

**Civil 7338/05**  
**Patriarch Skopelitis v. Richards**

**The Jerusalem District Court**

**Filing date: 31/08/05 Procedure: Regular**  
**Number of new file: Civil Case 57645-08/05**

1. **The Patriarch Irineos Skopelitis the First**  
Patriarch of the Greek Orthodox Church of Jerusalem
2. **The Greek Orthodox Patriarchate**  
In Jerusalem represented by The Patriarch Irineos Skopelitis  
the First

Both of the Greek Orthodox Patriarchate - the Old City,  
Jerusalem  
Represented by the Law Offices of Advocate M. Kirsh &  
Associates  
3 A' Jabotinski Street, Ramat Gan 52520  
Tel: 03-7523230 Fax: 03-7516770

**The Plaintiffs**

- V. -

1. **Richards Marketing Corporation**  
A company registered in the British Virgin Islands  
Number 593070
2. **Humberstone Ventures S.A.**  
A company registered in the British Virgin Islands  
Number 607231
3. **Berisford Investments L.T.d.**  
A company registered in the British Virgin Islands  
Number 36465
4. **Gallow Global Limited**  
A company registered in the British Virgin Islands  
All are represented by Mr. Eitan Geva, Advocate  
12 Shamai Street - POB 2153  
Jerusalem 91021  
Tel: 02-6234631  
All through Advocate Eitan Geva Defendant 5.
5. **Mr. Eitan Geva, Advocate**  
12 Shamai Street, Jerusalem 91021  
Tel: 02-6234631 Fax: 02-6255039

**The Defendants**

**Substance of the claim: Declaratory Judgment and Mandatory Injunction**  
**Amount of claim: no sum**

## STATEMENT OF CLAIM

1. Plaintiff 1 (hereinafter: the "**Plaintiff**") is the Jerusalem Greek Orthodox Patriarch.
2. Plaintiff 2 (hereinafter: "**Plaintiff 2**" or the "**Patriarchate**") is the Jerusalem Greek Orthodox Patriarchate, the owner and holder of real estate in Jerusalem's Old City known as follows:
  - A. The Imperial Hotel building built at the Omar Ibn al-Khattab Square, Jaffa Gate, in Jerusalem's Old City (hereinafter: the "**Imperial Hotel**").
  - B. The Saint John Hostel building in Muristan, Afthimios Market, Aldabaga in the Old City of Jerusalem (hereinafter: "**Saint John's Hostel**").
  - C. The Petra Hotel building situated at the Omar Ibn al-Khattab Square, Jaffa Gate, in in the Old City of Jerusalem (hereinafter: "**Petra Hotel**").
  - D. Parcel 45, Lot 30859 located at 18 Muazimia Street in the Kaab Khuta neighborhood, in the Old City of Jerusalem (hereinafter: "**Muazimia**").
3. The Patriarchate operates through the Plaintiff and its Synod (hereinafter: the "**Synod**").
4. Defendants 1 to 4 are foreign companies whose shareholders and holders of controlling interests as well as their financial backers are unknown to the Plaintiffs, and they and the shareholders and holders of controlling interests were and are represented by Defendant 5 in all matters related to this claim.
5. Defendant 5 is an attorney who represents Defendants 1 to 4 and acts on their behalf.
6. Mr. Nikolaos Papadimas (hereinafter: "**Papadimas**") was, during the relevant periods alleged in this Statement of Claim, the bookkeeper in the Financial Office of Plaintiff 2, and earned the trust of the Plaintiff and who, as part of his duties, was involved with the management of Plaintiff 2's properties as well.
7. On 6.5.04, the Plaintiff signed a document written in English, a language in which the Plaintiff is not fluent, after Papadimas presented the document to him as a power of attorney to lease a store in the Old City of Jerusalem. In the books of the Patriarchate, the power of attorney is recorded as a power of attorney to lease a store in the Old City of Jerusalem.
8. On or about 22.11.04, Papadimas disappeared following investigations initiated by the Plaintiff against him for breach of trust and embezzlement from the Patriarchate, by abusing his position. From what is known to the Plaintiffs, Papadimas has fled Israel.
9. On or about January 2005, during a social event in which the Plaintiff participated, a person who introduced himself as "Mr. Cohen" (hereinafter:

"**Mr. Cohen**") approached the Plaintiff. Mr. Cohen introduced himself to the Plaintiff as a person who had connections to senior government officials, decision makers and influential individuals in the Israeli government, who would be able to obtain for the Patriarchate similar terms, rights and status to those which Catholic ecclesiastical institutions were entitled by an agreement signed between the Holy See and the State of Israel.

10. Two weeks later, as the Plaintiff was taking leave of the Chief of Police in the Old City after a visit, Mr. Cohen, allegedly by coincidence, appeared before the Plaintiff, greeted him, reminded him of the previous meeting, and informed him that he had not forgotten the conversation and the matter about which the Plaintiff expressed interest. Mr. Cohen further stated that he had spoken to the relevant parties and reached an agreement with them that the matter would proceed through an attorney affiliated with these authorized and influential individuals, who chose him for this purpose.
11.
  - A. A number of days following this apparently coincidental meeting, Mr. Cohen called the Plaintiff and set up a meeting in the King David Hotel in order to introduce him to the attorney.
  - B. The Plaintiff along with two of his assistants arrived at the meeting in which Mr. Cohen and the attorney, who was Defendant 5, were present.
  - C. Defendant 5 introduced himself to the Plaintiff and they held a conversation during which Defendant 5 displayed great familiarity with Plaintiff 2's affairs. The conversation proceeded to a discussion of the status of the Patriarchate and its comparison to the status and rights of the Vatican institutions in Israel.
  - D. At the end of the conversation it was agreed to schedule another meeting to examine and continue looking into the matter.
12.
  - A. A number of days later, Mr. Cohen called the Plaintiff and scheduled another meeting at the King David Hotel.
  - B. The Plaintiff and his assistants met with Defendant 5, Mr. Cohen and another two participants who came with Defendant 5.
13.
  - A. During the meeting and while the Plaintiff and Defendant 5 were conversing, the latter called "Mati, come" to Mr. Cohen.
  - B. The name "Mati" caught the attention of one of the assistants, and after inquiring, Mr. Cohen stated that he was Mati Hacohe Dan, and that he was a close friend of Papadimas, and that they were conducting business together that would be discussed.
  - C. The Plaintiff and his assistants were very surprised and wanted to know which transactions Mr. Cohen was talking about. Mr. Cohen, however, refused to reveal any details unless the Plaintiff and his assistants would agree to cooperate and complete the "transactions". The Plaintiff did not agree to these terms.

14.
  - A. On or about the end of February or beginning of March 2005, Mr. Cohen, along with a person by the name of Levin, appeared in the Financial Office of Plaintiff 2, where he met the Director of Finance, Ireneos Archimandrite, and attempted to motivate him to cooperate with him in the transactions made by Papadimas. He continued to persist even when he was refused and asked the Director of Finance to reconsider his position.
  - B. After another couple of days, during or about the first week of March 2005, Mr. Cohen and Mr. Levin appeared again at the offices of the Director of Finance, and tried again to win his cooperation. When he refused, they told him that they would give him ten days to consider their offer, and if he did not change his mind, an "atomic bomb will go off in the Patriarchate's courtyard".
  - C. The Director of Finance notified the Plaintiff about the incidents and after consultation they decided to ignore them.
15. Ten days later, in the morning of 17.3.05, Mr. Cohen called the Director of Finance and asked him for his decision. The Director answered that his position had not changed, and in response Mr. Cohen stated that if the Director of Finance did not contact him until 17:00 of that same day, the next day the "bomb will fall" in Plaintiff 2's courtyard.
16. On 18.3.05 a news item was published in the "Maariv" newspaper under the title "Omar Square is in our Hands", which discussed the two deals that Papadimas allegedly made in the name of the Plaintiffs with Jewish individuals. One was in respect to the Petra Hotel and the second involved the Imperial Hotel.
17.
  - A. The publication took the Plaintiffs by surprise, caused reverberations, and the Greek Orthodox community in Israel, the region and the world, along with the Arab population in Israel and other countries in the region, attacked the Plaintiff, which led to unruly and unprecedented incitement against the Plaintiff by his opponents in the Patriarchate.
  - B. In the days, weeks and months that followed the news item in "Maariv", a well oiled and well directed network of hostile media continued their incitement against the Plaintiff with the close cooperation and support of the clergy in the Patriarchate who were operating against him, describing him as a traitor while questioning his stature and demanding his dismissal and excommunication,.
18.
  - A. On 20.3.05, following the news item in the newspaper, the Plaintiff and the Director of Finance decided to check its accuracy. Among other actions, they asked the Land Taxation Authority to check if any declaration existed for the deal that was made in the Plaintiff's name in the Old City, and they received a negative response.
  - B. On 23.3.05, the Director of Finance of Plaintiff 2, sent the same request again in writing to the Land Taxation Authority. He received a response that there was a report of a transaction, but pursuant to instructions by the Authority's legal

advisor, they could not release any details and referred him to Defendant 5. The letter is appended hereto as Annex A'.

19. A. On 27.3.05 the Director of Finance met Defendant 5, who notified him that according to the instructions of his clients he could not provide him with copies of the documents of the transactions, but would help by the fact that both of them would make a joint request to freeze the assessments on the transactions until the storm cleared. For this purpose, Defendant 5 prepared a letter to the Land Taxation Authority on which they both signed, and together they delivered it to the responsible clerk in the Land Taxation Authority. A copy of the letter is appended hereto as Annex B'.

B. The Director of Finance asked Defendant 5 for a copy of the letter and details of the transactions, but Defendant 5 refused and did not provide the Director of Finances with a copy of the letter or any details regarding the deals, and soothed him by saying that at this stage everything was being done to calm the situation.

C. At the same time, Mr. Cohen continued to call the Director of Finance and ask for cooperation.

20. A. On 9.5.05, the Plaintiff through Advocate Elias Khouri from Jerusalem, asked to obtain a copy of the transactions that were reported in the name of the Plaintiffs from the Land Taxation Authority. The clerk informed him that pursuant to instructions of the Authority's legal advisor, a copy of the documents that were reported could not be provided without his approval.

B. When the legal advisor's response was slow in coming, the Plaintiffs, on 30.5.05, petitioned the Supreme Court, and on the same day in the afternoon, the legal advisor for the Land Taxation Authority approved the photocopy and delivery of the copies of the documents reported to the Authority.

21. Only then did the Plaintiffs become aware of the transactions that were reported, and they were surprised to discover that there were four transactions.

22. Copies of the transactions provided to the Plaintiffs are appended hereto as Annexes C1 - C4. The transactions that were reported were real estate deals between Plaintiff 2 and Defendants 1 - 4 as follows (hereinafter - the Transactions): -

- A. A contract dated 16.8.04 between Plaintiff 2 and Defendant 1, for the lease of the Imperial Hotel building for a period of 99 years for \$1,250,000.
- B. A contract dated 16.8.04 between Plaintiff 2 and Defendant 2, for the lease of Saint John's Hostel for a period of 99 years for \$400,000, and rental fees in the amount of 7,500 shekel every three months.
- C. A contract dated 23.8.04 between Plaintiff 2 and Defendant 3 for the lease of the Petra Hotel for a period of 99 years for \$500,000.
- D. A contract dated 19.10.04 between Plaintiff 2 and Defendant 4 for the lease of Muazimia for a period of 99 years for \$55,000.

23. All the contracts are signed on behalf of Plaintiff 2 by Papadimas, who pretended to act as an empowered attorney, and Defendant 5, as representative of Defendants 1 - 4.
24. Until the receipt of a copy of the documents reported to the Land Taxation Authority, the Plaintiffs were unaware of the transactions and had no details about them with the exception of the news item that appeared in the "Maariv" newspaper.
25. A. Until the filing of this complaint, Defendant 5, in his name and on behalf of Defendants 1 - 4, refused and continues to refuse to provide the documents and details regarding the transactions or the relationship of the Defendants to Papadimas, to the Plaintiffs. Defendant 5 conditioned his consent to provide the documents and details on a retroactive approval by the Plaintiffs of the transactions.  
  
B. Moreover, Defendant 5 refused and refuses to reveal the identities of the shareholders and holders of controlling interests of Defendants 1 - 4, the identity of the individuals backing these Defendants and the identity of the individuals backing the transactions.
26. A. Neither the Plaintiff, nor Plaintiff 2 or the Synod, gave any person a power of attorney to enter into any or all of these transactions, nor did they consent or approve any one of these transactions, whether in advance or retroactively, in any manner whatsoever or at any stage. The Defendants knew this.  
  
B. By pretending to enter into the transactions on behalf of the Plaintiffs, Papadimas did not act in the Plaintiffs' or any of their names, with any authority to do so and without any power of attorney from any of them.  
  
C. The Defendants knew that Papadimas was not authorized or entitled to enter into any of the transactions in the name of any or all of the Plaintiffs. The Defendants knew that the document by which Papadimas apparently acted in the name of the Plaintiffs was worthless and irrelevant for conducting transactions, and that Papadimas did not have power of attorney to do so.  
  
D. The Defendants knew that the location of the properties, their historical significance to Plaintiff 2, the fact that they were held and occupied by local Arab tenants, the political situation in the region, the prevailing winds within the Arab population in general and their flock in particular as to the sale of lands to Jews and specifically right wing Jews, even more so regarding property in the Old City in Jerusalem, would compel a conclusion of complete unlikelihood that such transactions would occur, especially to the extent that they did or that 4 transactions would be entered into at the same time.  
  
E. The Defendants knew that if they contacted the Plaintiff or the Synod to examine whether or not the Patriarchate in fact agreed to all or any of the transactions, they would have been rejected.

F. The Defendants knew that if they contacted the Plaintiff or the Synod to examine whether in fact Papadimas was authorized to conduct any or all of the transactions, they would have been answered in the negative.

27. Without derogating from the foregoing:

A. According to the laws of the Greek Orthodox Church, its regulations as well as all relevant law, the Plaintiffs cannot enter into any transaction to sell or lease land for a lengthy period of time without the approval of the Synod. In any event under the law, a transaction that was not approved by the Synod is not valid.

B. Defendant 5 was familiar with the laws and regulations of Plaintiff 2 as well as the procedures for obtaining approval or performance of real estate transactions of Plaintiff 2.

C. Defendant 5 knew or should have known that the transactions required the approval of the Synod.

D. Defendant 5 knew or should have known that none of the transactions were approved by the Synod.

28. A. The circumstances clearly demonstrate that the Defendants conspired with Papadimas in order to extort the Defendant.

B. The Defendants, by cooperating with individuals within the Patriarchate who undermined the Plaintiff, acted to hinder the Plaintiff.

C. The Defendants acted with a lack of good faith, aware that Papadimas acted without the Plaintiff's knowledge by abusing his position, powers, the Plaintiffs' trust in him and the power of attorney which he held and which was not given to him for the purpose of entering into any of the transactions for which he was not authorized.

D. During the period from the publication of the news item in "Maariv" until the filing of this claim, the Plaintiff's opponents in the Patriarchate acted to cause his downfall and have his recognition removed due to the transactions.

E. At the same time and during the entire period from the publication of the news item in the paper until the filing of this claim, representatives and agents of the Defendants or the Defendants' backers, among whom were officials and government employees, as well as those who introduced themselves as holding official positions, acting on behest of the Defendants or their supporters, tried to wring an agreement out of the Plaintiff and have him cooperate to approve the transactions, in order that the government would not remove its recognition of him.

29. The transactions were the result of a conspiracy woven on the background of common interest between the Plaintiff's opponents within the Patriarchate and right wing extremists who opposed his appointment and the government of

Israel's recognition of him, who joined together to bring about his downfall, have him ostracized and cause the government to recall its recognition of him.

30. The Defendants and those backing Defendants 1 - 4 acted in bad faith. Their lack of good faith was displayed, inter alia, as follows:

A. The price of the properties that Defendants 1 - 4 undertook to pay for each of the transactions is lower and falls well below the value of the transaction on the market. The Defendants knew this.

B. Plaintiff 2 received offers in the past to transfer the tenancy from protected tenants in the Petra Hotel and Imperial Hotel to local and international individuals who were interested in leasing these properties by key money, as a result of which Plaintiff 2's share of the key money for each property would have exceeded the amounts stated in the claim for the transactions. However, it rejected the offers because it wanted to restore the properties to itself and lease them freely so that it would have a fixed source of income. The Defendants knew this.

C. The Defendants hid and continue to hide the identity of the shareholders and holders of controlling interests of Defendants 1 - 4 as well as the identity of the backers of Defendants 1 - 4 and the transactions, from the Plaintiffs.

D. In coordination with Papadimas, the payments that were transferred and which are to be transferred to the bank accounts of Plaintiff 2 for the price fixed in the contracts are in small installments spread out over a long period of time so as not to attract attention. The Defendants knew that this was the objective and cooperated with it.

E. The Defendants failed to make timely reports of the transactions to the authorities as fixed by law nor did they do so at a reasonable time, and they concealed the transactions until the "Maariv" newspaper publicized them in order to conceal the transactions to pressure and extort the Plaintiff.

F. The report of the transactions was made apparently close to the time of publication of the news item in "Maariv" in order to raise suspicion of an act that was contrary to procedure and custom in the Land Taxation Authority, for the purpose of pressuring and extorting the Plaintiff.

G. The Defendants have refrained and continue to refrain from providing the Plaintiffs' representatives with details of the transactions and are making an effort to conceal the details without justification and without a rational explanation, in order to hide the illegality of their deeds for the purpose of pressuring and extorting the Plaintiff.

H. The transaction relating to Saint John's Hostel was signed while eviction proceedings of a tenant represented by Defendant 5 were pending, without informing the Plaintiffs of the transaction regarding the hotel. This was done in order not to reveal the transactions to the Plaintiffs, with the knowledge

that they were done unlawfully, for the purpose of pressuring and extorting the Plaintiff.

I. The Defendants failed to obtain and did not take action to obtain the approval of the Synod for any of the transactions, not before and not after the transactions were made. This was done with the knowledge that the Synod would not agree or approve any or all of the transactions.

31. The Defendants pretended to contract with Papadimas on the transactions according to a power of attorney that was allegedly held by Papadimas for the purpose of entering into the transactions, when they knew or should have known that Papadimas deviated from his authority and breached his fiduciary duty. The failure of the Defendants to check with the Plaintiff as to the nature of the power of attorney held by Papadimas speaks for itself.
32. The Plaintiffs will argue that the transactions started in error and ended in crime.
33. The Plaintiffs will argue that each and every transaction is not valid. The Plaintiffs will argue that the transactions are void or alternatively, they must be revoked. The Plaintiffs are prepared to reimburse the Defendants with any sum that was transferred to Plaintiff 2 allegedly for the transactions in order to restore the situation back to its original state.
34. The Plaintiffs will argue that the Defendants must reveal the identity of the shareholders and the holders of controlling interests of Defendants 1 - 4 as well the backers of the Defendants in the matter of this complaint.
35. All the pleadings in this statement of claim are pleaded in the aggregate. Facts about which the Plaintiffs do not have conclusive knowledge are pleaded in the aggregate and in the alternative, according to the matter and context.
36. Therefore the court is petitioned to grant the claim and issue orders as follows:
  - A. A declaratory order stating that the transactions are void or alternatively revoke them.
  - B. A declaratory order stating that each and all of the Defendants knew that Papadimas did not have the authority or permission to enter into the transactions and lease the properties to any or all of the Defendants.
  - C. A declaratory judgment stating that Defendants 1 - 4 through Defendant 5 entered into the transactions by conspiring with Papadimas or his representatives against the Plaintiff and Plaintiff 2.
  - D. A mandatory injunction ordering the Defendants to provide the Plaintiffs with the identities and details identifying the shareholders and the controlling holders of Defendants 1 - 4 as well as to provide the Plaintiffs with the identities and details of all the individuals and others who gave orders and

instruct Defendant 5 and gave him and are giving him instructions about the transactions.

E. To charge the Defendants jointly and severally with the costs of the Plaintiffs including legal fees, interest and VAT.

This day: 31.8.2005

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M. Kirsh, Advocate  
Attorney for the Plaintiffs