND LOSS STATEMENT FOR THE LAST FISCAL YEAR REQUIRED BY THE VIRGIN ISLANDS CODE. FINANCIAL STATEMENTS SHOULD BE SIGNED BY AN INDEPENDENT PUBLIC ACCOUNTANT.  
  
Foreign Sales Corporations that are registered with the Security and Exchange Commission must furnish evidence of such registration and comply with the balance sheet and P&L Statements. FSC's that are not registered with the Commission are exempted from filing the General Balance Sheet and the Profit and Loss Statement.

SIXTEEN PLUS CORPORATION  
 STATEMENT OF ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY - UNAUDITED  
 AS OF DECEMBER 31, 2012

ASSETS		
Assets		
Cash		\$ -
Land		4,596,159
		_____
Total Assets		\$ <u>4,596,159</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Loans from Related Party		\$ 4,500,000
Due to United Corporation		87,004
		_____
Total Liabilities		4,587,004
Shareholders' Equity		
Capital Stock		1,000
Retained Earnings		61,870
Current Year Net Income		(53,715)
		_____
Total Shareholders' Equity		9,155
Total Liabilities and Shareholders' Equity		\$ <u>4,596,159</u>

I hereby certify this statement is true and correct, to the best of my belief.

Signed: \_\_\_\_\_

Title: Secretary And Treasurer

I hereby certify this statement is true and correct, to the best of my belief.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_



SIXTEEN PLUS CORPORTION  
STATEMENT OF REVENUE AND EXPENSES - UNAUDITED  
FOR THE YEAR ENDED DECEMBER 31, 2012

REVENUES		
Gross Rents		\$ -
Miscellaneous Income		<u>          </u>
Total Revenues		\$ -
EXPENSES		
Property & Other Taxes		53,715
		<u>          </u>
Total Expenses		<u>53,715</u>
NET INCOME		<u><u>(53,715)</u></u>

REAL ESTATE POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that I, Manal Mohamad Yousef, of 25 Gold Finch Road, Pointe Blanche, St. Martin, N.A., have made, constituted and appointed and by these presents do make, constitute and appoint Fathi Yusuf, of P. O. Box 503358, St. Thomas, VI 00804, my true and lawful attorney ["Attorney"], for me and in my name, place and stead, and on my behalf, and ~~for~~ my use and benefit:

To do and perform all and every act and thing whatsoever requisite and necessary to be done in relation to my interest as a Mortgage/Lender in the real property located on St. Croix, U.S. Virgin Islands, the legal description of which is attached hereto as Exhibit A.

Said acts and things include, but are not limited to all of those powers enumerated in Title 15 Virgin Islands Code, Uniform Power of Attorney Act § 5-604, the execution and delivery of any and all documents such as a Release, Ratification, Assignment, Closing Statement, contracts, affidavits, and any other documents necessary to do all acts related to my interest in said property, including prosecuting foreclosure in my name, as I might or could do if personally present, with full power of substitution and revocation, hereby ratifying all that my said attorney shall lawfully do or cause to be done by virtue thereof.

The rights, powers and authority of said attorney-in-fact granted in this instrument shall commence upon the date of execution of this instrument and shall be in and remain in full force and effect until terminated by me in writing and filed in the Recorder of Deeds office wherein said property is situated. I hereby agree to release, indemnify, defend and hold my attorney-in-fact harmless for all claims arising by reason of his acts he so performs in accordance with this instrument and the law.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

WITNESSETH:

*[Handwritten signatures of witnesses]*

*[Handwritten signature of Manal Mohamad Yousef]*  
MANAL MOHAMAD YOUSEF



Manal Mohamad Yousef to Fathi Yusuf  
Real Estate Power of attorney  
Page 2

ACKNOWLEDGMENT

Philipshurg )  
) ss:  
Sint Maarten )

On this 18th day of May, 2010, before me, the undersigned officer, personally appeared Manal Mohamad Yousef, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and she acknowledged to me that the same was executed for the uses and purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.



Signature, Notary Public at Law  
Francis Edgar Gijssbertha  
My Commission Expires: is for life

APOSTILLE

(Convention de La Haye du 5 octobre 1961)

- 1. Country Sint Maarten, Netherlands Antilles  
This public document
- 2. has been signed by F.E. Gijssbertha
- 3. acting in the capacity of Civil-Law-Notary  
of Sint Maarten
- 4. bears the seal stamp of the aforementioned  
F.E. Gijssbertha

CERTIFIED

- 5. at Sint Maarten
- 6. the 20-5-10
- 7. The Head of the Department of Civil Law,  
acting as Minister of The Executive Council  
of the Island of Sint Maarten
- 8. No. 464
- 9. Stamp:
- 10. Signature:



### EXHIBIT A

1. Parcel No. 8, Estate Cane Garden, of approximately 2.6171 U.S. Acres.
2. Remainder No. 46A, Estate Cane Garden, of approximately 7.6460 U.S. Acres.
3. Parcel No. 10, Estate Cane Garden, of approximately 2.0967 U.S. Acres.
4. Road Plot No. 11, Estate Cane Garden, of approximately 0.0968 U.S. Acres.
5. Parcel No. 11, Estate Retreat, Matr. No. 37B of Company Quarter and Peter's Bridge, Matr. No. 37A and 37BA, Company Quarter, and No. 54 Queen's Quarter all of approximately 42.3095 U.S. Acres.
6. Remainder Matr. 32B, Estate Cane Garden of approximately 48.5173 U.S. Acres.
7. Parcel No. 9 Estate Cane Garden, of approximately 11.9965 U.S. Acres.
8. Remainder Matr. 32A, Estate Cranard, of approximately 41.0736, U.S. Acres.
9. Parcel No. 40, Estate Cranard of approximately 14.9507 U.S. Acres.
10. Remainder Matr. No. 31, Estate Diamond, of approximately 74.4220 U.S. Acres.
11. Parcel No. 4, Estate Diamond, of approximately 5.8662 U.S. Acres.
12. Parcel No. 1, Estate Diamond, of approximately 61.2558 U.S. Acres.
13. Parcel No. 3, Estate Diamond, of approximately 6.9368 U.S. Acres.
14. Parcel No. 2, Estate Diamond, of approximately 6.5484 U.S. Acres.
15. Road Plot No. 12, Estate Cane Garden, of approximately 0.4252 U.S. Acres.
16. Road Plot No. 41, Estate Cranard, of approximately 0.4255 U.S. Acres.
17. Road Plot No. 6, Estate Diamond, of approximately 0.8510 U.S. Acres.



20th Feb  
 2:51 PM  
 Recorded and Entered in Recorder's Book for the  
 District of St. Croix, Virgin Islands of the U.S.A. at  
 Page 1779  
 No. 11021543 and noted in Real Property Records  
 II: 32; 166 Page 227; 156; 364; 305 + 306  
*[Signature]*  
 20th Feb 2010



التجديدات  
RENEWALS

Signature Line

توقيع صاحب الجواز  
SIGNATURE OF HOLDER

THE HASHEMITE KINGDOM OF JORDAN المملكة الأردنية الهاشمية

	جواز سفر Passport	Type / نوع P	رمز دولة / Country Code JOR	رقم جواز سفر / Passport No. T518558
	الاسم / Name MANAL MOHAMMAD YOUSEF MOHAMMAD منال محمد يوسف محمد			
	تاريخ الميلاد / Date of Birth	1968	مكان الميلاد / Place of Birth	AMMAN عمان
	الجنس / Sex	F أنثى	اسم الأم / Mother's Name	MASOUDEH مسعوده
	تاريخ التوقيع / Date of Issue	21 MAY 2008	مكتب التوقيع / Authority	AMMAN عمان
	تاريخ الانتهاء / Date of Expiry	20 MAY 2013	العنوان / Address	Holland هولندا

Non Machine Readable غير مقروء آليا



Sixteen Plus Corporation  
4 C & D Sion Farm  
Christiansted  
St. Croix 00820, U.S.V.I.

Par Courier

St. Maarten, December 12, 2012

Ref.: **Manal Mohamad Yousef / Collection loan**

Dear Sir, Madame,

My client Manal Mohamad Yousef requested me to inform you of the following.

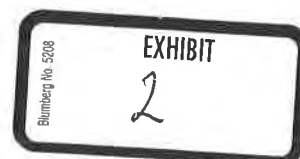
As it appears from documents in my possession your company owes client an amount of no less than US\$ 14,612,662.23 (Fourteen Million Six Hundred Twelve Thousand Six Hundred Sixty Two United States Dollars and Twenty Three Dollar Cent), for both principle and interest, based on a promissory note between client and your company dated September 15, 1007 and a First Priority Mortgage dated February 22, 1999. Apart from this your company owes client at least an amount of US\$ 3,000,000.00 for late penalties.

Client is no longer willing to accept your negligent payment behavior and hereby summons you to pay off the entire debt mentioned, to the total of US\$ 17,612,662.23, to client within two (2) weeks from the postdating of this letter. Failure to comply therewith shall result in legal measures taken against your company forthwith, the costs of which will be for your account only.

Sincerely yours,



Jelmer G. Snow



# JOEL H. HOLT, ESQ. P.C.

2132 Company Street, Suite 2  
Christiansted, St. Croix  
U.S. Virgin Islands 00820

Tele. (340) 773-8709  
Fax (340) 773-8677  
E-mail: [holtvi@aol.com](mailto:holtvi@aol.com)

December 24, 2012

Jelmar G. Snow, Esq.  
BZSE  
Kudu Driver #2, Bel Air  
P.O. Box 373, Philipsburg  
Sint Maarten

Via fax 599-542-7551 and mail

**Re: Manal Mohamad Yousef/Sixteen Plus, Inc.**

Dear Mr. Snow:

I understand why you rudely hung up on me on Friday, as you now obviously realize that you should have never sent the letter in question to Sixteen Plus, Inc. Aside from the fact that you are effectively practicing law in a jurisdiction where you are not admitted, you sent a letter on behalf of a person, Manal Mohamad Yousef, whom you have apparently never met or spoken with--and who appears to never have authorized you to send that letter.

Indeed, I do not understand why a lawyer in Sint Maarten would not question the propriety of being asked by someone from the Virgin Islands to send a demand letter to someone in the Virgin Islands involving real property located in the Virgin Islands. It is hard to believe that this scenario did not make you suspicious when you were retained by Mr. Yusuf to send this letter.

I suspect Mr. Yusuf assured you it was proper, but in my view you have an independent duty to verify certain basic facts about the matter before sending such a letter under the questionable circumstances in question. Had you inquired further, you would have found that Mr. Yusuf's family owns one-half of Sixteen Plus, Inc. Obviously he appears to be using your services to try to obtain the other 50% shareholder's interest. Of course, if the mortgage were valid, your alleged client, Manal Mohamed Yousef, would be adverse to your actual client, Mr. Yusuf.

If you had inquired further you would also have discovered that Mr. Yusuf, along with the United Corporation and others, was indicted by the taxing authorities in the Virgin Islands in 2003. While the case against Mr. Yusuf (and others) was finally dropped in



2010, the United Corporation, whom I suspect actually paid for your services, remains under indictment.

Finally, if you had inquired further, you would have discovered that Mr. Yusuf is involved in civil litigation with his partner here, which indirectly involves the asset owned by Sixteen Plus, Inc. Had you known this, you might have thought to ask him why he did not use any of the multiple lawyers he has already retained (who are admitted here) to send the letter you sent.

In due course, the mortgage will be proven to be invalid in my opinion, but I question whether you should remain involved any further in this matter in this jurisdiction unless (1) you can produce something in writing demonstrating that you have authorization to represent Manal Mohamed Yousef which (2) also waives any conflict you appear to have in representing Mr. Yusuf at the same time. I would be very interested in seeing such a document. If you do decide to become involved further here, you might also look into the law in the Virgin Islands regarding what should be included in a demand letter.

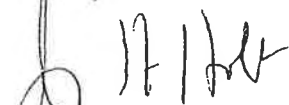
You also commented on the timing of my call, as the holidays are here, but you are the one who dictated the timing by requesting a response by December 26, 2012. I had called twice earlier in the week, as I had hoped a phone call would resolve this matter, but since you requested a written response when we finally spoke on Friday, please consider this letter as that response.

Finally, as for your comment about "American" lawyers, if you take the time to check me out, you will find I have an excellent reputation as well, despite what Mr. Yusuf might say. Indeed, Mr. Yusuf would do far better trying to amicably resolve these matters with his partner than resorting to such tactics like having a Sint Maarten Lawyer send a demand letter to a company in which his family has a 50% interest. In any event, while I do not like sending letters like this one, neither you nor Mr. Yusuf has left me any other alternative.

Please let me know if you have any questions or if you think there is additional information I should know. I am always glad to discuss anything you think I may have misunderstood or overlooked. However, if you wish to communicate with Sixteen Plus, Inc., please do so in writing sent to my attention at the above address.

Enjoy the rest of the holidays.

Yours,



Joel H. Holt

JHH/jf



Subj: **Your letter of today**  
Date: 12/24/2012 11:55:30 A.M. Atlantic Standard Time  
From: [jsnow@bzselaw.com](mailto:jsnow@bzselaw.com)  
To: [Holtvi@aol.com](mailto:Holtvi@aol.com)

Dear Mr. Holt,

Apart from not being aware of any 'rude hang up' on your unannounced interrogative phone call of last Friday, please be notified that I am not accustomed to interrogations being conducted by opposing (American) lawyers through phone calls and see **no** reason to cooperate therewith. In case you find it necessary to interrogate me for whatever reason, you are **strongly** advised to follow the proper procedure(s).

I will discuss the relevant parts of your letter with client and will get back to you in due time.

Sincerely,

**mr. Jelmer G. Snow**  
*Attorney at Law*



Attorneys at Law | Tax Lawyers

Kudu Drive 2, Belair  
P.O. Box 737  
St. Maarten  
Tel: +1 (721) 542.3832 / +1 (721) 542.7550  
Fax: +1 (721) 542.7551  
Mobile: +1 (721) 554.4757  
[jsnow@bzselaw.com](mailto:jsnow@bzselaw.com)  
[www.bzselaw.com](http://www.bzselaw.com)

**CONFIDENTIALITY NOTICE**

*The information contained in this e-mail and any attachments is strictly confidential. If you have received this e-mail in error please delete this e-mail and any attachment without copying. You are not allowed to read, copy or disclose in any way the contents of this e-mail, any attachments or any part thereof.*

**EXCLUSIVE CONTRACTING PARTY:**

*BergmanZwanikkenSnowEssed Attorneys at Law is the trade name of a partnership of limited liability companies, registered with the trade register on the Country of Sint Maarten. BergmanZwanikkenSnowEssed is the exclusive contracting party in respect of all commissioned work.*

**LIMITED LIABILITY NOTICE:**

*All our services as well as all relations with third parties are governed by the General Terms & Conditions of BergmanZwanikkenSnowEssed, which include a limitation of liability. These terms have been filed with the Court of First Instance, seat Sint Maarten and will be sent to you – free of charge – upon request.*



**From:** Stefan B. Herpel <sherpel@dtflaw.com>  
**To:** Joel Holt <holtvi@aol.com>  
**Cc:** nizar <nizar@dewood-law.com>; carl <carl@carlhartmann.com>; kimjapinga <kimjapinga@gmail.com>  
**Subject:** RE: Supplemental Discovery Responses  
**Date:** Fri, Aug 5, 2016 4:09 pm

---

Joel,

I am on vacation through part of next week. Here are my responses to your numbered paragraphs:

1. I will supplement with the nature of the conversation with the agent.
2. I stand by my objection to providing a phone number for Manal Yousef, and rely on what I stated in the objection and the decision in Nathaniel v. American Airlines, 2008 U.S. Dist. LEXIS 95336 (D. V.I. 2008).
3. 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.
4. Mr. Yusuf is returning imminently to the islands and I should be able to get a scanned signature page to you by Tuesday, along with the supplemental information I described in interrogatory 1.

Regards,

Stefan

---

**From:** Joel Holt [holtvi@aol.com]  
**Sent:** Monday, August 01, 2016 7:23 AM  
**To:** Stefan B. Herpel  
**Cc:** nizar@dewood-law.com; carl@carlhartmann.com; kimjapinga@gmail.com  
**Subject:** Re: Supplemental Discovery Responses

Stefan-can you respond to the email below?

Joel H Holt  
2132 Company St.  
Christiansted, VI 00820  
340-773-8709

On Jul 26, 2016, at 4:21 PM, Joel Holt <holtvi@aol.com<mailto:holtvi@aol.com>> wrote:

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

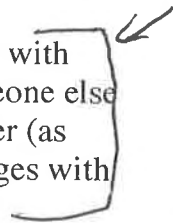
- 1) Interrogatory Response #5-The original interrogatory response indicated the last communication was with the agent for Manal Yousef—thus, we had expected supplementation to deal with communications with that agent. As the supplemental response deleted references to this agent, can you please provide the name and



address of the agent and describe the communications with this agent.

2) Supplemental Interrogatory Response #5-I appreciate the supplementation of this response, but your client is still required to produce Manal Yousef's phone number under Rule 26 as well as this request— please provide it.

3) 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



4) Interrogatories-I still need a verification page from your client.

Please get back to me as soon as possible so we can resolve these last few issues.

Joel H. Holt, Esq.  
2132 Company Street  
Christiansted, St. Croix  
U.S. Virgin Islands 00820  
(340) 773-8709

-----Original Message-----

From: Stefan B. Herpel <sherpel@dtflaw.com<mailto:sherpel@dtflaw.com>>  
To: 'Joel Holt' <holtvi@aol.com<mailto:holtvi@aol.com>>  
Cc: Nizar A. DeWood, Esq. (nizar@dewood-law.com<mailto:nizar@dewood-law.com>) <nizar@dewood-law.com<mailto:nizar@dewood-law.com>>  
Sent: Thu, Jul 21, 2016 8:14 pm  
Subject: Supplemental Discovery Responses

Joel,

Attached are the supplemental responses to the interrogatories and documents requests in the Sixteen Plus/Peter's Farm case. I appreciate your patience in waiting for this supplementation.

I believe that these supplementations address the issues raised in our meet and confer, and that they will moot the need for you to file the motion to compel alluded to in your email of this morning.

I still owe you a certification page. Mr. Yusuf is out of town, and I will provide that to you as soon as he returns. I don't have a secretary at this hour, and will send the originals of these attachments by mail tomorrow.

Regards,

Stefan

IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS

DIVISION OF ST. THOMAS AND ST. JOHN

FATHI YUSUF,	)	
	)	
Plaintiff,	)	CASE NO. ST-15-CV-344
	)	
v.	)	ACTION FOR DISSOLUTION
	)	AND OTHER RELIEF
PETER'S FARM INVESTMENT	)	
CORPORATION, SIXTEEN PLUS	)	
CORPORATION, MOHAMMAD A.	)	
HAMED, WALEED M. HAMED,	)	
WAHEED M.HAMED, MUFEED M.	)	
HAMED, and HISHAM M. HAMED,	)	
	)	
Defendants.	)	
	)	

**PLAINTIFF'S SECOND SUPPLEMENTAL AND AMENDED RESPONSES TO  
DEFENDANT WALEED M. HAMED'S FIRST SET OF INTERROGATORIES**

Plaintiff, Fathi Yusuf, through his attorneys, Dudley, Topper and Feuerzeig, LLP, hereby provides its Second Supplemental and Amended Responses to Defendant Waleed M. Hamed's First Set of Interrogatories:

**GENERAL OBJECTIONS**

Plaintiff makes the following general objections to the Interrogatories. These general objections apply to all or so many of the Interrogatories that, for convenience, they are set forth herein and are not necessarily repeated after each objectionable Interrogatory. The assertion of the same, similar, or additional objections in the individual responses to the Interrogatories, or the failure to assert any additional objections to a discovery request does not waive any of Plaintiff's objections as set forth below:



5. Did Sixteen Plus ever borrow funds to help secure the purchase of any property it has owned in the Virgin Islands and if so, please state for each such loan:
- a) The name and location of the lender;
  - b) The property purchased with the loan proceeds;
  - c) The amount of the loan;
  - d) The date of the loan;
  - e) The date of all payments on the loan;
  - f) The current address and phone number of the lender;
  - g) The last date you had any communication with the lender; and
  - h) The current balance on the loan.

**AMENDED AND SUPPLEMENTAL RESPONSE:**

Yes. The name of the lender is Manal Yousef. The date of the loan was September 15, 1997, and the amount, \$4.5 million dollars. Three interest-only payments were made during the 1998-2000 period to Manal Yousef. I do not recall the last date I had any communication with her. Manal Yousef's current address to the best of my knowledge is 25 Gold Finch Road, Pointe Blanche, St. Martin. She is represented by counsel (Kye Walker, Esq.) in an illegitimate lawsuit that was filed by Sixteen Plus Corporation without my authority or approval, and without consulting with me or any other of the Yusuf shareholders or letting any of us know it would be filed. The lawsuit is pending in the Virgin Islands Superior Court (St. Croix Division), and is styled Sixteen Plus Corporation v. Manal Mohammad Yousef, case no. SX-16-CV-65. Because Manal Yousef is represented by counsel in the lawsuit, and because the lawsuit was brought at the behest of the Hamed shareholder interests in Sixteen Plus Corporation, counsel for any of the Hameds are barred from speaking directly to Manal Yousef. For that reason, Defendant objects to providing her telephone number. You and other attorneys acting for the Hameds are permitted to discuss this matter with her counsel, Attorney Walker, whose phone number is \_\_\_\_\_. The current principal balance on the loan is \$4.5 million, plus accrued interest. I also spoke to an agent of Manal Yousef named \_\_\_\_\_, shortly after the service of the lawsuit filed against Manal Yousef. I do not recall the exact date. He telephoned me to tell me about the lawsuit, which I knew nothing about. I told him that the lawsuit was filed without my knowledge or approval, and that it was wrong in claiming that the mortgage given by Sixteen Plus to Manal Yousef was invalid. I have had no conversations with him since that one.

Fathi Yusuf (v. Peter's Farm Investment Corporation, et al.)  
Case No. ST-15-CV-344  
Plaintiff's First Supplemental Response to Defendant Waleed M. Hamed's Interrogatories  
Page 10 of 10

Dated: August 9, 2016

Respectfully Submitted,  
**DEWOOD LAW FIRM**

By:



Nizar A. DeWood, Esq. (VI Bar No. 1177)  
2006 Eastern Suburbs, Suite 102  
Christiansted, V.I. 00820  
T. (340) 773-3444/F. (888) 398-8428  
Email: [nizar@dewood-law.com](mailto:nizar@dewood-law.com)  
Attorneys for Plaintiff Fathi Yusuf

**CERTIFICATE OF SERVICE**

I hereby certify that on this the 9<sup>th</sup> day of August, 2016, a true and exact copy of the foregoing **PLAINTIFF'S SECOND SUPPLEMENTAL AND AMENDED RESPONSES TO DEFENDANT WALEED M. HAMED'S INTERROGATORIES** was served via U.S. Mail, postage prepaid, and email as agreed by the parties, to the following:

Joel H. Holt, Esq.  
Law Offices of Joel H. Holt  
2132 Company Street  
Christiansted, VI 00820  
E-Mail: [holtvi@aol.com](mailto:holtvi@aol.com)

Carl J. Hartmann III, Esq.  
5000 Estate Coakley Bay  
Unit L-6  
Christiansted, VI 00820  
E-Mail: [carl@carlhartmann.com](mailto:carl@carlhartmann.com)



Christina Joseph

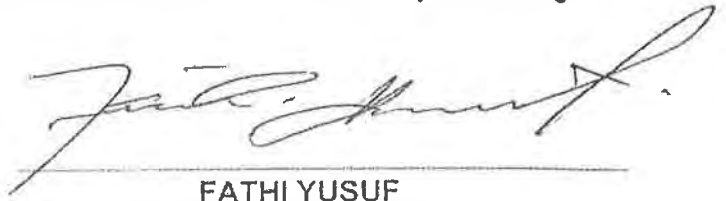
IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS  
DIVISION OF ST. THOMAS AND ST. JOHN

FATHI YUSUF,	)	
	)	
Plaintiff,	)	CASE NO. ST-15-CV-344
	)	
v.	)	ACTION FOR DISSOLUTION
	)	AND OTHER RELIEF
PETER'S FARM INVESTMENT	)	
CORPORATION, SIXTEEN PLUS	)	
CORPORATION, MOHAMMAD A.	)	
HAMED, WALEED M. HAMED,	)	
WAHEED M. HAMED, MUFEED M.	)	
HAMED, and HISHAM M. HAMED,	)	
	)	
Defendants.	)	

---

CERTIFICATION

I hereby swear and affirm that the factual portions of the Plaintiff's Second Supplemental and Amended Responses to Defendant Waleed M. Hamed's First Set of Interrogatories are true and correct to the best of my knowledge and belief.

  
FATHI YUSUF

SUBSCRIBED AND SWORN to, before me, this 9<sup>th</sup> day of August, 2016.

  
Notary Public

R:\DOCS\6254\10003\PLDG\16Q7596.DOCX

Rupertha A. Andrews  
Notary Public  
District of St. Croix, USVI  
Commission # NP-115-15  
Commission Expires October 21, 2019

IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS  
DIVISION OF ST. THOMAS AND ST. JOHN

FATHI YUSUF, )  
)  
Plaintiff, )  
)  
v. )  
)  
PETER'S FARM INVESTMENT )  
CORPORATION, SIXTEEN PLUS )  
CORPORATION, MOHAMMAD A. )  
HAMED, WALEED M. HAMED, )  
WAHEED M.HAMED, MUFEED M. )  
HAMED, and HISHAM M. HAMED, )  
)  
Defendants. )

CASE NO. ST-15-CV-344

ACTION FOR DISSOLUTION  
AND OTHER RELIEF

**PLAINTIFF'S SECOND SUPPLEMENTAL AND AMENDED RESPONSES TO  
DEFENDANT WALEED M. HAMED'S FIRST SET OF INTERROGATORIES**

Plaintiff, Fathi Yusuf, through his attorneys, Dudley, Topper and Feuerzeig, LLP, hereby provides its Second Supplemental and Amended Responses to Interrogatory 5 of Defendant Waleed M. Hamed's First Set of Interrogatories:

**GENERAL OBJECTIONS**

Plaintiff incorporates all general objections previously made to Defendant Waleed M. Hamed's First Set of Interrogatories.

DLEY, TOPPER  
FEUERZEIG, LLP  
Frederiksberg Gade  
P.O. Box 756  
St. John, U.S. V.I. 00804-0756  
(340) 774-4422





**SECOND SUPPLEMENTAL RESPONSE TO INTERROGATORY NO. 5**

5. Did Sixteen Plus ever borrow funds to help secure the purchase of any property it has owned in the Virgin Islands and if so, please state for each such loan:
- a) The name and location of the lender;
  - b) The property purchased with the loan proceeds;
  - c) The amount of the loan;
  - d) The date of the loan;
  - e) The date of all payments on the loan;
  - f) The current address and phone number of the lender;
  - g) The last date you had any communication with the lender; and
  - h) The current balance on the loan.

**AMENDED AND SUPPLEMENTAL RESPONSE:**

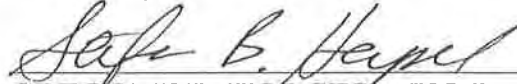
Yes. The name of the lender is Manal Yousef. The date of the loan was September 15, 1997, and the amount, \$4.5 million dollars. Three interest-only payments were made during the 1998-2000 period to Manal Yousef. I do not recall the last date I had any communication with her. Manal Yousef's current address to the best of my knowledge is 25 Gold Finch Road, Pointe Blanche, St. Martin. I do not have a direct phone number for her, but she should be reachable through her nephew, Jamil Yousef, who resides in St. Martin and whose phone number is 721.554.4444. Manal is represented by counsel (Kye Walker, Esq.) in an illegitimate lawsuit that was filed by Sixteen Plus Corporation without my authority or approval, and without consulting with me or any other of the Yusuf shareholders or letting any of us know it would be filed. The lawsuit is pending in the Virgin Islands Superior Court (St. Croix Division), and is styled Sixteen Plus Corporation v. Manal Mohammad Yousef, case no. SX-16-CV-65. The current principal balance on the loan is \$4.5 million, plus accrued interest.

Fathi Yusuf (v. Peter's Farm Investment Corporation, et al.)  
Case No. ST-15-CV-344  
Plaintiff's Second Supplemental Response to Defendant Waleed M. Hamed's Interrogatories  
Page 3 of 4

Respectfully submitted,

**DUDLEY, TOPPER AND FEUERZEIG, LLP**

DATED: September 26, 2016 By:



**GREGORY H. HODGES** (V.I. Bar No. 174)

**STEFAN B. HERPEL** (V.I. Bar No. 1019)

Law House

1000 Frederiksberg Gade (P.O. Box 756)

St. Thomas, U.S.V.I. 00804-0756

Telephone: (340) 774-4422

Facsimile: (340) 715-4400

E-Mail: [ghodges@dtflaw.com](mailto:ghodges@dtflaw.com)

[sherpel@dtflaw.com](mailto:sherpel@dtflaw.com)

DUDLEY, TOPPER  
FEUERZEIG, LLP  
Frederiksberg Gade  
P.O. Box 756  
St. Thomas, U.S. V.I. 00804-0756  
(340) 774-4422

Fathi Yusuf (v. Peter's Farm Investment Corporation, et al.)  
Case No. ST-15-CV-344  
Plaintiff's Second Supplemental Response to Defendant  
Waleed M. Hamed's Interrogatories  
Page 4 of 4

**CERTIFICATE OF SERVICE**

I hereby certify that on this the 26th day of September, 2016, a true and exact copy of the foregoing **PLAINTIFF'S SECOND SUPPLEMENTAL AND AMENDED RESPONSES TO DEFENDANT WALEED M. HAMED'S INTERROGATORIES** was served via U.S. Mail, postage prepaid, and email as agreed by the parties, to the following:

Joel H. Holt, Esq.  
Law Offices of Joel H. Holt  
2132 Company Street  
Christiansted, VI 00820  
E-Mail: [holtvi@aol.com](mailto:holtvi@aol.com)

Carl J. Hartmann III, Esq.  
5000 Estate Coakley Bay  
Unit L-6  
Christiansted, VI 00820  
E-Mail: [carl@carlhartmann.com](mailto:carl@carlhartmann.com)

  
\_\_\_\_\_