

**The Palestinian Commission
To probe the facts and realities of the
so-called
Baab Al-Khalil
and the Greek Orthodox Patriarchate**

The Report of the Legal Commission
(translation from the Arabic)

Introduction

On March 19, 2005 the Palestinian Cabinet decided to set up a fact-finding special committee to investigate a report published by *Ma'ariv* regarding a deal to sell property belonging to Greek Orthodox Patriarchate in Jerusalem. The aforementioned property is located in the court of Omar Bin el Khattab inside the Old City of Jerusalem. This property included the Imperial Hotel and the building of Petra Hotel. The Committee was charged with the task of verifying the authenticity of the report, and to collect as many realities, facts and information as it could relevant to the issue. The Committee would then put forward a full picture of what had happened as well as its recommendation as to the necessary procedures that should be taken to stop the deal, cancel it and declare it null and void.

The legal committee began its work in difficult and next-to impossible conditions. Apart from what the newspaper *Ma'ariv* had published, the committee had no information or document made available to it. Besides, the committee has neither the legal capacity to investigate, nor has it the authority to take action or to compel any one to deal with it.

The climate surrounding the report has created a decisive picture defining the features of the treachery. This picture had almost curbed the ability of anyone who would try to fathom the truth. It would also prevent reaching the fair conclusion that would ensure the annulment of the deal. The parties that could have played a role and that would have been approached for enquiring about a fact or an incident were not available. The task was entrusted to only two advocates who neither had any executive powers nor did they have any helping devices to assist them in their task.

The non-commitment of some commission members to the rules and regulations of official procedures in an official commission whose task is to investigate and find facts in a crucial public issue, and taking up nonproductive attitudes to reveal the truth ran counter to the tasks entrusted to them, making public of their attitudes through the media. Thus, there was hindering of the work of the commission which created a burden on it, and contradicted the basic principle of being neutral and fair. This action would jeopardize the credibility of the investigation as well as the credibility of the realities which could be accredited in the future by any official or judicial quarters.

Despite obstacles and in view of the gravity of the issue and our conviction of the necessity to conclude the task, the commission pursued the probe which was difficult and ramified, during which 17 personalities, and official circles related to the issue, were investigated. The investigation included some clerics and advocates currently working at the Patriarchate and advocates who used to work for the Patriarchate and who were in contact with dignitaries involved in the case.

We attached in Supplement a list of the names and all those whom we met and questioned. In this context, we would like to point out that had it not been for the patience and dedication of the General Secretary of the Cabinet, Dr. Samir Hlailah, and for his constant readiness day and night, we would not have been able to accomplish the task entrusted to us.

In addition to that, the authorization we obtained from the Patriarch was the important means of conducting the probe. Moreover, he was very cooperative and forthcoming in his response to our questions and in fulfilling our demands. Also, the unconditional cooperation of three clerics, namely Archimandrite Ireneos, Archimandrite Chrysostomos and Archimandrite Meletios Basal, played a key and vital role in preserving the trust with the Patriarch. As for Archimandrite Basal, and from the outset of the crises, he maintained a clear and committed attitude to the Palestinian interest and stand, without foregoing the interest of the church and its congregation, withstanding the incitement and insults, he faced from irresponsible parties who gave precedence to their own interests over the interest of the issue.

We did not satisfy ourselves with hearing the testimonies of our witnesses. We carried out a comprehensive investigation through which we compared bits of information, documents and testimony. In many instances, we went back to our witness to confront him with the correct truth and information.

We did not rely on one source of information. We tried to verify it from various sources and directions. We were objective, despite taking a foregone stance by the media and through various attitudes in Palestine and outside. We tried to overlook what was published in the press and to work professionally and objectively and to handle the facts and information reaching us in order not to make mistakes and miss an opportunity, because the price is very high and injustice is cruel.

This report contains the gist of verified realities leading to the outcome we have reached at. Some of these results are supported by documents and others are supported by testimonies of eyewitnesses.

We tried to present facts and come to the conclusion through circumstantial evidence. From what we have collected, it drew before us a very clear picture before and after the exposure.

In the course of this investigation, we got information that shows and reflects the general position of the Patriarchate. We also got information about previous deals carried out during the 1990s and prior to that. Our attention was drawn in particular, to the organizational and administrative situation in the Patriarchate. This situation reflects a negative image manifested in deeply rooted chaos and corruption. This makes it imperative upon the incumbents to take immediate action to put an end to this deplorable situation. We would not have touched upon this internal issue, had it not been one of the reasons that led to the case in question.

Finally, we would like to emphasize that what we have sought to achieve was to arrive at the truthfulness of what had happened, so that we can rely on this fact and reality before presenting it to any judicial, political or international body. We have been fully aware of the importance of this case entrusted to us and its sensitivity to all parties concerned. We have worked with utmost commitment and contact with officials, realizing the importance of the task and necessity of being patient and giving precedence for the general public interest over private and factional interest.

Background

Ireneos' path was not paved with roses when he assumed the leadership of the Patriarchate. From the beginning of his election to the post as Patriarch of the Holy City, he found himself engulfed with strong and shrewd opposition and contenders having close contacts with countries, officials and strong politicians in Israel, Jordan, Greece and Russia, etc.

His contenders did not concede his victory and election as a Patriarch. They continued their attacks on him from all directions. They managed to convince the Israeli Government that Ireneos is anti-Semitic and is not comfortable to the Israeli government. No, on the contrary, he was a pro-Palestinian. They reinforced this claim by showing copies of letters and meetings with the late President Yaser Arafat. The refusal of the Israeli government to recognize him after his election impeded him from executing his basic duties as Patriarch.

He was unauthorized even to sign a check drawn on any bank in the name of the Patriarchate. Neither was he allowed to sign any order or contract or undertaking before any official circle or any official papers. As a result he suffered from a financial crisis that affected not only him but all those who collaborated with him from among his followers or companions, be they monks or secularists alike.

His predecessor or those around him left him an empty coffer and treasury and passed on to him debts and dues estimated about NIS 85 million. Sources of revenue were scarce and there were several pending cases before courts, distributed among several law firms.

The property files were not in order. They were not in their proper place at the Patriarchate's Treasury Department. As well as the files of the deals which were arranged, edited, signed and endorsed by his predecessors. These were not in the offices of the Patriarchate, but they were distributed and kept at the offices of the lawyers who handled them. In view of all the above, he was unable to see what his predecessors have done or what they have left him. That was still in need of handling and follow-up, and to apprise himself of what was going on.

The land of the monasteries, especially the holy places related to the Patriarchate, was either a property or a trust to the appointed head. This has been the practice over the years. The appointment of favorites to head the monasteries or the holy place was a means to buy the appointed archimandrite or bishop. Changing this situation and reorganizing and reforming the status-quo and the imposition of financial control on all monasteries and channeling and recording their revenues to the Patriarchate treasury, was a factor that caused grumbling and dissatisfaction and was a motive for opposing the Patriarch.

The efforts of the Patriarch to urge the Israeli government to recognize him as Patriarch were prolonged to no avail. Thus, he was forced to resort to Israeli lawyers to represent him before official circles whence he demanded that they issue their decision. When no response was received he petitioned the High Court against the government, demanding that the latter explain the reasons behind the government's

refusal to recognize him as Patriarch of the Holy City. The High Court dismissed this petition when the public prosecutor attributed the delay to on- going investigation of the elected Patriarch's past, and whether he was involved in criminal cases. Following a lengthy delay, and for lack of any evidence of criminal cases against him as claimed by his opponents, the Israeli government endorsed his election on January 28, 2004.

Employment of Papadimas

In the summer of 2002 or around it, the military attaché at the Greek Embassy in Tel Aviv visited Bishop Kyriakos, Bishop of Nazareth. He was accompanied by a young man named Nicolas Papadimas, a Greek from Ioannina, living in Tel Aviv and married to an Israeli new immigrant from Russia. The attaché claimed that Papadimas had applied for a job at the embassy, but the embassy turned him down for lack of a vacancy.

The attaché requested Bishop Kyriakos help Papadimas, being a Greek, get a job at the Greek Orthodox Patriarchate in Jerusalem. He showed his desire in finding him a job. Bishop Kyriakos agreed to recommend Papadimas to the Patriarch. In fact, an appointment was made with the Patriarch whom he visited with Papadimas. He suggested to the Patriarch to employ Papadimas, explaining that the Greek Embassy was keen on finding him a job.

The Patriarch approved of the recommendation, and assigned Papadimas to the post of accountant in the Patriarchate's Financial Department.

None of those around the Patriarch demonstrated or filed an objection or any remark concerning the employment of Papadimas at any time until his escape. None of the officials or advisors around the Patriarch has ever mentioned any flaw in the performance of Papadimas. Not even a remark was made concerning his performance or his way of managing the funds of the Patriarchate or any remark concerning the persons he met and dealt with.

In the beginning, Papadimas worked hard and gained the confidence of the Patriarch. The Patriarch accommodated him in Andromeda Complex in Jaffa which is owned by the Patriarchate. Where as before, Papadimas lived in an apartment in a poor neighborhood at al-Carmel Market in Tel-Aviv. A car was also put at his disposal. Papadimas has a friend – an old neighbor called Max Semory - who occupied an apartment in the same building in which Papadimas lived prior to his move to Andromeda Complex. A strong and intimate friendship grew between them and still exists. Max had connections with various government and non-government circles, because he held a key post in the Ministry of Finance. He also played a role in pursuing the relationship with Papadimas.

Papadimas authorized Max to move to a luxurious apartment in Andromeda Complex owned by the Patriarchate. When the Patriarch learned about this arrangement he filed a suit to disown Max and evict him from the apartment. The case is still pending in court.

Empowerment of the Patriarch Advocate

Papadimas and his friend Semory got acquainted with the Patriarchate's advocate. Against the background of the problems the Patriarch faced due to the Israeli government refraining from recognizing him, they convinced the Patriarch that the Patriarchate's advocate, with his ramified relations with Israeli positions, is the right person who could help the Patriarch obtain the Israeli government's recognition of him. They introduced him to the Patriarch. Afterwards, the Patriarch empowered the advocate to handle the case, in addition to several cases pertaining to the Patriarchate.

The advocate gained the confidence of the Patriarch, and tried to convince the Patriarch to conduct real-estate deals through leasing or developing property, as a means of a way-out of the financial crisis experienced by the Patriarchate.

The property located in Omar Ibn Al Khattab Square, Baab Al Khalil, Jerusalem, was among the property offered for investment or lease. Sheer (sic) presented the Patriarch with several offers for investment. One of them was Christian as he claimed, and the other was Israeli as well as other investors. However, the Patriarch rejected those offers despite his financial crisis.

The Patriarch Ireneos declined offers made by the Patriarchate's advocate to settle the case of extending the lease of property leased by Israeli Land Authority and on which it set up the Rahavia neighborhood and part of Al-Talbiya neighborhood, both in West Jerusalem. He refused to sign or enter into negotiation to sign a settlement of the dispute in this case. This is what the Patriarchate's advocate stated and he held the Patriarch accountable.

The advocate initialed a full survey of all the property and assets of the Patriarchate, however; he did not hand over the survey to the Patriarchate, but rather kept it to himself.

Knowledge of English

The Patriarch neither speaks, reads nor writes English. One day in April 2004, Papadimas came to the Patriarch with a pre-prepared text of a Power of Attorney and asked him to sign it. The advocate claimed that he needed the Power of Attorney in order to lease a shop in the Old City. The Patriarch signed the document based on the explanation made by Papadimas of its content. By signing the document the Patriarch's role came to an end.

The Patriarchate's advocate took notice of the Power of Attorney and of its signing on the same day, or at worse, two weeks after it had been signed. He did not show any remark or reserve concerning it.

The Power of Attorney was registered in the Protocols of the Holy Synod, something which confirms that all the members of the Synod knew about it. None of the assistants or advisors of the Patriarch or even the members of the Synod showed any remark or reserve toward this Power of Attorney.

The Escape of Papadimas

In October 2004, rumors circulated concerning the behavior of Papadimas, his behavior, relations and possible over-reaching his powers. Meanwhile, a Greek reporter who heard the rumors met the Patriarch and advised him to consult a Greek independent lawyer, to look into the condition of the Patriarchate, to check its files and investigate what is going on inside it. He took heed of the advice and invited a Greek lawyer named Pelekis to look into and scrutinize the records of the Patriarchate, in search of any violations or mismanagement.

The lawyer came over and checked the records and some files. He also met with the Patriarch's advocate and asked for copies of the Power of Attorneys signed for Papadimas, so as to check them. He received copies of them. Furthermore, he enquired about the pending cases relating to various properties which are being handled by lawyers.

Pelekis made no remarks or reserve concerning the Power of Attorneys. He returned to Greece without reaching a conclusion or making any recommendations confirming the authenticity of the rumors, or hinting at a potential danger or risk in the work or performance of Papadimas.

This investigation jolted the relationship between the Patriarch and Papadimas. In the wake of this investigation the Patriarch stopped consulting Papadimas and estrangement prevailed among them.

In November 2004, various incidents aroused fears of the Patriarch towards Papadimas. During October and early November 2004, Papadimas tried to convince the Patriarch of the need to accept some of the property offers presented to the Patriarch's advocate, in order to remedy the deteriorating financial situation at the Patriarchate, and to cover some of the debts and expenses, and pay the overdue salaries. The Patriarch declined all these offers and rejected every possible settlement. Instead, he insisted on approaching the Greek Government for financial help. Against this background, several verbal altercations took place between the Patriarch and Papadimas. Some of these altercations were in the presence of eye witnesses.

One day in November 2004, i.e., ten days before the escape of Papadimas, and while the Patriarch was on his way back to Jerusalem from Tel-Aviv together with a priest in his car, an anonymous car rammed the Patriarch's car and fled the scene. The Patriarch suspected it was an attempt on his life. A few days later, the Greek Foreign Ministry called the Patriarch and notified him that the wife of Papadimas was arrested while entering Greece. She was carrying 120.000 Euros and various jewelries. The Ministry enquired if her husband was actually working for the Patriarchate. The Foreign Ministry instructed the Patriarch to seal the treasury and deny Papadimas any access to it. He complied.

Papadimas disappeared during this period. Four days prior to his escape he resorted to an Israeli friend of his and asked him to find him a refuge, under the pretext that settlers were chasing him following his failure to complete a property deal with them. When he failed {to find refuge} he fled the country. Two days later the Patriarch

knew about his escape to an unknown place. Upon knowing that, the Patriarch initiated an internal investigation. He also lodged a complaint with the Greek authorities against Papadimas. He demanded that they arrest him and put him to trial for embezzlement of money from the Patriarchate.

In the wake of Papadimas escape, the Patriarch summoned Archimandrite Ireneos, who is from Crete Island, who was living in a monastery in Greece, since the first half of the 1990s, to come back to the country. The latter, Ireneos, obeyed the summons first in late December 2004. He visited the country for several days. In February, he came back for a second short visit. After that, he returned to assume the position as head of the Patriarchate's treasury as of the end of February 2005.

The lawyer of the buyers and his relationship with Papadimas

The buyers' lawyer is a well-known Israeli, who is famous for his experience in representing the extreme right, including Arfing Moscovitz, Himont Company, Alert Cohanim, ELAD institution. All of them are well-known extreme rightists. Their members, aims and practices are known. They seek to buy Arab property within the walls of the Old City and in East Jerusalem and in various locations, with the aim of expanding Israeli control over settlement sites in Arab Jerusalem. Among the well-known cases in which he represents settlers, the lease of Saint John building in the Old City. It turned out that the Israeli government stood behind its purchase, and paid for it from the budget of the Ministry of Housing. The buyers' lawyers have strong and diversified relations with political circles from the Right wing which support his clients.

Papadimas knew the buyers' lawyer ever since he began his work. We did not know who the medium between them was. We did not know the background of the meeting or the introduction that took place.

The relationship between the buyers' lawyer and Papadimas was so strong that Papadimas was considered (one of the family members). He visited him frequently and consulted him in various matters (according to the buyers' lawyer himself). The buyers' lawyer used to visit Papadimas in his apartment in Jaffa. This relationship grew stronger in 2004. The buyers' lawyer was seen many times in Papadimas office at the Patriarchate during the few months prior to Papadimas flight. The buyers' lawyer visits to that Patriarchate did not draw the attention of any of the officials at the Patriarchate.

Papadimas relationship with Timothy and the buyers' lawyer

Timothy knew Papadimas very well. But in view of his relationship with the Patriarch, and so as not to arouse the suspicion of the Patriarch in Papadimas, he desisted from meeting Papadimas or talking to him in public. The contacts between Papadimas and Timothy were conducted through an Arab lawyer working for the Patriarchate. Timothy was spotted twice with Papadimas in Tel-Aviv. He was and still is in direct contact with the buyers' lawyer. This incident has concepts, dimensions and conclusions that may explain the coincidence and timing of making

known the news, and the attempts to entice the Patriarch to sign a deal or deals so as to frame him up.

The Patriarch and the buyers' lawyer

The Patriarch stated that he first knew the buyers' lawyer personally early 2005 or so. He heard of his name through the Saint John case. But he did not meet him, and his knowledge of the name was limited to him in his capacity as representative of the Company that claimed to have bought the usufruct or lease for the main tenant of Saint John Hotel – Metosian.

The case is still pending before courts since the time of the former Patriarch Diodoros.

The case was referred to the Patriarchate's advocate for handling, who, in turn, referred it to the Arab lawyer, then to another Arab lawyer. The Patriarchate's advocate's avoidance of dealing with such an important issue of such magnitude raises questions and attracts attention.

In December 2004, and during one official reception at David Castle at Baab Al-Khalil, and in the presence of Israeli as well as foreign personalities, a man who identified himself as "Mr. Cohen" approached the Patriarch and started a conversation that revealed a lot of information signifying a drastic and old knowledge of affairs and issues pertaining to the Patriarchate. This conversation aroused the concerns of the Patriarch. At the end of the meeting, Mr. Cohen revealed that he had close and strong connections with Israeli government quarters, which he can manipulate to advance the interest of the Patriarchate before them, including the attempt to initiate the conclusion of an agreement to put the Patriarchate on equal footing with those of the Vatican in terms of the legal status of its institutions. Nearly two weeks later, the Patriarch paid a visit to the newly appointed Al-Qishleh Police Chief Yoram Halevi Levi to congratulate him on his new post. The Patriarch was accompanied by group of bishops and priests. On emerging from this meeting the Patriarch was again approached by Mr. Cohen, who "happened" to be there. He greeted him and reminded him of himself and their previous encounter. He then informed him that he had talked with an expert advocate who is very well connected with various influential Israeli government quarters. He then expressed his willingness to arrange a meeting between the Patriarch and that advocate.

A week later, Mr. Cohen called the Patriarch and invited him to a meeting at the King David Hotel where they met. The Patriarch was accompanied by two priests who arrived recently from Greece. Mr. Cohen introduced the Patriarch to the advocate who turned out to be none other than the advocate of the buyers. That was his first encounter with the buyers' advocate, whom he had never known before, and who (the advocate) identified himself as "Etan".

This name did not attract the attention or wonder of the Patriarch or his escorts. The buyers' advocate disclosed to the Patriarch all the information he had about the Patriarch and his knowledge of his predecessors. The information disclosed indicated an extensive and comprehensive knowledge of what was and is going on within the Patriarchate.

A conversation took place between them, on one hand, and Mr. Cohen and the buyers' advocate on the other. The advocate focused in general on what interested the Patriarch, namely, the issue of raising the status of the Patriarchate, and to initiate an agreement with the Israeli government giving the Patriarchate and its institutions the same rights stipulated in the agreement between the Vatican and the Israeli government concerning the Vatican Catholic institutions. Also, the buyers' advocate talked about different issues for the Patriarchate and about pending issues and previous issues about the relations with the late Benediktos and about the relation with the late Diodoros.

The conversation ended with talk about arranging another meeting between them to follow up on the development of this relationship. Indeed another meeting took place. In King David Hotel and in the presence of the same persons, the lawyer called Mr. Cohen (Mati).

This name attracted the attention of one of the Patriarch's companions (Archimandrite Ireneos) who did not know the identity of the persons whom he met during this meeting.

He recalled that the name (Mati) was mentioned in the diaries of Papadimas, which he found in the accounting office in the Patriarchate. He asked him if he was the same (Mati) who was connected with Papadimas. He affirmed his relationship with him, in addition that he had a working relationship with him, and that they concluded several contracts between them.

When asked about the nature of those contracts, he replied that they are related to long term lease of the church property. Mr. Mati did not elaborate. The priest reported the matter to the Patriarch and warned him that the persons he is meeting with are but Papadimas friends, and they may be deceiving him, consequently, he should exercise caution with them. They were told that they had no knowledge of what they were talking about, and that the Patriarch knew nothing about what they were talking, and also the Holy Synod did not endorse any document they talked about, keeping in mind that any real estate deal would not be valid unless it is ratified by the Holy Synod and signed by the Patriarch, as stipulated by the law.

This is something well known to the government circles. The Patriarchate confirmed this in writing to the officials. Such ratifications were never done and were never finalized at any time whatsoever.

The other side refused to disclose any information. They tried to pacify the Patriarch and his companions. They suggested another meeting to discuss the case of Papadimas and what he signed.

Indeed, after few days Mati (Mr. Cohen) came with another person he claimed to be Mr. Levin. During a conversation it appeared that Levin also knows a lot about the Patriarchate's property. Mr. Levin offered his services to help Archimandrite Ireneos who was newly appointed, as head of the Financial Department, to get acquainted with the Patriarchate's property. The Patriarch thanked him and repeated his request

for information about the deals which the buyers' advocate and Mr. Cohen claimed existed during their meeting at King David Hotel.

They repeated that unless he collaborates with them, they would not provide him with any information about the deals, yet they tried to placate and assure him and promised him to talk to the lawyer in order to settle the case.

Hardly two weeks had passed Mr. Cohen (Mati) and Mr. Levin had reiterated their request from the Patriarch and the Archimandrite. To cooperate with them to conclude the deals, Levin threatened that unless the Patriarch cooperates with them, a grave thing will happen. Once again, the Patriarch insisted on his unwillingness to talk about or enter into any negotiations regarding any deal with Papadimas. He insisted upon seeing the document. The response was that the Patriarch had until March 17, 2005 to decide, otherwise, "an atomic bomb" will fall at the Patriarch's court. Indeed, on March 17, 2005, they called the Patriarch and renewed their warning. They gave him until 5 pm to respond or "the bomb will explode".

The Publication in *Ma'ariv*

True to their word, on March 28, 2005 *Ma'ariv* newspaper published the news about the so-called deal. The news aroused the displeasure, condemnation and the outrage of the Arab Orthodox congregation and the Jerusalemites in general, as well as the dissatisfaction of the local and international political circles.

The Patriarch denied any connection with the deal. He asked his lawyer to investigate the matter. Archimandrite Ireneos also requested to carry out a search and investigation in the so-called deal. The latter went to the competent authority, that is the Property Tax Department, to look for any report or statement on the deal. However, the female employee in charge informed him that according to the available information in the computer, she could not trace any information or any statement or report concerning a deal in the Old City. Despite this response, the Archimandrite continued his efforts with the official circles. His application was official and was coupled with a written letter which the competent authority acknowledged receipt of.

Annulment of Powers of Attorney

Following the publication in *Ma'ariv* on March 18, 2005 and in the absence of a direct legal advice from his legal advisors, he decided to annul the Power of Attorneys given to Papadimas. Acting upon the advice of his lawyers regarding the preference of signing the annulment before the notary public who endorsed at the time the original Power for Attorneys, namely Yakoub Miron, prepared the annulment document and summoned the notary public to the Patriarchate so that the Patriarch could sign the said document before him which was prepared by his lawyer.

Remarkably, the annulment document contained a declaration from the Patriarch to the effect that he revokes the power of Attorney he gave to Papadimas on May 6, 2004, and which he signed at the time before the Notary Public Yakoub Miron.

The text writer deliberately put in this declaration, knowing that the Attorney signed by the Patriarch to Papadimas was not actually signed before the notary. He, indeed, signed it in the presence of Papadimas in his own house in the Patriarchate, after he had brought him the text demanding his signature, claiming that the aim of this power of attorney was to process a shop lease. Yakoub Miron at that time endorsed that power of attorney without seeing the Patriarch. Therefore, the annulment text came as a proof that the Patriarch signed the annulled power of attorney before him to further complicate things!!! And to remove any lingering doubt!!??.

Once again, the Patriarchate's lawyers distanced themselves from the deal, by advising the Patriarch to sign the annulment before the Notary Miron, something which raises question we mentioned in the supplement to this report.

These incidents explain why the Patriarch had insisted during our first meeting that he did not sign the Power of Attorney given to Papadimas before the notary.

The position of the Land Tax Department

On March 23, 2005, Archimandrite Ireneos, accompanied by Advocate Kevorkian to the Land Tax Department to enquire about the existence of any declaration or report about a deal. The lady in-charge said that she had no information whatsoever about any deals related to the Patriarchate within the borders of the Old City. In the same minutes Kevorkian wrote a text in Hebrew which the Patriarch signed and requested therein not to refer to any deal regarding the Patriarchate's property in the Old City, without the written and personal consent of the Patriarch.

He also requested that he be immediately notified of any enquiry submitted in the name of the Patriarchate. The official or any other party in the department did not respond to this letter.

Several days later, Archimandrite Ireneos approached the Notary Yakoub Miron to obtain a copy of the Power of Attorney given to him to handle the transactions of the Patriarchate, in his capacity as head of the treasury. There, he met the buyers' lawyer who occupies a room next to the notary's room. The buyers' lawyer informed Archimandrite Ireneos that he prepared a letter to the Land Tax Department demanding a temporary freeze on all estimates and asked that they sign in order to forward it to the Department.

Archimandrite Ireneos signed the joint letter, believing that it was in the interest of the Patriarchate. The buyers' lawyer refused to give a copy of the letter to Archimandrite Ireneos and offered to deliver it to the Land Tax Department. Indeed, the Archimandrite and the buyers' advocate went to the Department and handed in the letter on March 27, 2005.

Then, and for the first time, the official informed him that there was a declaration of the deals, but this official refused to give him any information about the claimed deal. Archimandrite Ireneos repeatedly approached the Land Department early in April. The official reiterated that there is a report\declaration about a deal, but she couldn't disclose any information to him about it, in compliance with the instruction of the

legal advisor, and refused to disclose any information, despite the fact that the Patriarchate albeit in appearance is a concerned party and has an interest in the deal, even though it would bear the taxes emanating from the deal (improvement and taxes).

The King David\Torosian and Kalmanson Deal

Following the publication of the deal and the protest and condemnation that ensued, a person living in Britain by the name of Bishara Torosian, an old friend of the Patriarch, called the Patriarch to tell him he was coming to help him. Soon after the arrival of Torosian, he began to talk about the necessity for the Patriarch to amend a sale\lease deal of the Patriarchate's rights in a choice deal, contracted between the previous Patriarch Diodoros, and an investor represented by the lawyer Kalmanson from Tel Aviv. The contract concerned a plot near\in front of King David Hotel. The deal was a complex one and included a choice element by which the Patriarchate granted the investor the rights to develop a property near King David Hotel, if the investor succeeded in securing certain building rights from the Municipality. At the time, he paid one million dollars in return for the choice to the Patriarch Diodoros. The investor could not attain the building rights which he committed himself to.

So, he lost the choice and the one million dollars he paid. He began to threaten to regain the money or to buy the building rights of the Patriarchate in accordance with the conditions of that deal. Torosian tried hard to convince the Patriarch to accept the investor's offer. In this regard, he paid the Arab lawyer to prepare an agreement on the subject or to review it. But when Torosian presented the contract to the Patriarch, he refused to sign the deal altogether and he turned down Torosian and all those who were with him. This made Torosian boycott the Patriarch to the latter's pleasure.

It became clear, in this regard, that Torosian who had come to the country under the pretext of "helping" the Patriarch, was, as a matter of fact, in the service of a cleric from the opposition who were party to the original deal, and wanted to trap the Patriarch, by using lawyer Kalmanson and Torosian. Torosian failed to obtain the signature of the Patriarch on this deal, despite the Patriarch's need for money to cover the Patriarchate expenses and to pay the salaries, etc.

Chasing the Patriarch

The support of the Greek clerics in the Patriarchate remained, despite what was published by *Ma'ariv* and despite the outcry and the Arab protest and condemnation following the publication.

Key Synod members continued to defend the Patriarch and denied any involvement by him in the deal.

They augmented their support and backing of the Patriarch with a petition signed by 55 priests, archimandrites and bishops. They forwarded the petition to the Greek Prime Minister, demanding action or intervention against some clerics who incited against the Patriarch and inflamed tempers against him.

The leaders of the instigators met on May 4, 2005 to organize the mutiny. They decided to prepare a petition containing their demands for the removal and boycotting the Patriarch.

At first, the petition was signed by the opposition.

Later, they approached the priests, monks and the bishops who supported the Patriarch and pressured them to sign it. They deliberately asked the Synod member not to attend the pro-Patriarch meeting on May 6, 2005.

The opposition leader was fully aware and convinced that should the Synod members attend the meeting, they would not vote for the demands contained in the petition. In addition to that the Synod was to meet at the request of the Patriarch; therefore, the agenda did not include a request for the boycott of the Patriarch or his removal. Also, the married priests who have the right to participate in the election of the Patriarch were not convened, nor were they invited to convene for the purpose of the removal of the Patriarch. Consequently, no decision was taken by them. Bearing in mind that the majority of those priests were Arabs and part of the Arab Orthodox denomination. Their absence was not an overlook. The Arab denomination and its priesthood were the wood fuelling the raging fire ignited by the opposition against the Patriarch inside the Patriarchate. On May 6, 2005, a large number of the Synod members and monks including many of those who signed the support petition demanded the boycott and dismissal of the Patriarch. This was a beginning of the declared and prominent move of the Greek clerics within the Patriarchate to topple the Patriarch.

The Israeli circle, who claimed to have bought in accordance with a deal, was not discouraged, and continued its contacts with the Patriarch in an attempt to blackmail him. It kept him informed ahead of any action or step or meeting planned by the opposition and what it would result in. They informed him in advance about the second press report published by *Ma'ariv* on the "Great Friday" in the eve of April 29, 2005.

They informed him about the meeting on May 9, 2005 and that it would result in the formation of the tripartite commission.

A representative of the Ministry of Justice visited him and asked him to refrain from holding a third Synod session and not to dismiss the opposition members on the pretext of cooling tempers. On the other hand, the Patriarch of Constantinople called and asked him not to dismiss the opposition members.

He was informed of the bishops' meeting in Constantinople and that his acquittal was in their hands, and that they had documents about previous deals regarding the same property and that this will help him in his claim that the deals date back to the time of his predecessor. They informed him of the first Synod's opposition meeting and that it was incomplete, and they informed him of the second opposition Synod meeting and that it didn't reach any conclusions; and they informed him of the third opposition Synod meeting and that it will end up appointing an acting Patriarch. They proved to him that their information was accurate and correct and that it goes as they say. This proves the relation of the Israeli side and its influence on what was going on within

the opposition. Accordingly, and throughout all these stages they repeated their offer of the necessity of a solution by his acquiescing in their demand for collaboration. They asked him to get rid of the Palestinian lawyers.

Authorizing Palestinian Lawyers

On May 5, 2005, the Patriarch signed a power of Attorney authorizing us to act on his behalf to investigate everything relating to the deal. Upon receiving the power of attorney we met with his lawyer and other circles familiar with Papadimas and they led us to his closest relatives with whom he is still in contact with them. On May 9, 2005, we submitted a request to the concerned authorities to allow us to see documents or declarations about the submitted reports about the deal to the land property tax. Those circles refused to provide us with any information without permission from the department of legal advisor. Meanwhile, we held several meetings with representative of the party that claimed to have bought the property. We discussed several aspects of the deal and tried to compare notes with the information we have versus the information disclosed by the Israeli side which insisted, even during these encounters, on his refusal to inform us of the documents regarding the deal or of substantial details about it.

Then, on May 30, 2005, we submitted a petition to the High Court to obligate the Finance Minister and/or the tax official to show the reasons that prevent us from seeing all that the so-called buyers had submitted regarding the declared deal. Immediately after broadcasting the news about the petition to the High Court against the behavior of the authorities and their refusal to provide us with the required information, the government legal adviser contacted the concerned authority and ordered him to provide us with all the documents pertaining to the deal, and following that, indeed, we got copies of the relevant deals. Despite that the Israeli purchasing side continued to negotiate with us in the same manner of blackmailing, they started with the Patriarch through clandestine threats to lift the Israeli protective cover to effect the downfall of the Patriarch so that they would be free to extort the other side as a condition to recognize him. The Israeli sideways astonished by the attitude of the Palestinian side which came as a surprise to them. They thought that the Palestinian side would follow suit in the footsteps of the Jordanian side by rescinding recognition. Consequently the Patriarch would be left as a prey to them under cover of seeking their protection.

PETRA, IMPERIAL, SAINT JOHN deals concluded under Patriarch Diodoros

1. The case of the Saint John Hotel building has been known for several years. It is still pending before the courts until today. It is being followed up on by an Arab lawyer who received it from the Patriarchate's lawyer.
2. No one knew about agreements concerning al-Petra and Imperial Hotels since the time of the late Diodoros.

The only one who hinted at this instance was Papadimas during his first conversation with the Advocate Elias Khouri through the journalist. However, he didn't give any details on the matter.

3. The first time the buyers' lawyer talked about the existence of such deals was during one of his encounters with Advocate Elias Khouri, prior to Patriarch Ireneos' departure to Istanbul. He hinted that by providing us with documents related to the deals, we could "clear" Ireneos from charges and claims against him regarding this property. Mr. Elias didn't pay attention to such talk and he refused them demonstrating that the only option we have was to annul all deals, if any. He insisted on the need to get all the documents regarding this property.

4. The second time there was a declaration about the existence of this old property, came two days before the departure of the Patriarch to Istanbul when he was notified (via-Davidyousef) directly about them. They also informed him of their willingness to provide him with the documents so that he could defend himself before the Synod in Istanbul. The Patriarch refused to deal with such a possibility as mentioned somewhere else in our report.

5. To prove the authenticity of their utterances, they provided us with a single document concerning al-Petra Hotel and signed in 1997.

It is attached to our report, and {they provided us} with a declaration from Advocate Davis Daniel in which he acknowledges knowing about three deals signed by Metropolitan Constantine.

The Deals under Investigation

Upon receiving the report and declarations submitted to the Land Tax Department together with the documents attached, it became clear that:

First: on August 16, 2004 Papadimas, acting on behalf of the Patriarch, signed a lease contract for 99 years of the property located in Al-Moristan Aftimos Market –Al Dabbagha – Old City, known as Saint John Hotel. According to this contract, the property was leased to a company in the name of (Humberstone Ventures S.A). It is a company registered in the British Virgin Islands, with anonymous shareholders, for the amount of \$400,000 US dollars paid in two equal installments to the Patriarchate.

In addition to this amount, the company undertook to pay in advance a rent for \$7,500 US dollars every three months.

Second: On August 16, 2004 Papadimas acting on behalf of the Patriarch, signed a lease contract for 99 years with a company in the name of (Richards Marketing Corporation) registered in the British Virgin Islands with anonymous share holders. In accordance with this contract, the Imperial Hotel building located in the square of Omar Ibn Al Khattab, Baab Al Khalil, Jerusalem, was leased for the amount of \$1,250,000 US dollars, transferred to the account of the Patriarchate in Leumi Bank in Jaffa in four installments, the first of which was \$350,000 US dollars then three installments each for \$300,000 US dollars.

We could not find in the said account any remittances in this amount; however, we found a remittance for the amount of \$259,929 US dollars on August 20, 2004.

Third: On August 23, 2004, Papadimas, acting on behalf of the Patriarch, signed a lease contract for 99 years to lease the Petra Hotel building with a company by the name of "Petra Ford Investment Ltd."; a company registered on "Quadinsi" with anonymous shareholders, for a total amount for the whole period of the lease, of \$500,000 US dollars, paid in two equal installments, the first within 30 days from the date of signing the agreement and the second after 60 days as of signing.

This amount was remitted to the Patriarchate Account at Leumi Bank Branch No. 80, Yafat St. Jaffa, the first on September 29, 2004 and the second on October 22, 2004.

On October 19, 2004 Papadimas withdrew \$150,000 US dollars in cash. He also withdrew another \$150,000 US dollars on November 2, 2004. There were also withdrawals in Israeli currency from this account to unknown quarters.

We were not able yet to receive all the relevant account sheets. We didn't receive yet copies of the payment transfers and vouchers of payment at the bank.

Fourth: On October 19, 2004, Papadimas, acting on behalf of the patriarch, signed a lease contract for real estate plot No 45 lot 30859 including the house built on it in Al-Mo'athamiyya Str. No. 18, Bab Hutta- Old City.

The lease duration is 99 years for the amount of \$55,000 US dollars in three payments, the first installment \$10,000 US dollars to be paid within 30 days, the second payment for \$15,000 US dollars to be paid on January 1, 2005, the third for \$15,000 US dollars to be paid on February 1, 2005.

The fourth payment for \$15,000 US dollars was to be paid on March 1, 2005.

These payments were supposed to be transferred to the said Bank Leumi account. But there was no mention of these amounts in the accounts we received, bearing in mind that despite our request to the bank, it didn't deliver them to us.

It is worth mentioning that this Bank Account was closed as of the end of February 2005.

Papadimas was authorized to sign for the said account as well as for all the Patriarchate's accounts at the banks, in the capacity of the position he held at the time.

We could not find in the documents which we received and reviewed, any signature or any evidence indicating that the Patriarch received any amount of the transferred payments. In addition, the buyers' lawyer acknowledges that he did not remit any amount to the Patriarch.

For information, at the outset of our meetings with the buyers' lawyer, he pointed out seven and not four deals, as shown in the documents we got from the Land Tax Department. However, after several meetings, the buyers' lawyer backed out and declared that the contracted deals were only the four we got.

Certainly, what were submitted to the Land Tax Department were the documents of the four mentioned deals. As a precautionary measure, we will follow the matter with the Land Tax Department.

We obtained partial data about banks, through the authorization given to us by the Patriarch, and through the cooperation of Archimandrite Ireneos who went by himself to the banks demanding the turnover of all the data which we hope will be received shortly.

Conclusion

1. In accordance with the information and data we received, we have not heard or received any evidence or proof, incriminating Patriarch Ireneos of knowing about a deal before its being signed or during the signing of and until the flight of Papadimas from the country.

2. He did not participate in the proceedings at any stage.

3. He did not receive any amount from any deal, despite the fact that all the payments were made to the account of the Patriarchate.

4. The deals were never presented to the Synod of the Holy Tomb Brotherhood, because the Patriarch was not aware of them.

Therefore the Synod did not endorse them, a matter which renders these deals legally invalid so they remain incomplete.

5. A very well calculated plan unfolded before us. It was schemed by a number of clerics opposing Ireneos in collaboration with Israeli Extreme Right Wingers. Their interest converged in the aim of getting rid of Ireneos step by step.

6. a) The behavior of the buyers' tenant was not in good faith. On the contrary, it is clear from the above incidents that the buyer acted in ill-faith, resorting to illegal methods to extort the Patriarch and force him to cooperate in concluding the deal.

b) The buying party did not declare the deal to the tax authority within the legal period specified by the law-45 days as of signing the deal. It kept the said deal in secret, something which constitutes a criminal breach on one hand and adds to the ill-will underlying this deal, and the timing of its utilization. There are objective indications that there was illegal cooperation that may amount to criminal violation between the Land Tax Department and the buyers. This may explain the concealment and refusal of the Department to submit the declarations and their attachments to the Patriarch or his representative until lodging the petition with the High Court.

7. The party that concluded the new deals with Papadimas was in knowledge of all deals. It tried to use them, as claimed by its representative to improve and amend its stands.

However, it is unreasonable for a sane man to sign or approve or participate in the signing of four deals for four sites for two million US dollars, at a time when there were offers for amounts bigger than this amount in return for only one deal, a matter which supports and enhances the conclusion that the Patriarch was not involved in the said deals.

8. The Patriarchate is liable for all the sums transferred to its account as a result of these deals, and the damages and the expense which that entails.

9. a) In accordance with the applicable law in East Jerusalem, Patriarch Ireneos is still the legitimate Patriarch enjoying full powers.

b. The actions of the opposition to the Patriarch are deemed null and void, because the post of the Patriarch has not been vacant. Hence the action of this group is legally senseless.

Should Israel decide to rescind its recognition of Patriarch Ireneos, this would give rise to the Israeli claim that there is a vacancy in discharging the affairs of the church, because Ireneos is no longer a Patriarch on one hand, and on the other, the procedures of electing an acting Patriarch should be repeated anew, then, the doors would be open anew for those who vie for this post, in accordance with pure Israeli criteria and dictations.

10. Recommendations

1. Follow up the procedures to get the documents which we have not received yet, and try to expose the true circles standing behind the purchase and the possibility of the existence of other deals.

2. To maintain a close relation with the Patriarch and to encourage him to continue rejecting the deals.

3. To consider the appropriate arrangement in favor of the case to initiate the legal action to declare the invalidity of the deals. This includes lodging a criminal case with the government legal advisor on the grounds of suspicion of falsification and collaboration of the Land Tax Department with the so-called buyers and to file a law case concerning the declaration of the invalidity of the deals.

4. To maintain a channel of negotiation open with the Israeli side with its affiliates; including the parties that claim to be the buyers, in the hope that this may lead to the annulment of the deals in this way.

5. Abstain from revoking the recognition in the Patriarch so as not to leave the ground empty for the Israeli government which would seize the opportunity to act against all the priesthood camps within the Holy Tomb Brotherhood to extort them and to impose its dictations in all the fields especially in the field of property.

6. Despite the circumstances surrounding the signing of the Patriarch on the Power of attorney to Papadimas, he bears part of the responsibility for the consequences resulting from the abuse of this power of attorney. Therefore, we deem it necessary to insure a monitoring mechanism that prevents the repetition of such incident and its like, just as had happened in the past, so that we may safeguard the future of the property.

7. Taking into consideration the location of the property involved in the deal, and the strategic dimension of concluding such deals and of the possible consequences

resulting from them, we deem it necessary to work on the proper diplomatic level to explain the gravity of the matter to the concerned international circles, because this is a political act to impose a new status quo that affect future negotiations with the Palestinians.

8. To seize the opportunity made available by the current crisis at the Patriarchate to enhance the status of the Arab clergy and to cement the relationship between the Patriarchate and the Arab congregation in the area.

9. To utilize the status quo to draw up a plan that ensures the workings of the Patriarchate in the future so as to prevent the custodians of this Patriarchate from committing (wrong doing) whether it's deliberate or otherwise.

10. To demand all tenants to report any action taking by the so-called buyer, so that we may respond immediately and to delegate authority to an honest law firm to handle these cases.

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